

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

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SEC. 315 LIBEL IMMUNITY WON BY STATIONS: Beleaguered broadcasters won big victory—relatively speaking—on one equal-time front last week. While industry pressed campaign in Congress to rewrite Communications Act's Sec. 315 (see p. 5), Supreme Court—by narrowest of margins—resolved long-pending equal-time libel issue in stations' favor.

Stations aren't legally responsible for libels committed by political candidates who invoke Sec. 315 to make statements which broadcasters are prohibited (by the same law) from censoring. That was court's 5-4 decision in the case of Farmers Union vs. WDAY-TV & WDAY Fargo, N.D. (Vol. 15:13).

Argument that broadcasters are liable for what candidates say on air—even if their speeches can't be screened by stations for defamatory material—was knocked down by majority. Justice Black wrote: "Under this interpretation, unless a licensee refuses to permit any candidate to talk at all, this section would sanction the unconscionable result of permitting civil & perhaps criminal liability to be imposed for the very conduct the statute demands of the licensee."

Sec. 315 itself "grants a licensee an immunity from liability for libelous material it broadcasts" under equal-time rules, said Black. Concurring with his opinion were Chief Justice Warren and Justices Douglas, Clark & Brennan.

But damned-if-you-do-damned-if-you-don't quandries confronting broadcasters who try to operate within letter & spirit of Sec. 315 were pointed up in 12-page dissent by Justice Frankfurter, joined by Justices Harlan, Whittaker & Stewart.

Never mind any "unconscionable" impositions on broadcasters, said Frankfurter; Sec. 315 says what it says—no more, no less. He pointed out that Congress has always refused to write any explicit exemption from libel actions into Sec. 315. Moreover, he said, there's nothing in Communications Act or in "Congressional purpose" which supersedes state libel laws, such as were invoked by Farmers Union in suing WDAY Inc. for \$100,000 as result of 1956 speech by Senatorial candidate A. C. Townley, who said union was Communist-dominated.

Dissenters agreed with majority that "WDAY could not have lawfully deleted from A. C. Townley's broadcast his defamation of petitioner." But they didn't go along with Black's conclusion: "Certainly Congress knew the obvious—that if a licensee could protect himself from liability in no other way but by refusing to broadcast candidates' speeches, the necessary effect would be to hamper the Congressional plan to develop broadcasting as a political outlet, rather than to further it." Frankfurter said the case should be sent back to N.D. Supreme Court "to determine the nature & extent of the liability, if any, of broadcasters to third persons." State court had ruled in favor of WDAY.

Court's ruling was hailed by NAB pres. Harold E. Fellows as "gratifying to all Americans because it reflects the sense of fair play which is traditional in this country." He said it releases broadcasters from "legal vise of a federal statute on one hand & state libel laws on the other." Decision also made it likely that Congress again will skip libel issue in any revision of Sec. 315 this session.

CATV & BOOSTER CONTROLS CONSIDERED CERTAIN: FCC is going to be regulating community antenna systems and boosters sooner or later. That much was apparent from start of hearings on the subject last week before Senate Commerce subcommittee under Sen. Pastore (D-R.I.). Just about everyone wants Communications Act amended to require Commission regulation—Congress, stations, CATV & booster operators. And it looks as if FCC is ready to go along, albeit rather reluctantly.

New legislation this year is unlikely because it's so late in Congressional session, but its bound to come before long. Big question remains, however, as to kind of legislation to be enacted & who is to be protected from whom. If the voluble Pastore's comments are to be taken literally, he certainly will be loath to restrict CATV anywhere near as much as desired by station witnesses. Time & again, he asserted that he wasn't concerned with economic welfare of stations vs. CATV but with "the public interest." More specifically, he showed dislike of Moss-Murray bill (S-1886) which would require FCC to prohibit CATV where it would "adversely affect the creation or maintenance of a station which will originate local TV programs" (Vol. 15:26). He'd prefer that FCC make its determinations on a broad "public-interest" standard. Finally, he came down to this:

"Do we trust a regulatory commission? If they're not doing the job, they ought to be kicked out. But I don't think they should be handcuffed." Station witnesses made it clear they don't believe FCC is interpreting "public interest" properly because it isn't giving highest priority to protection of local stations. But FCC again indicated it's not eager to undertake job of predicting & judging a station-CATV competitive situation.

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CATV operators are resigned to being regulated, in fact welcome it. They're back of S-2303, introduced last week by Sen. Monroney (D-Okla.), which would require FCC to control CATV precisely as it does broadcasting.

Everyone goes along with booster regulation, too. Problem is—how strict? Booster operators want minimum of technical restrictions, so they can keep costs down. Even CATV operators see no sense in fighting boosters, though they're pitching for tight rules. Booster operators made an impressive case, shepherded by venerable but vigorous ex-Sen. Ed Johnson (D-Colo.) former chairman of Commerce Committee and ex-governor of Colorado.

Hearing resumes July 7 with more station witnesses, continues July 9. CATV gets its innings July 14-15, and FCC is in the windup July 16. (For details of this week's testimony, see p. 10).

THE OLD ORDER CHANGETH: Last week saw 3 major changes in long-established alliances & allegiances within the now-TV-dominated film industry. All have been brewing for many months, and though it's coincidence that they broke the same week, each in its own way points up tremendous importance of TV in Hollywood's new scheme of things:

(1) Five-year-old Walt Disney-ABC alliance began to crack up with Disney suit against the network to invalidate their contract. Agreement was front-page news in 1954 (Vol. 10:14), and, according to industry talk, was signed because ABC was only network willing to cooperate in ownership (and promotion) of now fabulously successful Disneyland Park.

Disney obviously is anxious to place his shows on other networks and into syndication—prevented by exclusive ABC deal. He also would like to buy back ABC's share in Disneyland Park for 10 times what the network paid for it. It's understood that Disney—in addition to seeking wider variety of outlets for his TV shows—is somewhat irked by movie-oriented ABC's increasing chumminess with Warner Bros. and 20th Century-Fox. Thus one of the few exclusive movie producer-TV network deals seems destined to come to an end. (Details on p. 8.)

(2) Ziv TV Programs Inc., one of very biggest TV film producers & syndicators—and certainly the biggest privately-owned TV film company—changed hands last week in \$14 million deal with investment bankers F. Eberstadt & Co. and Lazard Freres. Probability is that stock will be offered to public, but there's also talk that United Artists—now expanding broadly in TV—may buy in. Deal follows by 6 months the public sale of stock by another huge TV film entity, Desilu Productions. (Details on p. 17.)

(3) Republic Pictures, first movie major to go all-out for TV, was sold, veteran pres. Herbert J. Yates stepping down as its leader and controlling stockholder. Object of stormy stockholder complaints, Yates' policies have been strongly TV-oriented—and before most majors were in TV at all, Republic was making more money from TV than theatrical films. Most controversial of Yates' actions had been release to TV of post-'48 features—which resulted in talent unions' barring Republic from film production.

Republic's important activities now include its Consolidated Film Labs—largest processing labs in industry—its TV-film production lot and its TV feature film backlog. Under new management, company may be free to go back into production of TV and perhaps theatrical film. Thus Republic—by changing its ownership, management, and possibly its name—may have found neat formula for negating talent unions' blacklist. (Details on p. 17.)

Note: TV's effects on network radio were felt again in another major shake-up last week when woe-beset Mutual network filed voluntary bankruptcy petition with liabilities of \$3,195,207 and assets of \$579,607 and was taken over by another set of new owners in 4th management change in 2 years (see p. 7).

ALLOCATIONS SOLUTIONS STILL ELUDE FCC: FCC's attempts to implement its proposed "interim" TV allocations plan (Vol. 15:17 et seq.)—addition of a third vhf channel to major markets by cutting mileage separations—continue to be unsuccessful. A meeting last week again came to no conclusion on how to do it.

One important development, however, is a fairly strong agreement among Commissioners that a cut to as little as 130 miles, researched by staff, would produce so little that it wouldn't be worth the candle. Furthermore, it would require what is regarded as an unreasonable amount of channel shifting among operating stations, plus too many transmitter-site moves.

Some Commissioners are becoming discouraged about the mileage-cut approach, and it's possible that FCC may have to decide that the concept just didn't prove out. Commission is due to give Senate Commerce Committee a progress report in testimony expected later this month.

Commission continues negotiating with Office of Civil & Defense Mobilization, to determine whether more vhf channels can be obtained for TV—but there's nothing conclusive yet in that area either. An FCC-OCDM progress report is still due about July 15, but it won't give any flat "yes" or "no" answers.

FCC will continue the status quo for some time, therefore, continuing its truly painstaking study. "We'll have the facts," says one Commissioner, "something we've never really had before. Then, I believe, the answer will suggest itself quite obviously. It doesn't now."

Commission has concluded its big 25-890-mc hearing (see p. 6), but it can be assumed that no major shakeups will be ordered among all the services using the space, pending resolution of the TV problem—because TV, particularly uhf, occupies a big chunk.

SOME TABOOS TO BE TABLED: TV film, once beset by sponsor & agency taboos, next season will be freer of such restrictions than ever before. While some agencies will still be iron-fisted about their taboos, generally the pattern will be to give producers more latitude. That's what we're told by Coast producers, network executives and ad agency executives. Reason: sponsor desire for improved product & more provocative programming.

Still stringently verboten will be homosexuality, excessive violence for shock value only, and other themes. However, film makers point out, most of these are taboos which would probably be observed even if there were no dicta against them. For details, see p. 13.

BRIGHT FM OUTLOOK SEEN IN STATION TOTALS: Intriguing thing about AM & FM station development in first half of this year is the continued upsurge of FM. Matter of fact, total FMs authorized (licenses & CPs) increased more than AMs—79 vs. 72—while new FM starters almost equaled AMs, 49 vs. 54. In AM, there are 3495 licenses & CPs, 3372 of them operating. FCC has a monstrous AM pending-application file, however, with 645 for new stations and 636 for changes of facilities sought by existing stations. In Jan.-June, 4 licenses & 2 CPs were relinquished.

There are 2 reasons for FM's fine showing vis-a-vis AM. First is FM's growing economic attractiveness. Second, of course, is the severe AM processing problem at FCC.

As of June 30, we find 765 FM authorizations outstanding, 620 of them on the air, balance unbuilt CPs. There are 67 applications pending. During 1959's first half, mere 5 FM licenses & 4 CPs were dropped.

It's interesting to chart the post-war expansion, shrinkage and current reinvigoration of FM. Here's the record:

FM			FM		
Year	Licenses & CPs	On Air	Year	Licenses & CPs	On Air
1945	288	48	1953	602	550
1946	684	140	1954	583	549
1947	1010	374	1955	557	536
1948	976	687	1956	559	528
1949	791	728	1957	588	537
1950	706	672	1958	686	571
1951	654	640	1959	765	620
1952	648	612		(6 mo.)	

Surprising element in these figures was the relatively small dip in light of the fact that FM stations, until recently, usually produced little or no income. Reason for their continued operation is that most are adjuncts of AMs and don't cost much to run.

AM picture has been one of uninterrupted increase. Here's post-war AM trend as of each year's end:

AM			AM		
Year	Licenses & CPs	On Air	Year	Licenses & CPs	On Air
1945	1056	913	1953	2644	2451
1946	1579	1027	1954	2782	2662
1947	1961	1586	1955	2941	2814
1948	2131	1877	1956	3140	3024
1949	2246	2045	1957	3289	3180
1950	2351	2199	1958	3423	3318
1951	2410	2306	1959	3495	3372
1952	2516	2377		(6 mo.)	

LATEST CONTENDER IN 'TALLEST' SWEEPSTAKES: Come November, if all goes well, KFVS-TV (Ch. 12) Cape Girardeau, Mo. will claim "world's tallest man-made structure" title, with a 1673-ft. spire. Station let contract last week to Dresser-Ideco, and owner Oscar Hirsch specified a November target date. New structure will top the 1610 ft. of KSWs-TV Roswell, N.M., now title-holder, and Russia's proposed 1625-ft. Moscow project (for tall tower roundup, including all those over 1000 ft., see Vol. 15: 21). Tower will weigh about 350 tons, have triangular cross-section 12 ft. on a side, will be guyed at 6 levels. It will be surmounted by 12-bay GE batwing and include provisions for future side-mounting of FM antenna at 1570-ft. level. Cost hasn't been reported, but station's application with FCC estimated it at \$284,000.

Congress

SEC. 315 & 'FAIRNESS': Can broadcasters be trusted to play fair politically? Or would they play favorites if news programs were to be exempted from the Communications Act's equal-time requirements? And when is a newscast not a newscast? These questions were posed again & again—and never fully resolved—at the 3-day House Commerce communications subcommittee sessions last week, winding up Congressional hearings on the proposed Sec. 315 amendments to reverse FCC's Lar Daly ruling (Vol. 15:8-16, 18-26).

The broadcasting-industry-spurred campaign on Capitol Hill to get relief from Sec. 315 at this session wasn't sidetracked by the inconclusive House hearings. But some of the drive's momentum, built up in Senate hearings last month, was lost. "It's a very complicated & difficult problem," said House Commerce Chairman Harris (D-Ark.).

The Senate Commerce communications subcommittee headed by Sen. Pastore (D-R.I.) meanwhile closed the record on its hearings after receiving last-minute statements. They included one from the American Civil Liberties Union urging that "bona fide" newscasts be exempted from Sec. 315, but suggesting that a Presidential commission explore broader equal-time issues. The Pastore subcommittee had been expected to meet last week to work on its report, but its members took off for the 4th of July weekend without getting together.

Just before he opened the hearings, Harris introduced his own bill (HR-7985) to amend Sec. 315. Similar to a flock of other House measures on the subject, it would exclude newscasts, news interviews, news documentaries, on-spot coverage, panel discussions and "similar-type" programs from equal-time privileges for political candidates.

But Harris displayed little pride of authorship. He said he was not yet satisfied with definitions of some of his own classifications of news shows. And there were no immediate moves by the House subcommittee to push along any of the bills toward action by the House itself.

The subcommittee's questions about broadcasters' political fairness got earnest answers from network spokesmen, station operators & others in a long parade of industry witnesses: Broadcasters are responsible men who are responsive to the public interest in news presentations. And if they aren't, they know they'd better act that way. Or they'll be in trouble at FCC license renewal time.

No subcommittee member defended the Lar Daly ruling. None cited case histories of persistent abuse by stations of equal-time principles. But Democrats & Republicans alike rejected industry arguments that Sec. 315 should be repealed altogether. And such members as Reps. Moss (D-Cal.), Flynt (D-Ga.), Rogers (D-Tex.) and Bennett (R-Mich.) were openly dubious about how much leeway should be given broadcasters.

"Is that a power which we should leave solely to the broadcasters?" Moss wanted to know. "I'd like to feel they all are objective, but I have knowledge that is not always the case." At another point Moss asked: "Do you know of any other industry regulated in the public interest which is permitted to determine the public interest for themselves?"

Testimony at the House hearings was largely a repeat of Senate's (Vol. 15:25-26). Among those appearing:

FCC Chairman Doerfer: Sec. 315 should be repealed. It's "inconceivable" that a broadcaster would risk losing his license "by attempting to discriminate between contending candidates and the public's right to see & hear news."

CBS Inc. pres. Frank Stanton: If the Lar Daly dictum

is continued into the 1960 presidential campaigns, and TV & radio are required to give equal time to the "vegetarian party, or the greenback party," a literal blackout of political coverage will be forced on broadcasters.

NBC pres. Robert W. Sarnoff: The Lar Daly ruling is "unsound in principle, unrealistic in practice and harmful in effect."

ABC news & public affairs dir. Francis Littlejohn: "legislative action is critically necessary."

NAB pres. Harold E. Fellows: The Supreme Court's decision last week that broadcasters aren't responsible for libelous statements by equal-time politicians (see p. 1) brought "common justice" to stations. But the newscast issue "transcends even this matter."

Radio-TV Directors Assn. pres. Ralph Renick (WTVJ Miami): Sec. 315 should be repealed. But short of that, equal-time requirements should apply only to paid TV & radio appearances by candidates.

Other witnesses included Democratic natl. chairman Paul Butler, who called the Lar Daly decision "unwise" and urged newscast exemptions; Lar Daly himself, demanding "equal justice for all" against "awesome dictatorial power" of broadcasters; and acting Asst. Attorney Gen. Robert A. Bicks.

A partisan flareup within the subcommittee was provoked by Bicks, who appeared in place of Attorney General William P. Rogers to defend the Justice Dept.'s intervention in the Lar Daly case (Vol. 15:25) and ask that "Congress act now to overturn" the ruling. Rep. Flynt asked Bicks for a fuller explanation of Justice's intervention, which had been challenged by Democrats on Harris' legislative oversight subcommittee as improper influence by the Administration on FCC. Rep. Bennett insisted that "all the facts" of the oversight subcommittee's action be put in the communications subcommittee's hearing record. Harris ended a shouting match by pounding his gavel, ruling that Bennett was out of order.

Tightened ASCAP rules providing more royalty protection for smaller publishers & composers have been submitted to U.S. District Court in N.Y. in a proposed consent order amending the Govt.'s 1950 anti-trust judgment against the music-licensing agency. Judge Sylvester J. Ryan set Oct. 19 for show-cause arguments by the Justice Dept. & ASCAP on why he should approve the order, which ASCAP will explain to its members at N.Y. & L.A. meetings this month. Rep. Roosevelt (D-Cal.), whose House Small Business subcommittee held hearings on ASCAP "evils" a year ago (Vol. 15:25), said it is "gratifying" that "decisive action" finally has been taken by the Justice Dept. in the case. Under the proposed order ASCAP must: (1) Pay resigning members on the same basis as others. (2) Conduct "a scientific census or sample of performance" to determine members' payment schedules. (3) Give most ASCAP writers the option of receiving payments based on the surveys or on 5-year averages of performances of "recognized works." (4) Limit votes of any member to 100 instead of 1469 now held by top publishers and up to 5116 by writers. (5) Keep records of rules changes, etc. and make them available to all members under "various conditions." (6) Admit all "qualified applicants" to membership and "publicize" qualifications twice yearly in trade press.

Radio treaty hearing on the North American Regional Broadcasting Agreement, pending since 1951, and the Mexican broadcasting agreement, pending since 1957, have been scheduled for July 9 by Chairman Fulbright (D-Ark.) of the Senate Foreign Relations Committee.

The FCC

Mack Trial Reaches Jury: After 12 tortuous weeks, the govt.'s conspiracy case against ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside (Vol. 15:15-26) finally went to the jury in Washington's U.S. District Court July 1. But just when it looked like the end of the Miami Ch. 10 trial at last was in sight, there were overnight complications. Juror Joseph R. Carroll, 65, was taken to a hospital, suffering from abdominal pains, after the jury on July 2 had spent 40 minutes deliberating.

Govt. prosecutor J. Frank Cunningham told Judge Burnita S. Matthews he was willing to have his case decided by the remaining 11 jurors. But defense lawyers said they needed time to determine whether to go ahead or call for a mistrial, and at presstime the outlook was in doubt.

In her instructions to the jury, Judge Matthews had said points in issue were whether: (1) Mack & Whiteside conspired to rig the Ch. 10 grant for National Airlines WPST-TV. (2) Mack voted for WPST-TV in return for financial favors from Whiteside. (3) Whiteside corruptly influenced Mack or corruptly tried to influence him.

Bitter wrangling between opposing counsel over the charges reached a peak during the closing arguments. At one point Mack's lawyer Nicholas J. Chase shouted that one of prosecutor Cunningham's statements was "a clear bald-faced lie." Cunningham leaped up, said he hoped Chase "will have the courage to say that outside the courtroom." Chase received a reprimand from Judge Matthews, but tempers stayed frayed—as they had been since April 7, when the trial started.

Allocation of Ch. 4 or 9 to Binghamton, N.Y. was sought by WINR-TV (Ch. 40) in petition to the FCC last week. Citing its use of experimental on-channel boosters, translators and use of maximum ERP to gain the best possible coverage, the station said that it is still forced to consider going off the air. Claiming losses of \$197,000 sustained during 1958, it said that if the total of the effort, time and money expended on the station cannot make a uhf operation economically self-sufficient, then "at some point sheer effort must give way to economic reality, and the only possible alternative will be to cease operation." WINR-TV said it would file for either vhf channel and has offered to give its present facilities to the Board of Regents of N.Y. for educational TV.

St. Louis deintermixture case was designated for hearing by the FCC last week, conforming to the decision issued by the Court of Appeals—which ordered the Commission to explore charges that improper influence had been used to get Ch. 2 shifted from Springfield, Ill. (Vol. 15:19). Date & examiner are still to be selected. FCC said that KTVI could continue to operate on Ch. 2 in St. Louis.

Operating hours of daytime-only AM stations are due to remain the same—sunrise to sunset. FCC last week announced that it had directed its staff to prepare a decision ending the inquiry & denying the request of Daytime Bcstrs. Assn. for a 2-year experimental operation with longer hours.

A third vhf service for Shreveport was proposed to FCC last week by KCMC-TV (Ch. 6) Texarkana, Tex., which filed an application to move to a site about 30 miles from Shreveport, 40 miles from Texarkana. The station said it would provide a city grade service to Shreveport—without violating mileage-separation rules,

MST—All TV Channels Needed: Telecasters' main support in FCC's 25-890-mc hearing came from the Assn. of Maximum Service Telecasters as the testimony ended last week. Exec. director Lester Lindow reiterated MST's contention that the service now rendered by both vhf & uhf stations, which the public has spent more than \$25 billion to receive, should be left untouched. He endorsed FCC's negotiations with the Office of Civil & Defense Mobilization, aimed toward the acquisition of more vhf channels, and supported the Commission's proposal that a law be enacted requiring that all sets made be capable of receiving all TV channels.

MST engineering consultant Howard Head stressed the findings of the TV Allocations Study Organization to support his plea that all vhf channels be retained because of their broad coverage capabilities. He also stated that various suggested methods of squeezing in more Ch. 2-13 assignments—directional antennas, precise offset carrier, improved receiver design, etc.—are either insufficiently tested or of limited promise.

FCC appropriation of about \$10.5 million for fiscal 1960 is expected from Congress. This is \$500,000 under the administration's budget request (Vol. 15:4), but up more than \$500,000 from total grants for fiscal 1959. Acting on the independent offices appropriations bill (HR-7040), the House voted \$10.4 million for FCC, the Senate \$10.7 million, then sent the measure to conference last week to work out a compromise figure. Allocation of increased budget funds will be largely up to FCC. House & Senate versions of the appropriations measure contained little ear-marking of money for specific purposes. Meanwhile last week, a Senate-House conference agreed on a fiscal 1960 appropriation of \$113.3 million for the USIA, including \$9 million for acquisition of radio facilities. The administration had asked \$120.5 million, including nearly \$11 million for radio.

FCC rejected protests by NAACP against renewal of the license of WLBT (Ch. 3) Jackson, Miss. on ground that it violated Commission policy on "fair presentation of controversial issues." The Natl. Assn. for the Advancement of Colored People complained that WLBT refused it time to reply to segregationist statements on a 1957 panel show, "The Little Rock Crisis," and that WLBT cut off a 1955 NBC-TV *Home* interview with NAACP counsel Thurgood Marshall by running a "sorry, cable trouble" sign. Renewing licenses of WLBT & its adjuncts WJDX & WJDX-FM, FCC said: (1) It's "not entirely clear" whether the panel program was controversial. (2) Commission can't tell a station what programs to carry, although facilities shouldn't be "used to misinform the public."

Shift of WNHCTV (Ch. 8) New Haven to a transmitter site closer to Hartford, recommended by FCC examiner Basil P. Cooper in an initial decision of July 2, 1958 (Vol. 14:27), is due to be denied. The FCC last week directed its staff to draw up a document looking toward that end. WWLP (Ch. 22) Springfield, Mass. had protested the grant, warning of danger to the area's uhfs from encroachment of the vhf, but the examiner favored the move, basing his decision on the FCC's stated policy in the Hartford Ch. 3 case, that "it was not the policy of the Commission to endeavor to protect particular uhf stations from competition" and that the ultimate test was whether the allocation will be likely to provide the best TV service to the public.

Networks

ROBINSON WON'T BE REPLACED: James Aubrey, exec. v.p. of CBS, will handle the program duties which were formerly the function of Hubbell Robinson. Thus ends the long speculation about who would be Robinson's successor (Vol. 15:24, 25) since he left to become exec. producer of the Ford specials on NBC.

Aubrey, in Hollywood for talks on upcoming program projects, told us, regarding Robinson's job: "No replacement is contemplated. Hub made a tremendous contribution, but his leaving was not a hasty move. He left a helluva ball club behind him. Mike Dann will continue to head our N.Y. program operation, Bill Dozier our West Coast programming, and I will oversee the overall programming. I will be in administration & sales also." (Latter 2 were not functions of Robinson, who was in programming solely.)

Aubrey informed us there will be some reorganization in the CBS program setup, but hastily added that this did not mean any staff turnover, but rather additional assignments & duties for CBS program executives. The new setup, he assured, means even more emphasis on creativity at CBS. "I can free Lou [Cowan] so that he gets into the creative aspect more than ever—something he's been wanting to do," Aubrey explained.

"Our objective is to increase—not decrease—creative activity. We realize, at the same time, CBS can't corner the creative market, so we want to work with other people on co-production deals, too. An independent producer could not, however, turn out a *Playhouse 90*, and in this area we can function best.

"We are interested in deals with the major studios. Warner Bros. now has an exclusive deal with ABC, but I think WB realizes it's not healthy to put all eggs in one basket. They would be better off with shows on 3 networks. I worked on the Warner deal when I was at ABC, and I helped develop *Maverick* & *77 Sunset Strip*. We have a series deal with 20th-Fox TV (*The New Frontier*); we've always been on friendly terms with Columbia-Screen Gems; I'm hoping MGM-TV will solve its problem. They have all those tremendous facilities, and it's a shame not to use them. They are now discussing deals with us; it's a question of getting the right people & properties."

Aubrey informed us that as far as CBS is concerned: "The old days with certain selling seasons are over. That pattern doesn't exist anymore. You must have good product all year 'round. When a good show comes up, it sells, regardless of time of year. There's no trouble finding a sponsor for such a show. We don't ever again intend to get caught short if a show is canceled in mid-season."

Taking a look at the overall network situation, Aubrey feels "ABC deserves kudos for making the biggest gains. But they had the farthest to go. They'll continue to do well. NBC is getting a lot of space & exploitation about its specials for next season. But I think their concept is misleading. When is a special a special? They call their Sun. night series for next season 'specials'—but actually it's just another dramatic hour. I believe at CBS we have the best balanced schedule, with comedies, bread-and-butter shows, live & filmed shows, and occasional showpieces. In addition we have the finest public affairs in prime time, and the advertisers have already bought these shows."

Aubrey tells us he & his staff are already working on program plans for 1960, but haven't yet gone into detail on the contemplated projects. He predicted coverage of the 1960 Democratic & Republican national conventions will be better than ever before, particularly with the help of tape.

MBS DEAL FINALIZED: "Mutual Broadcasting System Inc., debtor in possession" became Mutual's legal title July 1, when Robert F. Hurleigh, newly elected pres. of the network, filed petition under Chapter XI of the Bankruptcy Act in the U.S. District Court. Hurleigh, vice chairman of Mutual's board from March to the present, presently owns 100% of the network's stock, and is holding it "in the interest of Mutual's advertisers & employes." All Mutual debts have been frozen as of July 1 and the network will operate normally.

Meanwhile, a loan of \$100,000 was made to the network by Real Properties Inc., a Tampa Fla. corporation headed by Chester H. Ferguson, Tampa attorney, and Albert G. McCarthy III, a N.Y. attorney. Mr. Ferguson was elected chairman of the board, and Mr. McCarthy, secretary-treasurer, at the Mutual board meeting the same day at which Hurleigh was elected pres.

It is understood that when the Mutual deficit is minimized, following agreements with Mutual's 750 creditors under the file for petition, Real Properties Inc. will become the owner of the network. Additional sums of money are expected to be loaned to the network during the course of the debtor-in-possession status. Mutual's debt is presently \$3,195,207 (biggest debt: \$508,000 to AT&T).

The Hurleigh-Ferguson-McCarthy deal came as a surprise in network circles. A sale to a group headed by Sen. Homer E. Capehart (R-Ind.) and lawyer-broadcaster Ted Granik was expected to be finalized early last week. The Capehart-Granik group had an option to buy the network until 5 p.m. June 30, but waived it, reportedly due to a lack of funds.

The Image Makers (cont.): Another view of TV's image (Vol. 15:22-26) was brought into focus last week in an open letter from NBC pres. Robert E. Kintner to leading TV-radio advertising agency men, highlighting what Kintner termed "the striking results of 2 research studies that have just reached me."

First of the 2 was drawn from the AIM study made 6-times-yearly by Bruskin Associates, independent research firm, to probe public attitudes toward TV. When asked "Not including your family, what do you consider the 3 most important things that you now have in your home," respondents provided answers that will cheer TV proponents (even if they may puzzle followers of Sigmund Freud). TV topped the list, being named in 38.8% of replies. Others: refrigerator 36.9%, stove 36.3%, washer and/or drier 28.1%, and beds 12.8%. More than half the viewers (55.2%) said they were "completely" or "mostly satisfied" with TV.

Also cited by NBC's pres. was the Psychological Corp.'s "barometer study," which put NBC (75.4%) ahead of CBS (73.0%) and ABC (65.9%) in general public familiarity, ahead of CBS by a narrow margin in public preference, and in first place as the network doing "the best job" in a variety of categories: News coverage, entertainment, serving public interest, informational programs and "bringing advertising to viewers that's helpful in choosing products & services." (For comparison, see CBS's TV "image" study in N.Y. & L.A.—Vol. 15:26.)

Summer schedule of CBC-TV will include 13 new live talent shows, 6 of which already have sponsors. Eleven other shows, some continuing & some returns, will round out CBC's live programming.

Network Television Billings

May 1959 and January-May 1959

(For April report, see TELEVISION DIGEST, Vol. 15:23)

Sales Still Climbing: The 3 TV networks closed out the Jan.-May 1959 period with gross time billings 9% ahead of the similar 1958 period and 8.7% ahead on a May-to-May comparison. The 1959 5-month gross topped \$260 million, and the May 1959 one-month gross of \$52,085,557 marked the 3rd successive month in which the nets billed more than \$50 million. On both the May-to-May and period-to-period comparisons, ABC paced the way with gains of 17.3% & 18.7%.

NETWORK TELEVISION

	May 1959	May 1958	% change	Jan.-May 1959	Jan.-May 1958	% change
ABC	\$ 9,946,570	\$ 8,477,755	+17.3	\$ 52,492,402	\$ 44,230,215	+18.7
CBS	22,464,493	20,970,022	+ 7.1	110,759,141	104,314,359	+ 6.2
NBC	19,674,494	18,470,368	+ 6.5	97,509,662	90,757,770	+ 7.4
Total....	\$52,085,557	\$47,918,145	+ 8.7	\$260,761,205	\$239,302,344	+ 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	18,053,828	48,884,508
March	11,565,031	23,265,395	20,728,315	55,558,741
April	10,309,263	22,093,785	19,753,172	52,156,220
May	9,946,570	22,464,493	19,674,494	52,085,557

Note: Figures revised as of June 26, 1959. 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.

More about

DISNEY-ABC PROBLEM: One of TV's most successful producer-network marriages seemed headed for the divorce court last week, when Walt Disney Productions filed anti-trust suit in Federal District Court, N.Y., July 1 against ABC-TV, charging that the network was "illegally attempting to prevent the telecasting of *Zorro & Mickey Mouse Club*."

What Disney has been seeking for the past 6 months is invalidation of a 1954 agreement with ABC. According to Roy Disney, ABC wouldn't air the shows, and "interfered" with Disney's attempts to sell them to other networks. Now Disney wants to break the contract in court.

ABC—which took a long chance 5 years ago & provided Disney with some \$5 million to finance Disneyland Park (AB-PT has a 35% interest) and a 7-year contract for the *Disneyland* (now *Walt Disney Presents*) series—immediately took sharp exception.

"Disney granted an exclusive on his TV programs to ABC," said an ABC statement, adding that the network "has lived up to its agreement in all respects." ABC contends that Disney owes it more than \$1 million. The sum derives, ABC explains, from the Disney-ABC contract which calls upon Disney to share losses if sales on shows like *Mickey Mouse Club* drop below a certain level.

The feud went into another round of verbal fusillades July 2, with Roy Disney, pres. of Walt Disney Productions, counter-charging that the TV-movie firm has "no financial obligations to ABC-TV." Roy McDonald, chief counsel for WDP, added that this Disney contention was part of the anti-trust complaint filed against ABC-TV July 1 and that it "will be settled by the court."

A firm offer has also been made by Disney to ABC-TV to buy AB-PT's holdings in Disneyland Park, Roy Disney further affirmed. The amount: \$5 million for ABC's share, in which ABC's original portion was \$500,000.

NETWORK SALES ACTIVITY

Nets Near SRO: Activity was slow last week—a condition network spokesmen attributed to the holiday week & the near-sold-out status. As of July 3 here's what remained unsold in evening time for next fall: ABC had 4 half-hours unsold and approximately 20 min. in availabilities open in *Alaskans*, *Adventures in Paradise*, *Cheyenne*, *Bourbon Street Beat*, *Bronco*, *Untouchables*, and *Leave It to Beaver*. CBS still has a half-hour of *The Line-up* on the block as well as two alt.-wk. half-hours on Sun. & Wed.; NBC still hasn't sold 60-min. *Five Fingers*, and half of *Troubleshooters* and *Love & Marriage*. NBC's 7:30-8 p.m. on Mon. & Thurs. remain unprogrammed. The week's significant buy was Carnation's \$3 million entry into ABC-TV. This advertiser, who has been off network TV since 1957, is reportedly buying into another ABC-TV show next season, for one of the open time slots.

ABC-TV

Sugarfoot (Alt. Tues., 7:30-8:30 p.m.) Alt.-wk. half-hours putting **Sugarfoot** in sold-out category. **Carnation Co.** (Erwin Wasey, Ruthrauff & Ryan).

Championship Bridge with Chas. Goren, eff. Sun. Oct. 18 (3:30-4 p.m.). Produced by Walter Schwimmer, Chicago. **North American Van Lines** (Biddle).

Adventures in Paradise, Cheyenne, Alaskans, & the Untouchables. Twenty-min. segments on alt. wks. next season, using major portion of advertiser's \$6 million network budget. **Armour** (Foote, Cone & Belding).

Alaskans & Adventures in Paradise, minute participations and Dick Clark Show, 15-min. seg. each week, all in Nov. and Dec. **Seven-Up** (J. Walter Thompson).

NBC-TV

Rexall Drug Specials (Sun. evenings, dates & times not set). Series of 6 60-min. adaptations of theatrical properties, first of which will be a musical program on Oct. 18 (10-11 p.m.). David Susskind, of Talent Associates Ltd., will produce all 6 programs. **Rexall Drug Co.** (BBDO).

Daytime 15-min. buys: Alt.-wk. segments in **Concentration & It Could Be You, Brillo** (J. Walter Thompson); additional segments in **Ruff & Reddy** and **Fury, Borden** (Young & Rubicam); alt. segments of **Treasure Hunt, Queen for a Day, Tic Tac Dough and County Fair, Gold Seal Co.** (Campbell-Mithun); renewal of alt. wk. segment in **Fury, General Foods** (Young & Rubicam); renewal of 52 segments in **Tic Tac Dough, Standard Brands** (various); 4 weekly segments in **Tic Tac Dough, 5 alt. half-hours in It Could Be You, 4 half-hours in Truth or Consequences, and 3 alt. segments in Treasure Hunt, Procter & Gamble** (various agencies).

Liberty Bowl Game, new college football series, half of first game on Dec. 19. **Liggett & Myers** (Dancer-Fitzgerald-Sample).

There will be 155 specials on NBC in the coming season, with sponsors spending \$45 million on those shows, it's estimated by Herbert Sussan, head of special programs. He's currently in Hollywood lining up properties & stars for the specials. Most of the Fri. & Sun. shows will originate from N.Y., some from Hollywood, and the Ford series on Tues. will originate mainly from the coast.

Stations

JULY OPENS WITH A VHF & A UHF: KTLE (Ch. 6) Pocatello, Ida. began July 4 with NBC-TV, and KHTV (Ch. 27) Portland, Ore. begins programming this week (July 6) as an independent, reactivating the pioneer uhf channel that has been off the air for more than 2 years. Week's 2 starters change the on-air total to 554 (including 84 uhf).

KTLE has a 10-kw RCA transmitter and a 153-ft. tower on a mountain 3.5 mi. west of Pocatello. The only city with a TV outlet within 100 mi. is Idaho Falls with KID-TV (Ch. 3), approximately 40 mi. away. KTLE CP is held by KBLI Inc., licensee of radio KBLI Blackfoot, Ida., in which radio KNAK Salt Lake City is 70% stockholder. Howard D. Johnson, who owns 57% of KNAK (jointly with his wife), is KTLE pres. & gen. mgr. Gage Anderson, who owns 17.25% of KNAK (with wife), is KTLE commercial mgr. Base hour is \$200. Rep. is Forjoe.

KHTV has 1-kw GE transmitter and a 200-ft. Fisher self-supporting tower on Council Crest Dr., Signal Hill. CATV operator Wallace J. Matson, pres. & 50% stockholder, also is gen. mgr. & chief engineer; J. Benton (Benny) Heald, ex-electronics sales in Portland area, is station mgr. & 21.5% owner; Stuart Nathanson, ex-KTRX Kennewick, Wash., sales mgr.; Rex L. Watson, production mgr.; Charles W. Shevland, film director; Marlowe Brangan, promotion & special events mgr.; Nat Jackson, news director. Base hour is \$360. Reps are Gill-Perna and Ayres, Allen & Smith (West Coast).

Note: Ch. 27, operating as KPTV, was the second post-freeze TV station to get on the air, beginning operation Sept. 18, 1952 under the aegis of Herbert Mayer, who had obtained experimental RCA equipment for a fast start (Vol. 8:35, 38). He sold the station to Storer in 1954 as part of a \$10,000,000 package (Vol. 10:2, 44). In 1957 Storer sold NBC-TV affiliated KPTV to George Haggarty, who also acquired Portland's KLOR (Ch. 12) at the same time. Haggarty merged the 2 facilities and cancelled CP for Ch. 27, but retained KPTV call letters (Vol. 13:16-18). The present owners applied for Ch. 27 and were granted CP May 8, 1958.

Facility changes: KLOR-TV (Ch. 11) Provo, Utah, boosted power to 176-kw in June . . . WGR-TV (Ch. 2) Buffalo expects to begin using temporary 3-bay antenna at new site on Elmwood Ave. July 8, with a permanent move from Hotel Lafayette scheduled by Aug. 1 . . . KTVI (Ch. 2) St. Louis plans to begin July 20 with 1000-ft. tower at new site in Sappington, Mo. . . WEDU (Ch. 3, educational) Tampa plans boost Aug. 15 to 56.2-kw . . . WGAN-TV (Ch. 13) Portland, Me., has set Oct. 1 as target for move to 1619-ft. tower at new site on Brown Hill, Raymond, Me.

Four applications for new TV stations were filed with the FCC last week: for Louisville, Ky., Ch. 51, by a group of Louisville businessmen headed by distillery pres. George E. Egger; for Medford, Ore., Ch. 10, by radio KMED there; for Reno, Nev., 2 applications for Ch. 4, one by electronics engineer Charles E. Halstead Jr., the other by E. L. Cord, owner of KFAC Los Angeles. This brings total TV applications pending to 99 (15 uhf).

FCC granted a waiver recently to permit KTVU (Ch. 2) Oakland, Cal. to identify itself as an Oakland-San Francisco outlet.

Taft Bestg. Co., in revised prospectus in connection with the sale of 483,322 shares of common stock, reports these revenue & operating profit figures for its wholly-owned WKRC-TV & WKRC Cincinnati, WTVN-TV & WTVN Columbus, WKYT (TV) Lexington and WBRC-TV & WBRC Birmingham, for 2 months ended May 31: Net TV broadcasting revenue, \$1,327,815 (vs. \$1,129,857 in the same 1958 period); net radio revenue, \$392,735 (vs. \$363,118); TV operating profit before depreciation & amortization, \$624,680 (vs. \$511,981); radio operating profit, \$148,789 (vs. \$143,840). WBIR-TV & WBIR Knoxville, in which Taft has 30% interest, made this report for 5 months ended May 31: Net TV revenue, \$430,971 (vs. \$366,465 during similar 1958 period); radio revenue, \$74,369 (vs. \$74,756); TV operating profit, \$160,891 (vs. \$111,795); radio operating profit, \$12,443 (vs. \$17,580). The stock will be underwritten by a group headed by Harriman, Ripley & Co. (For Taft Bestg. financial reports from 1950 to 1959, see Vol. 15:24, p. 14.)

TV-radio inertia costs many farm advertising dollars, a major machinery manufacturer told the recent Natl. Assn. of TV-Radio Farm Directors conclave. Minneapolis-Moline marketing v.p. M. E. Carroll said his firm spends a heavy ad budget but TV & radio get none simply because no salesmen call to sell these media. But at the same meeting, some 20 TV-radio representatives made a joint bid for more farm broadcast business from attending advertisers & agency executives. Their joint message advanced farm broadcasting as the logical medium for reaching the \$37.8 billion farm market because it serves an audience that gives "undivided attention—while eating breakfast, driving to work, or even while milking cows."

Possible new vhf channel for Hartford was protested last week by Mass. Sens. Kennedy (D) & Saltonstall (R) and Reps. Conte (R) & Boland (D) who told FCC that such an allocation would drive 4 western Mass. "hometown TV stations" out of business. Noting that "uhf has had singular success" in the area, they said that the continued success of stations in the Springfield-Holyoke-Pittsfield-Worcester section depends on whether "they are left free from interference from vhf TV." The legislators added, however, that if FCC should allow vhf to extend into western Mass., "thereby eliminating uhf TV . . . We feel most strongly that populous centers of western Mass. should be assigned vhf channels."

"Paid in Full" invoices for \$455,480 were mailed by WNBQ & radio WMAQ to more than 50 organizations which received that sum in gratis public-service time on the stations during 1959's first quarter. Major recipients: March of Dimes, Easter Seals, Heart Fund. (For Jan.-to-May, the total is \$809,465 in TV-radio time for nearly 100 organizations.) NBC v.p. Lloyd E. Yoder, who is gen. mgr. of the 2 stations, said, in a note accompanying the invoices: "This 'billing statement' from NBC Chicago indicates the estimated dollar value of time devoted to your organization during the period shown. We are happy to mark it 'Paid In Full' for the real payment in public service comes, not in dollars & cents, but in serving the human interests & welfare of our community."

Sale of KBLR-TV (Ch. 10) Goodland, Kan. by James Blair to Leslie E. Whittemore & associates for \$5000 plus assumption of \$400,000 liabilities was approved by FCC last week. Also approved was the sale of radio KBLR to the same group in a separate deal for \$145,000 plus \$25,000 in liabilities (Vol. 15:16).

American Congress of Exhibitors has started informal talks with Justice Dept. officials to see whether ambitious proposals for theater owners to raise \$10,000,000 to buy up post-1948 movie features (thereby keeping them off TV screens) can be formulated under anti-trust rules. No specific plans have been submitted to Justice by ACE, the new group which took over the anti-TV scheme from the Theatre Owners of America (Vol. 15:10), and no govt. opinions on anti-trust angles have been offered. One Justice Dept. official who has been consulted by the ACE told us the talks have been "tentative & preliminary" and no formal conferences on the subject have been set. TOA's original plan was to set up a trust fund to acquire titles to features held for sale by distributors. Broached in March 1958, the scheme has been talked over since (Vol. 14:13 et seq.), but has produced no stop-TV kitty.

Unique crisis developed in Nacogdoches, Tex. last week when KTES (Ch. 19) left air until July 7. City commissioners are due to decide on that date whether owner Lee Scarborough or Lufkin City commissioner Lyn Meteauer will get a franchise to install a community antenna system. Scarborough said he won't be able to resume operations if his competitor gets the franchise. He says he could wire up 800 homes in the 15,000-pop. city within 90 days.

Transcontinent TV Corp. elected 4 directors & a v.p. recently following merger of Transcontinent and Marietta Bestg. Inc. (Vol. 15:7, 12, 20): Jack Wrather, pres. of Jack Wrather Organization, majority stockholder of Marietta; Monte Livingston, exec. v.p., Wrather; Edward E. Voynow, pres., Edward Petry & Co., minority stockholder of Marietta; Walter Walz, assoc. of Carl M. Loeb, Rhoades & Co., N.Y. investment firm. George Whitney, v.p., Marietta, was elected a v.p.

TV spot dollar should come from sales dept. budgets as well as regular advertising appropriations, the Katz Agency, N.Y. station reps, believes. This week, Katz executives will start showing a new 30-min. presentation, "The Sales Manager's Medium," which charts the relationships between marketing, retailing, and the use of local-level TV.

NAB pres. Harold E. Fellows will be windup speaker at NAB's management development seminar July 5-17 at the Harvard Business School, where 60 broadcasters will receive certificates of completion of the special course. Other speakers will include prof. Andrew Gyorgy of Boston U. and CBS Inc. pres. Frank Stanton.

Clinton McKinnon, ex-Congressman, who owns 25% of KOVA Tucson, 100% of KOAT-TV Albuquerque and publishes 2 Cal. weeklies, has announced plans to start a new daily in Phoenix. It will be the first competition for Phoenix *Republic* and *Gazette* since the *Arizona Times* folded in 1949.

Baton Rouge's WAFB-TV (Ch. 28) filed an application with FCC recently seeking the Ch. 9 drop-in there (Vol. 15: 23) and at the same time requested authority to operate temporarily on the channel pending the outcome of any hearing that may evolve.

TV news broadcast by WWJ-TV Detroit became evidence in a local murder trial recently. The victim apparently switched on a concealed tape recorder some time before she allegedly was shot by her husband. The recorder, found by police under the living-room couch, had taped among other information the station's *11 O'Clock News* as it came in over the room's TV receiver. The tape & WWJ-TV's script were admitted as evidence; and station news dir. James Clark was called to identify the newscast.

Auxiliary Services

More about

CATV & BOOSTER REGULATION: The plain-spoken comments of Sen. Pastore (D-R.I.) were probably the most significant aspects of the CATV-booster hearing conducted by his Commerce subcommittee last week. In addition to his statement that he doesn't like the Moss-Murray bill's requirement that FCC prohibit CATV where it might "adversely affect" existing or prospective TV stations (see p. 2), he also showed he doesn't care for the proposal by FCC & stations that CATV be required to get stations' approval before distributing their signals. Said he:

"Give people a choice of CATV or local. That's the democratic way. I don't like compulsion. Why should the CATV boys be forced to do something by a competitive group? If you put CATV under the broad FCC supervision, won't you have enough? I'm not interested in the economic welfare of one group as against another. Only the public. Why not let the public or FCC get the rebroadcast rights—so that subscribers could get the signals they want? I favor local stations, but will this legislation lead us down a blind alley?"

Harking back to the Moss-Murray "adversely-affect" proposal, he said: "I'd hate to be the Commissioner who makes the decision. Who knows why a station operator might be unsuccessful? He might take to drink. Or take to women. Who knows?"

Pastore reflected the FCC position, which was reiterated last week in a statement on Moss-Murray bill:

"As we pointed out in our report & order of April 13, 1959, numerous circumstances—including some imponderables—determine the success or failure of existing TV stations and the probabilities for the success or failure of new stations. These factors include not only the number of TV services locally available but also the size & nature of the market, the supply & quality of programs, the extent of local, regional and national advertiser support, and related factors. They also include the competence, energy and imaginativeness of management, the amount of capital available, and numbers of other factors which in one degree or another affect success or failure of station operation. These circumstances illustrate & underscore the difficulties attaching to the process of making findings as to adverse impact which, under S-1886, would be decisive in determining whether to authorize continued operation of repeaters & CATV . . . and whether to authorize new ones."

The Commission also persisted in its belief that local station service isn't always preferable to service offered by CATV or boosters. It stated:

"In a typical case, CATV systems & repeaters are able to provide program services otherwise unavailable to the local community. This is because CATV's & repeaters have usually been established in the smaller communities which lack full choice of nationwide & other TV program services. Thus, they have been able, to considerable extent, to supplement the program fare which a local TV station is in a position to offer. Since an ultimate objective of a TV allocation plan is the provision of as many program choices as possible to as many members of the public as possible, it may not hold in all cases that the overriding public interest would necessarily be served by protecting a present or possible future regular TV station from adverse competitive impact exerted by services able to offer a wider program choice."

Pastore backtracked a bit, however, by remembering his pet project—trying to get a 3rd vhf channel in Providence. He said he places a great value on local service.

On that subject, Sen. Moss (D-Utah) asserted that, technically, stations in one or 2 cities could originate all programs, with the rest of the U.S. served by repeating facilities. He urged that local service be given highest priority. Sen. Mansfield (D-Mont.) took no strong pro or con side but urged that the CATV & booster problems be solved. Sen. Carroll (D-Colo.) pitched mainly for authorization of boosters, said FCC has enough power now to legalize them. Sen. Church (D-Ida.) made similar plea.

Sen. McGee (D-Wyo.) was the most outspoken defender of the station's position & opponent of CATV. He stated that CATV can put a station out of business, in turn cutting off the service of boosters fed by the station. Sen. O'Mahoney's (D-Wyo.) position was presented by his assistant: Favor local stations and require CATV & boosters to get originating stations' permission to use their signals.

Ex-Sen. Johnson (D-Colo.) read a statement from Colo. Gov. Steve McNichols, reiterating the latter's contention that vhf boosters are harmless, provide a vital service—and probably can be licensed without new legislation. He said he's satisfied that FCC can provide the proper interference safeguards—and he's willing to rely on the Commission's judgment on technical requirements.

On his own, Johnson blasted CATV operators, charging them with trying to kill boosters. "CATV will take every possible step," he asserted, "to hinder legislation on boosters and will do everything in its power to create legislation to [make] booster operators go out of business."

Booster operators' testimony was best summarized by Jess A. Slusser, pres. of National TV Repeater Assn., who recently retired as engineering director of KOA-TV & KOA Denver after 35 years with the stations. "Uhf cannot do the job," he said. "CATV has not been the answer, but it's clearly evident from the number of vhf repeater stations now operating that the vhf booster is doing the job."

As for alleged interference from boosters, he said: "With the number of repeaters operating over the past few years there has been only a minor number of reports of interference coming to my attention. Upon investigation these have not been real cases of trouble but usually just friction between a CATV operator & a vhf repeater." He then produced a telegram from H. E. Aldridge chief, air navigation facilities div., FAA 4th region, Los Angeles, who said that the 4th region does not have in its files any record of interference with air navigation facilities from boosters "operating in the normal manner . . . or evidence that such interference has been a contributing cause to aircraft accident." Said Slusser: "In the last few months there has been more interference with communications systems & aids to navigation created by electronic garage door openers just in the Denver area than has occurred in the entire history of vhf repeater operations." He called for "immediate" FCC regulation of boosters.

George C. Hatch, of KUTV Salt Lake City, KLIX-TV Twin Falls and KOPR-TV Butte, summarized the situation thus: "Without effective rules & regulations, repeater devices, whether boosters or CATV systems, will generate interference and/or degrade signals, and will jeopardize orderly development of local standard TV stations. If they are properly placed under the jurisdiction of the FCC and subjected to reasonable rules & regulations, just as our standard TV stations are, they can be a tremendous boon in bringing service to many areas that cannot support standard stations and will fill in the coverage."

Also calling for CATV regulation, William C. Grove (KFBC-TV Cheyenne & KSTV Scottsbluff, Neb.), asserted that he seeks no monopoly. "I do not complain of the competition," he said, "unfair though it is, that I get from a CATV system which is bringing service into my area at no cost to the advertiser if the program is a different program from that carried by my stations. Certainly this will hurt my stations. It will dilute my audience. It will give the advertiser an incentive not to pay to have his program on my station because he can in all likelihood reach a substantial part of my audience at no cost to him by means of CATV. This is unfair competition, but I do not think it will destroy me. But what will certainly destroy me is when the CATV or any other service such as translators or boosters or what have you, is permitted to duplicate my programs in my area at no cost to the advertiser."

Rex Howell, owner-gen. mgr. of KREX-TV Grand Junction, Colo. and its satellite KREY-TV Montrose, told the subcommittee "the future of free TV rests ultimately with the outcome of these hearings . . . If free local TV is to be preserved, and CATV's are to come of age as responsible media of communications, they must be brought under FCC regulation," he said, endorsing the Moss bill. He assured the subcommittee: "Broadcasters are not opposed to CATV per se."

Ed Craney, pres. & gen mgr. of KXLF-TV Butte, Mont., lit into FCC as "the defender & apologist for one form of pay TV, the CATV, or cable companies." In a 34-page "preliminary review" of problems of stations vs. CATV, he concluded: "It seems plain this is what the [Commission] has favored and will continue to favor & promote in every possible manner—by action & lack of action." The Butte station operator called the FCC-recommended legislation "utterly inadequate" to cope with problems of stations vs. CATV.

Marshall H. Pengra, co-owner & gen. mgr. of KLTV Tyler-Longview, Tex., recounted a long history of his troubles with Tyler's CATV system from the time his station went on the air in Oct. 1954. At the time, he related, the system was delivering from 2 Dallas stations and one in Ft. Worth, gleefully advertising they were "live" while KLTV lacked cable or microwave network service and was able to show only network-show films or kines—as much as 3 weeks late. Since then things have got no better, Pengra complained: All live NBC, CBS & ABC network programs now carried by KLTV are duplicated simultaneously by the local CATV. KLTV's signal "is degraded in 55% of the locations surveyed" in an Aug. 1958 FCC field report. He said he has "grave doubts for the future of our station unless something is done by the FCC . . ."

Needed, he said, are "simple rights of fair play under our American system of free enterprise." He said the following should apply to CATV: (1) No duplication of a local station's programs. (2) No interference with or degrading of a local station's signal. (3) If a local station requests it, a local CATV system must carry the station's programs (4) In any event, an originating station must give permission for CATV pickups.

Bitter anti-CATV testimony also came from pres. Frank Reardon of now-dark KULR (formerly KGEZ-TV) Kalispell, Mont. He blamed FCC "policies which foster CATV growth and restrict local TV broadcasting" for circumstances which put him off air in April '58 & May '59.

Reardon said the proposed legislation is "desirable" but doesn't go far enough. "I think this Congress should speedily enact legislation which would prohibit the Commission's granting microwave facilities for use of CATV."

Educational Television

Broadcasting Symposium: Industry, political & academic leaders are discussing major issues confronting broadcasting at a special summer-session college-credit symposium sponsored by the TV-Radio-Film Dept. of Northwestern U. Gilbert Seldes, dean of the U. of Pa.'s new Annenberg School of Communications, and *Saturday Review* TV editor, told the symposium in his guest address that improvements in broadcasting must start at the local level. He called for shows in which community leaders & broadcasters discuss their mutual problems, and he advocated high school & college courses in mass-media appreciation, to increase audience understanding of broadcasting. Other guest lecturers will include NBC planning & research v.p. Hugh M. Beville Jr. next week (July 16) and *Voice of America* deputy dir. of bestg. John O'Brien (July 30).

The symposium will also include these subjects: "Creative Programming" (Eric Barnouw, Columbia U.), "Functions of Communications Research" (Reuel Denny, U. of Chicago), "Broadcasting as a Dimension for Politics" (Samuel E. Brightman & Richard Guylay of Democratic & Republican natl. committees respectively), "Broadcasting in the Soviet Union" (Boris N. Krylov, counselor, Soviet Embassy, Washington).

TV pupils outscored teacher-taught classmates by 9.6 percentage points, it was revealed last week after a controlled math experiment conducted by the N.Y.C. school system. Over a 5-month period, 10 experimental classes had viewed half-hour 7th grade math twice-weekly via WPIX. Twenty control classes of comparable ability & math achievement took the same course *sans* TV. In a 50-question test, the TV students scored the equivalent of 75.2 out of 100 vs. 65.6 for the others. The outcome is the reverse of that of a similar test conducted at Long Island Agricultural & Technical Institute (Vol. 15:26) where video-less students outscored TV classmates 76.3 to 75.85.

NAB's TV "image" program (Vol. 15:25) wouldn't be needed "to counteract the growing amount of unfriendly comment" on programming if commercial telecasters demonstrated awareness of their educational responsibilities, the *NAEB Journal* suggests. It's "strange," says an editorial in the May issue of the Natl. Assn. of Educational Bcstrs.' organ, that "promotion of learning as a fundamental obligation of telecasters" wasn't even mentioned in the speech that called for an industry promotion campaign at the NAB's Chicago convention in March (Vol. 15:12). Signed by *Journal* editor Tracy F. Tyler, the editorial argues that it's time the industry realizes that TV "has a major & more significant service to render to our society than to meet what it decides are the present interests of the people and, secondarily, to program for minority tastes & interests."

Successful TV teaching of illiterates by educational WKNO Memphis, has in 2 years enabled some 2000 adults to attain "functional literacy," reports *Harper's*. Each pupil reached this level of roughly 4th-grade schooling by investing 350 study hours, divided between thrice-weekly half-hour TV lessons and "homework" supervised by volunteers at educational centers set up in schools & libraries. WKNO has packaged, for sale to interested stations, 98 half-hour lessons on film.

Petition to switch educational reservation in Muncie, Ind. from Ch. 71 to Ch. 55 has been filed by Ball State Teachers College.

Programming

Radio Press International, new radio news service, was formed last week (June 29) by the merger of Radio Press Inc. and International Transmissions Inc. The newly-organized service plans to enlarge its operations to include 3 20-min. transmissions per day each weekday and one 20-min. transmission on Sat. & Sun., as well as Washington, national and foreign news reports. Client contracts of the 2 former firms (54 stations for RP and 18 for ITI) will be fulfilled, RPI affirmed. The newly-formed service will have access to 46 foreign correspondents, 387 U.S. stringers, and a London news bureau. Telephone lines & leased wires will be used. George Hamilton Combs, pres. of Radio Press, has become board chairman of RPI, and Sumner J. Glincher, ITI pres., is now RPI pres.

ABC will be fighting brawn with brains next fall when *Championship Bridge with Charles Goren* goes into the Sunday 3:30-4 p.m. slot against professional football on CBS & NBC. ABC anticipates a massive following for the series, pointing out that there are about 35 million bridge players in the country. Each Sun. an actual game will be played, with the team scoring the most points receiving \$1000 and an invitation to return the following week. The losing team will receive \$500. Bonuses of \$1000 & \$500 for grand & baby slams will be given. Play by play description will be supplied by Alex Dreier with Goren analyzing the play. Table talk & bidding will be picked up direct.

Don't overlook cartoon appeal to adult viewers at night, Joel Chaseman, gen. mgr. of Baltimore's WJZ-TV, tells us. Generally regarded as moppet fare for daytime or early-evening shows, cartoons & comedy shorts (*3 Stooges*) are now being scheduled by the Westinghouse-owned station to lead off its nightly movie show, along with a news-weather-sports roundup. "Our feeling," says Chaseman, "is that the viewer wants a complete show—just like a neighborhood movie." Currently, Chaseman is using cartoons from his *Terrytoon* & *Popeye* packages, and says that viewer reaction has been excellent.

More community service TV is in the works at Corinthian station KHOU-TV, Houston, says James C. Richdale, v.p. & gen. mgr., including "expanded news coverage, programs dealing with local & state issues and personalities, educational series, and even live entertainment." The station has also named producer-director B. Calvin Jones, former program mgr. of Westinghouse's KDKA-TV Pittsburgh, to become KHOU-TV's dir. of programming & operations. Jones has won 2 freedom foundation awards for locally-produced documentaries, and has produced sequences for *Wide, Wide World*.

TV-radio stations were among those media (also newspapers, magazines and ad agencies) accused by N.Y.'s Committee of Religious Leaders of hurting the city's moral climate. In a report to Mayor Wagner, the committee censured TV for long exposure of materialistic, sadistic, and suggestive themes, and scored radio for the "indecent suggestions & implications" in some popular songs carried on disc jockey programs. The committee advised that all faiths would make pulpit appeals to urge their congregations to register their concern with the offending media.

Movies occupy a quarter to a third of all TV viewing time in the major market areas, a *TV Guide* (July 4) survey points out. In L.A. & San Francisco, viewers can see some 10,000 movies yearly. Other scores: N.Y., 147 films weekly; Cleveland, 135; Seattle, 90; Chicago, 60. West-erns & World War II films are favorites.

Tabooing the Taboos—a Promise of More Mature Programming

FEWER FILM BANS: TV film executives, who frequently in the past have blamed sponsors & ad agencies for restricting them with too many taboos, today report a general easing off of such pressures. Some remain, of course, but for rational reasons, for good taste, and no longer as the whims of individuals.

Result: Executives promise more mature product next season. There are still islands of nonsense, they admit, in script acceptance circles, especially in live TV. The decision, for example, to eliminate the words "gas chamber" from *Playhouse 90's* "Judgment at Nuremberg" (because American Gas Assn. was one of the sponsors) is termed "not so much a taboo as childish" by ex-*Playhouse 90* producer Martin Manulis. Now TV production chief at 20th-Fox, he tells us he's had no restrictions there except on themes he'd not use anyway. He's not allowed to have suicides, but unhappy endings are permitted. Controversial stories don't belong in weekly film series, in his opinion.

Only a few years ago when a telephone operator objected to a sequence in the Frank Wisbar-produced *Fire-side Theater*, the sponsor ordered Wisbar to reshoot that scene for reruns. This sort of thing is not apt to happen today. Departing now are bans on subjects of infidelity, unwed mothers, narcotics and prostitution. (Not all sponsors, of course, have eliminated such restrictions.) But the trend is not so much the elimination of specific ukases as the lessening of inclination by ad agencies & sponsors to be worried or frightened by pressure groups.

A concrete example of liberalism in taboos is *Maverick*, the Warner Bros. series in which the heroes are a pair of easy-going, shiftless gamblers. When Dorothy Brown, head of ABC's West Coast continuity acceptance dept., was confronted with a series showing gambling (on Sun. nights too), she took the chance that there wouldn't be any strong reaction against it. The series, of course, became a hit. There was no adverse reaction, and now gambling will also play a part in WB's new *Bourbon Street Beat*.

A recent *Gunsmoke* episode had Marshal Dillon (Jim Arness) ambushing & killing some heavies who had murdered a girl. At no time in the TV of recent yesteryear would a lawman have been permitted to shoot down even heavies in such an eminently practical manner.

Once ABC didn't so much as allow the mention of suicides. Today it's permissible to use suicide if not depicted as the solution to a problem. Bans still exist at ABC against interracial romances, excessive violence (particularly important this year because of the heavy Western & private eye programming), but in general good taste is the guiding factor.

Right down the line, many of the old TV taboos no longer exist. The new *June Allyson Theatre* has received, instead of taboos, only the agency advice that it use common sense & good taste. *GE Theatre's* sole restriction is the sponsor's desire not to have too many downbeat themes successively. All this is a refreshing change from the days when every series had its list of don'ts.

This "creeping liberalism" in TV programming is taking on trend proportions. Virtually all industry figures tell us the bars are coming down.

NBC coast program v.p. Alan Livingston: Taboo pressures are lightening because the sponsor, wanting better

shows, came to realize that TV had too many restrictions, and consequently, "There is less interference today."

Bob Wood, head of NBC's West Coast continuity dept.: NBC tries to take a mature attitude on taboos in general. It has allowed suicide if it's a necessary element of the particular story. But excessive violence & brutality injected into telefilms sheerly for shock effect is still banned.

ABC's Dorothy Brown: "We're not concerned about the way the established companies such as Warners, Screen Gems, Disney or Four Star will handle the delicate areas; it's the new companies we've got to watch carefully." There's been considerable progress in eliminating taboos, but "we can only go as far as the public will go."

BBDO West Coast v.p. Bud Stefan: Agencies are concerned mainly with not offending the sponsor or any dealers handling his product. If a Westinghouse product were to be inadvertently used in a scene on GE-sponsored *GE Theater*, for example, the public wouldn't complain, but it would bring anguished cries from every GE dealer in the country who saw that show . . . "No client would want a scene in which a Negro would hug a white girl. They don't want to antagonize the South, nor do they want to offend any racial or religious group. That's cash register talk."

Producer Sam Rolfe (*Have Gun—Will Travel*): "We have no specific taboos, only the usual CBS network policies to follow. The network is concerned about excessive brutality, too much blood in a scene, and the age of a girl involved in relationship with a man. If she's 18, she's okay. . . ." Rolfe attributes the dwindling of taboos to keener competition and the fact that "Some adult live-TV dramas have given us a lever. TV cannot impose a censorship lock on one side, and open the door for the other side. We don't get away with murder—but we try."

Producer Hal Hudson (*Zane Grey Theatre*): "We may not treat any religious subjects; a child may not be shown in jeopardy; and there may not be excessive brutality."

Producer Jack Chertok (*The Lawless Years*): "I've never had a problem." He's guided by NBC censorship policy, it boils down to a matter of taste, and is no hindrance to productions. "We can show a prostitute, but we can't call her one."

Arnold Laven, co-producer with Jules Levy & Arthur Gardner (*The Rifleman & Captain of Detectives*). "Rifleman" may not show a child in jeopardy; kidnappings aren't allowed; a child may not be seen threatened with a knife or gun, but there may be an implied threat. "We don't deal with subjects in the taboo area," he tells us. "Detectives" is now allowed to show narcotics stories, but doesn't because Laven doesn't care to show the ugly side of life. In one "Detectives" episode showing a woman in childbirth, ABC censors ordered a moan substituted for a scream to avoid the impression that childbirth is "horribly painful."

Many telefilm dramas of yesterday wouldn't allow the hero to drink; coffee or tea was his limit. Today it's commonplace in almost every type of series except a Western for the hero to have his liquor—and lately it's been happening in the sacred Westerns.

Not too long ago an on-TV romance between an American & a Japanese girl would not have been allowed. But last year in a *Schlitz Playhouse* just such a love affair was enacted, and subsequently similar themes were seen.

Table of Audience Composition & Program Selectivity

Trendex Figures Show Women Exercise Major Control Over TV Set

	Avg. Rtg.	Audience Composition				Spons. Ident.	Program Selectivity				
		Men	Women	Children	Total		By Men	By Women	By Children	Set Left On	Unanimous
Drama, half-hour	13.8	0.65	1.02	0.47	2.14	54.7	18.3	44.4	7.4	12.3	17.6
Drama, hour or more	19.0	0.68	1.12	0.28	2.08	50.6	13.1	53.2	3.9	7.0	22.8
Special Programs	*	0.91	1.21	0.41	2.53	*	16.3	40.1	4.2	11.2	28.2
Variety, Comedy, Music Shows	16.4	0.76	1.14	0.54	2.44	68.4	15.7	39.2	9.8	8.5	26.8
Situation Comedies	18.1	0.60	0.96	0.87	2.43	46.9	10.7	34.4	24.9	9.4	20.6
Adventure Series	14.2	0.61	0.74	0.98	2.33	*	20.2	17.5	32.4	17.7	12.2
Mystery, Crime, Police Drama	14.0	0.81	0.95	0.45	2.21	30.2	28.8	30.3	8.5	10.1	22.3
Sports Spectacles	11.1	1.37	0.68	0.16	2.21	61.0	78.3	3.9	*	2.3	15.5
Western Drama	18.9	0.82	0.88	0.83	2.53	33.4	32.3	19.2	19.3	10.0	19.2
Quiz & Panel	17.5	0.74	1.09	0.38	2.21	58.2	13.8	44.2	7.5	8.6	25.9
Children's Shows	13.8	0.52	0.76	1.34	2.62	41.1	9.7	15.7	53.1	7.7	13.8
Interview Shows	13.2	*	*	*	*	*	*	*	*	*	*

* Unable to report due to insufficient data.

WHO CONTROLS THAT DIAL? The hand that rocks the cradle rules the family's TV set—or so the figures in the latest (May, 1959) "Television Advertisers' Report" analysis from Trendex, printed above, would seem to show. "Togetherness," *McCall's* notwithstanding, goes right out the window when TV comes in, with general family agreement on what evening TV show to watch applying in less than 30% of households in major TV metropolitan areas (for network "specials") and as few as 12.2% (for adventure shows).

Women outnumber men as decision-makers in choosing 30-min. drama shows by more than 2 to 1—in choosing network specials by 2.5 to 1—in picking situation comedies by better than 3 to 1—and in selecting hour dramas by 4 to 1.

The family's kids are pretty much vetoed on all fronts, except for adventure shows (where they outrank mom by nearly 2 to 1), Westerns (where it's virtually a tie) and in a clear-cut victory (better than 3 to 1 over Mom) in picking their own juvenile-appeal program fare.

Of more than passing psychological interest are the program areas in which American males exercise a *Life with Father* masculine supremacy. Men rival their wives (28.8 vs. 30.3) in picking mystery & crime shows, edge out their better halves by a close margin with adventure shows and by something like one-third in picking Westerns (32.3 vs. 19.2). They really rule the roost in picking sports spectacles, when they lead by a whopping margin of 20 to 1.

Above are the Trendex-gathered figures by program types along with data on average rating levels (April & May 1959), audience composition (May), sponsor identification (April) and program selectivity (May).

The sponsor-identification figures, interestingly, largely bear out a theory that has been propounded by the Norman, Craig & Kummel agency, N.Y. which has stated (Vol. 15:16) that the best TV program environment for commercials is "warm, friendly entertainment." Crime shows (30.2%) and Westerns (33.4%) are on the low end of the correct sponsor-identification list. At the high end, with a 68.4% score, are variety, comedy & music shows—although sports shows, with a 61.0% average, provide strong sponsor-identification rivalry.

Westerns, sometimes maligned for their sponsor-identification shortcomings, vary considerably, however. The older, established outdoor sagas do fairly well. An April-May episode of *Gunsmoke* scored a strong 50.8 correct identification of Liggett & Myers (against an over-all S.I. average of 47.0 for all evening programs), *Bat*

Masterson scored a 48.0 for Kraft, and *Wagon Train* a 40.7 for Ford Motor Co. By comparison, newer Westerns, such as *Buckskin* with a 16.9 for Procter & Gamble, or *The Texan* with a 21.8 for Lever Bros. don't do as well.

But even the best Western is out-gunned by far in sponsor identification by shows like *Dinah Shore Chevy Show* (which gets a whopping 92.0%) or *Tennessee Ernie Ford* (90.4%), or by the *Gillette Cavalcade of Sports* (70%).

Public Affairs Gaining: Public affairs & news specials increased their share of night network time by 60% between 1958 & 1959, and their viewing time doubled in the same period (Vol. 15:25). There's now every indication the growth trend will continue this fall, with major advertisers helping to underwrite costs, according to our check of network headquarters last week. Here's the situation:

ABC-TV: This net continues heavily in Westerns, but is planning at least one 60-min. documentary on overseas missionaries, "Splendid American," for Oct. exposure, with John Daly narrating, and is currently talking to sponsors. Also, Ralston Purina will have a new travel-documentary series with John Gunther, to replace its previous *Bold Journey* film show. The *John Daly News*, sold on a participating basis, will continue in its Mon.-Fri. 6:45-7 p.m. slot. Other public affairs shows are still in the idea stage.

CBS-TV: In the season now ending, Prudential has been sponsoring the weekly *20th Century* series, Monsanto Chemical had 2 half-hour shows in the *Conquest* series, and Olin-Matthieson has been a sponsor of *Small World*. This fall, there'll be a major expansion of this kind of sponsored show at CBS-TV. All the above have been renewed, with Monsanto boosting its *Conquest* order sizably, from 2 to more than 20 during the season. In addition, Bell & Howell has ordered six 60-min. news specials in prime time, and there'll be nightly & Sun. 15-min. news shows. In the program development area, Irving Gitlin was promoted last week to a new post of program executive-creative projects from his present job of dir. of public affairs in order to develop "new & sponsorable" series.

NBC-TV: Long a major factor in public affairs shows, NBC-TV plans to slot a number of news specials in its new Fri.-night showcase, and is now seeking sponsors. A program development fund in the 6-figure bracket (Vol. 15:20) has been granted to news v.p. Bill McAndrew to develop shows dealing with African nationalism, mental illness, communism and other topics. Texaco has signed to sponsor the nightly *Huntley-Brinkley Report*.

Television Digest

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Personals: William F. Wallace, ex-NBC, appointed specialist in TV program taping, Ampex professional products div. Changes in the mktg. dept. of the division; Bob Paulson promoted from natl. sales mgr. to head the newly-created mktg. administration & sales development program; Thomas J. Merson, from N.Y. district sales office mgr. to natl. sales mgr.; Gerald Miller, from dealer relations mgr. to audio merchandising mgr.; Rosel Hyde Jr., from north-west district mgr., instrumentation div., to govt. sales mgr. in the west, professional products div.

Lt. Col. Rene P. Landry, promoted from CBC controller of administration to asst. to the pres. . . . Alastair M. MacKenzie, ex-gen. sales mgr. of RCA Victor (Argentina), named Latin American operations dir., NBC International . . . H. Harold Powell promoted from local sales representative to national sales coordinator, WIS-TV Columbia, S.C. . . . Monas (Tony) Bachman, ex-WXIX and WISN-TV Milwaukee, appointed promotion & research mgr., KXTV Sacramento . . . Jack Launer, ex-WLWC Columbus, O., named program dir., KNTV San Jose.

John C. Moler named managing dir. of Storer radio WIBG Philadelphia, effective Aug. 1 . . . Rodger May promoted to sales v.p., E. M. (Gene) Plumstead to programming v.p., Joseph G. Deaderick to engineering v.p. of Plough Bestg. Co. (WCAO Baltimore, WCOP Boston, WJJD Chicago, WMPS Memphis & WPLO Atlanta) . . . Doug Thompson, ex-KPAC-TV Port Arthur-Beaumont, named asst. gen. mgr. of KCEN-TV, Temple, Tex.

David Aubrey, on *Time* magazine sales staff and younger brother of CBS-TV exec. v.p. James T. Aubrey, named network salesman for NBC-TV in Detroit, effective Aug. 1 . . . Leonard S. Gruenberg, former Gross-Krasne-Sillerman v.p., named NTA Pictures gen. mgr. . . . Rudy Bretz of the UCLA theater arts faculty, named to new post of head of educational TV, U. of Cal. southern area . . . William R. Tincher promoted to asst. dir., FTC bureau of litigation for anti-monopoly; Alan Buxton Hobbes to asst. gen. counsel for appeals, Edwin S. Rockefeller to asst. to chairman Earl W. Kintner.

John F. Dille Jr., pres., Truth Publishing Co. (WSJV South Bend, WKJG-TV & WKJG Fort Wayne, radio WTRC Elkhart, all Indiana), named pres., U. of Chicago Alumni Assn. . . . Ray Butts, operations mgr., WCOV-TV & WCOV Montgomery, Ala., was married to Miss Patsy Cade, Eufaula, Ala. June 28 . . . William L. Putnam, pres.-gen. mgr., WWLP Springfield, Mass., appointed to the Springfield Planning Board . . . Jules Bergman, ABC news, awarded fellowship in Columbia U. science writing program.

Edward Stanley, NBC dir. of public affairs, appointed to membership on the President's Citizens Advisory Committee on the Fitness of American Youth . . . William W. Scranton, ex-chairman of WNEP-TV Scranton-Wilkes-Barre, appointed special asst. to the Secy. of State . . . Andrew M. Jackson appointed chief engineer, Tidewater Teleradio (WAVY-TV & WAVY) . . . Sydney L. O'Guin, acting chief, promoted to chief of FCC's telephone div. . . . George E. Hagerty, engineer mgr., WBC, elected chairman of IRE Professional Group on Broadcasting.

CBS-USSR Summit Meeting: CBS pres. Frank Stanton and Soviet first deputy premier Frol R. Kozlov met at a Washington cocktail party last week—and inconclusive results evolved from Stanton's efforts to get CBS's Moscow bureau reopened and to get Kozlov to appear on *Face the Nation*. The Russians expelled CBS newsmen Paul Niven after *Playhouse 90* presented "The Plot to Kill Stalin" (Vol. 14:41). Kozlov told Stanton that he had not passed his test, adding "you cut off Mikoyan." He was referring to the *Meet the Press* program which ran overtime. "But that wasn't my network," Stanton protested. (It was NBC). Vice President Nixon then suggested that Kozlov consider an appearance on *Face the Nation* later in his U.S. tour. Stanton said he would guarantee "an hour without interruption." Kozlov replied: "I will discuss it toward the end of my trip."

TV industry's "image" information program (Vol. 15:25) moves ahead another notch with the appointment by NAB pres. Harold E. Fellows of a pro tem committee to "expedite organizational & financial arrangements" pending the formation of a permanent 9-man committee. The group meets in N.Y.'s Waldorf-Astoria July 15. The members: Clair R. McCollough, Steinman stations; C. Wrede Petersmeyer, Corinthian stations; Willard E. Walbridge, KTRK-TV Houston; Roger W. Clipp, Triangle Publications, Inc. stations; John S. Hayes, *Washington Post* stations; Lawrence H. Rogers II, WSAZ-TV Huntington W. Va., Kenneth W. Bilby, NBC; Michael Foster, ABC; and a CBS representative to be selected.

Obituary

Alfred J. McCosker, 72, one of the founders of MBS and 1934-47 chairman of the radio network, died July 1 in a Miami Beach Hospital, apparently of a heart attack. He was 1932-34 NAB pres., a member of the radio code authority in 1934, 1924-33 director of WOR N.Y., and chairman of its own Bamberger Bestg. Service when he retired in 1947 to live in Fla. He entered broadcasting after early careers on newspapers in N.Y. & Denver and in theatrical public relations.

Arnold Kruckman, 78, co-founder with William Randolph Hearst of the International News Service, died June 30 in Washington. In 1933, he organized the American Newscasting Assn. to assemble and distribute foreign news for U.S. radio stations.

Nathan P. Colwell, 54, OCDM TV-radio dir. and 35-year radio veteran, died of a heart attack June 27 in Battle Creek, Mich. He is survived by his widow, son and mother.

Carl Wesser, 58, chief facilities engineer, WWJ-TV & WWJ Detroit, died June 18 in Alpena, Mich. He had been with the station for 28 years.

Keith Byerly, 43, Atlanta office mgr., Katz Agency station reps, died suddenly June 29.

Advertising

Advertising People: Roscoe W. Sturgess Jr. promoted to v.p., Young & Rubicam . . . Frank Davies, Cunningham & Walsh mktg. & merchandising dir., elected v.p. . . . Dr. Seymour Banks, media & program research mgr.; Herman A. Bizzell, account supervisor; Peter Franz, mktg. supervisor, and Philip M. Schaecherer, associate copy dir., all named Leo Burnett v.p.'s.

Donald E. Leonard, ex-W. B. Doner, named Fuller & Smith & Ross media dir. . . . James Kelly, ex-Ellington & Co., named Compton v.p. & creative group head . . . Gerald M. Feld, ex-Thomas Organ Co., named Doyle Dane Bernbach Los Angeles office media dir. . . . David J. Hopkins, McCann-Erickson N.Y. office v.p. & account dir., named Los Angeles office mgr.

Edwin L. Leet promoted to v.p., Erwin Wasey, Ruthrauff & Ryan . . . Ernest W. Turner named creative dir., Campbell-Mithum Chicago office . . . Harry B. Bressler, ex-Doherty, Clifford, Steers & Shenfield, named Ted Bates v.p. in copy dept. . . . Michael Hicks, ex-McLaren Adv., appointed managing dir., BBDO Canada, headquartering in Toronto.

Philip H. Cohen, Sullivan, Stauffer, Colwell & Bayles v.p. & TV-radio dept. dir., elected a director . . . Robert T. Nathe promoted from TV-radio commercial production v.p., Doherty, Clifford, Steers & Shenfield, to TV-radio programming & production dir.

In Other Media: A record-making \$1 million, 30-page ad has been scheduled by the U.S. electrical industry (Edison Electric Institute) for the Sept. 14 *Life* . . . *Printers' Ink* predicts that advertisers are about to be barraged with a campaign on the merits of the local weekly newspaper for reaching between-market & grass-roots areas . . . *Reader's Digest* reverts to its regular 35¢ newsstand price in its 54 test cities (Vol. 15:23) with the July issue, but will renew experiments with 29¢ & 25¢ prices in the same cities in Aug. . . . Gardner McKay, star of ABC-TV's forthcoming *Adventures in Paradise* gets *Life's* cover and a 6-page spread in the July 6 issue.

"TV Tape Commercials," by Harry Wayne McMahan (Hastings House Publishers, 151 East 50th St., N.Y. 22), an 84-page manual on new techniques of creating & producing TV advertising, has been sent in a photo-offset pre-publication edition of 250 copies to key men in the TV industry. Their comments & suggestions will be incorporated into regular edition, to be published about Oct. 1959.

Comic Bert Lahr is suing Lestoil about a TV commercial which he regards as no laughing matter. In a N.Y. State Supreme Court action he asks \$500,000 damages, charging that his "vocal comic delivery & comic sounds" were imitated without his knowledge or consent in an animated cartoon film made for Lestoil by Robert Lawrence Productions Inc., also named as a defendant. Despite his objections, allegedly, the film has been used on TV stations nationally since Dec. 1958. Lahr charges that the inferior quality of the imitation of his unique delivery has caused him serious damage.

New reps: WTVH Peoria, to Blair TV Associates July 1 (from Petry); KVKM-TV Monahans, Tex., to Jack Masla July 1 (from Everett-McKinney); KOTI Klamath Falls, Ore., to Hollingbery (from Blair TV Associates).

Daily "Television Report" is a new feature of *Women's Wear Daily*. It covers TV as a fashion & advertising medium for the women's wear industry.

Editor & Publisher's 75th Anniversary issue came out last week to say that newspapers are bigger & better than ever. Some points made by the 244-page edition: Daily circulation of U.S. papers is 58 million copies—an all-time high—10r which readers pay \$1.5 billion yearly. On the average day, 107 million people over 12 years of age read a newspaper—"far more than watch TV or listen to radio or read a magazine." Zeroing in on TV, E&P claims that newspaper popularity is year-round, whereas TV viewing has been known to suffer summertime declines as much as 44% from winter highs. Asked in Minneapolis whether they trusted newspaper or TV ads most, 56% of men & 59% of women voted for newspapers vs. 7% & 9% for TV. In Miami, 11,051 phone calls were made to ask homeowners to identify the sponsor of any TV program they might be watching. In this test of TV "effectiveness," 86% of the homes either did not answer the phone, had no TV, or reported sets off. "Of the 14% with TV sets on, less than half—or only 5% of the total sample—were able to identify the sponsor."

Tricky print media techniques can be adapted for TV to achieve "harmony of advertising impact," we are told by officials of MPO Productions, N.Y. Using a trick process called "Spectrumatte" (for which MPO holds exclusive Eastern-U.S. license), the commercial production firm has made TV translations for Norman, Craig & Kummel of the Maidenform print ad in which a bra-clad model climbs a skyscraper—for Remington-Rand of the process shot in which a family dances on the keys of a typewriter—and for Campbell's Soup of a shot that shows another family eating clam chowder while outside their window New England surf pounds musically. The process is said to be "rapid, automatic & inexpensive" by MPO.

Emerson Foote, McCann-Erickson senior v.p., is chairman of the Advertising Federation of America's week-long first annual advertising & marketing management seminar which began Sunday (July 5) at Harvard's Graduate School of Business Administration. Among others attending: TvB pres. Norman E. Cash and C. O. Moosbrugger, adv. mgr., Minn. Mining & Manufacturing Co. Analysis of 17 cases in advertising policy-making will be on the agenda.

Transfilm's "visual squeeze" commercial production technique (stills flashed on a screen to the beat of an original sound track of music & copy) has been supplemented by the use of art backgrounds combined with live models, eliminating the need for props. Consolidated Cigar, for Muriel Coronella, is the first advertiser to use the new adaptation of transfilm's year-old "squeeze" process. Transfilm claims about 90% of the field in the use of the "squeeze" technique.

Station Rate Increases

Station	Base Hour	Minute	Date
WLAC-TV Nashville	\$900 to \$950	\$180 to \$200	July 1
WSM-TV Nashville	900 to 950	180 to 200	July 1
KREM-TV Spokane	625 to 675	160 to 190	July 15
KPAC-TV Port Arthur- Beaumont	350 to 400	1	July 1
KONA Honolulu	350 to 400	75 to 87.50	April 1
WRLP Greenfield, Mass.	200 to 300	40 to 60	March 1
² WKOW-TV Madison	280 to 300	56 to 60	June 1

¹ Not reported ² Corrected figures, erroneously reported in Vol. 15:26.

Canadian Increases

CHLT-TV Sherbrooke, Que.	485 to 500	120 ^a	July 1
CFRN-TV Edmonton, Alta.	450 to 470	125 to 130	July 1
CHCT-TV Calgary, Alta.	380 to 405	95 to 100	July 1
CKSO-TV Sudbury, Ont.	270 to 300	75 to 80	July 1
CKX-TV Brandon, Man.	170 to 200	37 to 50	July 1
CJFB-TV Swift Current, Sask.	120 to 160	25 to 35	July 1
CHAT-TV Medicine Hat, Alta.	100 to 120	22.50 to 28	July 1

^a No change

Film & Tape

More about

ZIV PUBLIC ISSUE COMING? Sometime in early 1960, the TV industry may at last gain an insight into one of the best-held secrets in the film field: The gross revenues & earnings of Ziv Television Programs, the 12-year-old telefilm firm which relinquished its privately held position last week in a \$14-million deal with F. Eberstadt & Co. and Lazard Freres, Wall St. investment banking firms (see p. 3).

The 2 investment houses, N.Y. sources tell us, will probably prepare a public offering on Ziv TV in about 6 months (barring a cash purchaser appearing in the meantime), although both the Eberstadt & Lazard firms declined comment on this when we queried them directly. Some 20% of the present Ziv ownership stock will be retained by board chairman Frederic W. Ziv and pres. John Sinn. Small stock holdings of sales v.p. Bud Rifkin and close relatives of Chairman Ziv will also be retained.

There was also talk that the Ziv deal on Wall St. was linked to United Artists, which has recently been expanding in the TV field. Eberstadt launched UA's public issue 2 seasons ago, and is linked to UA through Robert Porter, who's on UA's board and who is also an Eberstadt official. Does UA intend to buy Ziv, after allowing the banking firms the 6-month period in which to earn a capital gain? UA sources we contacted avoided a direct yes or no, but indicated that it wasn't likely and that a Ziv public issue was a stronger bet.

Word of the Ziv move came, not from the banking firms, but from Ziv's PR firm, Rogers & Cowan, in a bare-bones press release on June 29.

Pilot-Go-Round: Hollywood producers with financial egg on their faces from too many unsold pilots are plotting ways & means of recouping their investment. Some have sold their pilots to production companies which collect them into anthology series—but this seldom returns more than a small part of the investment.

Now comes independent producer Sam Marx with the idea of producers getting together to combine their unsold pilots in series of 13 for offering to sponsors either next Dec. or spring. Marx (whose pilot, *The Jan Clayton Show*, did not sell) is now in discussions regarding producer Armand Deutsch's *Claudia* pilot. Deutsch is interested, but needs the approval of partner George Burns. Marx tells us his pilot—of the family show type—requires similar pilots as companion pieces. "I don't want detective stories or Westerns," he explains.

Marx says a producer who sells his pilot to a production company takes a 50% loss. That was why he refused Revue's offer. But if an all-pilot series should sell, for either network or syndication, the producer might recoup his entire investment, and possibly even build a profit. "Right now," he adds, "the sharks are all around, trying to snap up pilots, thinking they are distress cases."

20th Century-Fox, which has a distribution liaison with NTA (co-production on syndication series, TV release of 20th-Fox TV & feature product) is going into the telefilm field on its own. The movie firm has formed 20th Century-Fox TV International Corp., with Alan Silverbach as managing dir. The new offshoot will specialize in overseas distribution of its product.

More about

Republic Pictures Sold: Although currently barred from film production because of a hassle with Hollywood talent unions over the sale of its post-1948 pictures, Republic Pictures may be back in the telefilm & movie business soon. (Its move will be studied with interest by other movie studios faced with the same problem.) A deal involving some 400,000 shares of the movie firm's stock was closed for a reported \$5-million figure late in the afternoon of July 1 between Republic's chairman Herbert J. Yates & California banker-real estate investor Victor M. Carter.

At a board meeting held at Republic's N.Y. headquarters, Carter was elected pres. of Republic Pictures Corp., with Yates named board chairman. Carter will take over the operation of the company. Yates will act "in an advisory capacity."

The agreement covers all of Republic's assets—the firm's Hollywood lot (currently leased by Four Star), Consolidated Film Labs, and all TV & feature product held by the company (primarily rerun material). Whether Carter will completely revamp the company and possibly rename it to avoid trouble with the talent guilds isn't known, but this seems a strong possibility. We are told that no production is planned, but that financing for TV & theater production is likely.

Scranton Corp.'s film offshoot, Hal Roach Distribution Corp., formerly known as Distributors Corp. of America, is seeking to regain its corporate identity, although it may retain the Hal Roach name. HRDC applied in Scranton, Pa. last week for court approval (Scranton Corp. currently is forbidden to sell assets) of the move. Although not directly in TV distribution a package of ex-DCA feature products ("Private's Progress," "The Green Man," etc.) is currently being handled by Flamingo, and HRDC officials tell us they may enter the TV field. Currently, HRDC pres. Fred Schwartz points out, the distribution firm is scoring strongly in theaters with a rock & roll film, "Go, Johnny, Go," starring Alan Freed.

R. E. Allen has been appointed receiver for 79 half-hour *Telephone Time* telefilms by a Los Angeles superior court judge following a petition filed by producer Jerry Stagg against Hal Roach Studios, Scranton Corp., Guild Films, Passing Parade and others. Stagg sued for receivership, accounting and \$635,000 damages, charging secret profits were made on distribution of the films.

Telenews newfilm reported 7 new sales of 3 of its services during June. TV Continental, Rio de Janeiro and KOTA-TV Rapid City, S.D., bought the weekly news review; KGO-TV San Francisco, and WMTW-TV Poland Springs, Me. have ordered *This Week in Sports*, and the daily Telenews service now goes to KYTV-TV Springfield, Mo., with KONO-TV San Antonio & KTRK-TV Houston picking up rights to tape for re-telecast Telenews footage on ABC-TV newscasts.

Peter De Met Productions, Chicago, has planned production of 26 hour-long taped programs containing footage of "the best 26 games" of the 1959 baseball season. Distribution, by Universal TV Distributors, N.Y., will begin after this season's World Series. Games are being taped by stations with tape equipment in various major league cities and will be edited down to an hour.

ITC's *Jeff's Collic* has stacked up renewals in 83% of those markets where renewals were available. The series of *Lassie* reruns is currently in 167 markets. ITC is hopeful of 100% renewal by the fall.

New York Roundup: Adaptations of old movies as live-&-tape "specials" continue to be a popular program source for executives who like to play it safe. Now being discussed by Rexall for its series of 6 David Susskind specials are at least 5 cinema properties, including "Strawberry Blonde" & "Merton of the Movies" . . . NBC plans to tape or film a series of interviews with Clement R. Attlee, former prime minister of Britain, and cartoonist David Low for its *Wisdom* series this fall.

UA's movie-trained N.Y. press agents, who know a good stunt when they see one, have invited new world heavyweight champion Ingemar Johansson to turn dramatic for a one-shot appearance in UA-syndicated Bryna Productions' *Tales of the Vikings*. He is thinking it over.

Ziv is up to its neck in cigarettes these days with at least 5 major tobacco firms heavily using Ziv product. Leading the pack are American Tobacco Co. (*Space* on CBS-TV & *Lock-Up* in 60 regional markets) and R. J. Reynolds (*Challenge* on NBC-TV, *Highway Patrol* & *Sea Hunt* in about 25 markets). Others are P. Lorillard (*Rough Riders* on ABC-TV), Phillip Morris (alternate weeks of *Tombstone Territory* on ABC-TV) and Brown & Williamson which underwrites *Mackenzie's Raiders* in 18 markets.

MCA TV's pre-1948 Paramount features, currently seen in 15 markets, have boosted station shares of audience "literally overnight to a leading position in its city." This finding by MCA TV's research dept. is a result of a study to determine the effect of strong feature film programming on a station's competitive position. Results were based on ARB share-of-audience reports in 7 of the 15 markets.

Peter Foy, noted for staging of Mary Martin's aerial effects in TV's "Peter Pan," and illustrator Chesley Bonestell will supervise special technical effects for Ziv's *Space* science series set for CBS-TV. Also signed was cameraman William Whitely.

Producer-Playwright Dore Schary will produce at least one 60-min. show in the NBC-TV *Sunday Showcase* series. Another writer-turned-producer now heads the series as exec. producer: Robert Alan Aurthur.

WNEW-TV's talk-show *I Speak for Myself*, which entered into direct competition with WNTA-TV's *Open End* in N.Y. about a month ago, has quietly been outrating the much-discussed David Susskind-NTA talkathon. Last week (June 27) Marya Mannes' "I Speak" scored a 2.4 ARB against Susskind's 0.9. Network competition in the 9 p.m. slot is *GE Theatre* (CBS) "Chevy Show" (NBC), and *Colt .45* (ABC), all of which outrate both gabfests.

U.S. Supreme Court, in vetoing a N.Y. State ban on the movie "Lady Chatterley's Lover" last week, also ruled unconstitutional, in a 6-3 decision, important sections of the state's movie censorship law, particularly those dealing with the criteria for licensing or banning a film.

A. C. Nielsen has given up its attempts to become the major name in British TV audience research. After 4 years of vainly and expensively battling TV Audience Measurement Ltd., Nielsen last week agreed to combine his U.K. TV service with TAM through the medium of a jointly owned holding company, with the latter firm's name used on the TV research reports. The move will spell, Nielsen sources state, "future improvements & operating efficiencies for users of basic audience research."

Only one Western (*The Rifleman*) was among the Arbitron Top 10 for the week of June 22-28, as recorded by ARB's daily multi-city reports. *Desilu Playhouse* paced the way with a 29.2 rating, followed by *Playhouse 90* (24.8) & *This Is Your Life* (24.6). *Rifleman*, with a 23.8 rating, was in 6th place.

Hollywood Roundup: ABC Films' new telefilm series, *Counterthrust*, to be filmed in Manila, will star Tod Andrews . . . Writers Nat Hiken, Arnie Rosen and Coleman Jacoby are developing a 60-min. situation comedy series for CBS . . . Bing Crosby's first special of the season will be on ABC Oct. 19, with his guests to be Dean Martin, Frank Sinatra, the McGuire Sisters, and possibly Crosby's 4 sons . . . ABC's only nighttime show without any sponsorship for next season is *The Gale Storm Show*.

Four Star Films has placed Herschel Burke Gilbert in charge of its new subsidiary, Four Star Publishing Co.

Bing Crosby and Frank Sinatra will each guest on one of Dean Martin's 2 Ford specials (NBC) next season. Martin, offered 4 specials by Timex, had bypassed them in favor of 2 for Ford. He will reciprocate the Sinatra & Crosby guesting by appearing on their specials, and will guest with Bob Hope to repay a visit of last season.

Producers Lester Sill and Lee Hazlewood are producing a pilot, *The Quiet Three*, this week, using the facilities of Mobile Video Tapes Inc. . . . Production on the Goodson-Todman Western series, *The Rebel*, begins at Paramount July 21. Nick Adams stars in the series, which is being produced by Andrew Fenady & Irvin Kershner.

Goodson-Todman has named ex-Perry Mason story editor Gene Wang to be producer of its *Philip Marlowe* series, replacing William Froug. The latter will prepare the *Jade O'Hara* pilot and other properties for G-T . . . Ziv TV has appointed Jon Epstein exec. associate to producer Ivan Tors of Ziv's *Sea Hunt* & *Challenge* series.

Irving Briskin (following sale of his Briskin Productions to Columbia) last week was elected a v.p. of Columbia. He will continue in charge of all Coast activities for Screen Gems, Columbia's TV subsidiary.

Music Makers Inc. has joined Film Producers Association of N.Y. as associate member, says FPA pres. Nathan Zucker. Music Makers, although not a producer, specializes in the creation of music backgrounds & jingles for TV-radio commercials . . . ITC reports that *Ding Dong School*, now being distributed as a tape series, has been sold to 66 stations in less than 7 weeks for fall start. Production on the moppet-appeal series starts in Hollywood next month. Some stations, however, will be airing the show from kinescopes rather than tape because of lack of facilities. Pre-production sales of spots in the series to several leading advertisers have accounted for approximately 50% of all "Ding Dong" availabilities, says ITC.

Bernard L. Schubert Corp. has named John Maschio, ex-Jaffe agency, production head for its coast operations. . . . Bob Wells has been signed to produce Gene Kelly's first of 3 specials for Pontiac on NBC next season.

Jack Benny, the man who put Waukegan, Ill., his hometown, on the map, has been well rewarded for his efforts. The board of a new junior high school there has unanimously elected to name the school after him.

Show Corp. of America will be in contempt of a court decree if it attempts to distribute 8 Ben Bogaues-produced movies to TV, the producer told us recently. SCA had announced it served notice on Bogaues it planned to "assert" its right to distribute the movies, which are a subject of litigation between RKO & Bogaues. He said he was mystified by the SCA action, explaining a Los Angeles superior court injunction handed down several weeks ago forbids RKO and/or any one person or persons or corporation acting in concert with RKO to distribute such movies of his (Vol. 15:22). Bogaues sued RKO to prevent TV distribution, charging breach of its distribution agreement and refusal to deal with talent guilds on residuals.

Trade Report

JULY 6, 1959

BUSINESS INDICATORS AT MIDYEAR: As 1959 passes its halfway point, all signs & portents point to good 2nd half for consumer electronics industries. Here are some highlights:

Retail TV & radio sales for May, just compiled by EIA, show increases over May 1958 and over April 1959. TV sales for the month were 279,536 vs. 237,189 in May 1958, and radio sales totaled 400,882 compared with last year's 385,383. Cumulative retail TV sales, however, were still slightly behind total for first 5 months of 1958, while radio sales were sharply ahead (details on p. 21).

Initial reactions to new TV-radio-stereo lines at current dealer showings have been excellent to date. Examples: RCA reports orders 20-40% above last year across the board at dealer meetings so far. Packard-Bell reports 247% increase in dealer orders at its new-line unveiling last week, as compared with last year. Hoffman reports 100% increase in orders over 1958's distributor convention.

GE announced it is stepping up its TV production schedule as result of "distributor acceptance of GE's 1960 TV product line, the current upswing in national economy and increased sales of TV sets." An additional production line will be started after GE's annual vacation shutdown in August.

Although TV thus far this year hasn't shared boom of other consumer durables—notably appliances, stereo & radio—feeling of optimism pervades industry, with all levels of trade counting on innovations to spur 2nd-half buying. It's too early yet to gauge public reaction to 23-in. tube—not yet in retail showrooms—but most dealers have reacted strongly, and just about every set maker is now planning to drop in a couple of 23-in. sets next fall.

TV trade-ins are at all-time high—56% of all TV sales, according to NARDA's cost-of-business survey (Vol. 15:26)—indicating heavy replacements of sets. And NARDA exec. v.p. Al Bernsohn tells us many trade-ins now are 5 years old or even less. He says dealers generally credit new slimmer sets with creating obsolescence in old-type TV. NARDA chairman Mort Farr sees further acceleration of trade-in trend with introduction of 23-in. sets. "People are reluctant to trade a 21 on another 21," he says.

Another big innovation which will probably have to keep till next year for mass-marketing purposes is the battery-operated TV set. First direct-view transistor set planned for production was shown last week by Emerson—as predicted in these pages last March (Vol. 15:13). It's 17-in. model, 25 transistors, to list at \$250, production to start about first of year. Weight is 35 lb. Set will play for about 4 hours on a battery charge, and batteries may be recharged up to 40 times. Portable can also be powered by house current. (For details of new Emerson & Du Mont lines, see p. 20).

Only 2 more major TV manufacturers have yet to show their 1960 lines: Motorola, whose first dealer convention is scheduled early this week, and Westinghouse, which still hasn't set date for showing, having just settled 13-week TV-radio plant strike (see p. 20).

2-COLOR SYSTEM IN TV'S FUTURE? Dr. Edwin Land, president of Polaroid Corp. and discoverer of remarkable new aspects of human color vision, thinks a far simpler color-TV system—giving full range of colors from only 2 basic color sources—may be possible. He agrees with most color-TV engineers, however, that there are many obstacles in path of this kind of simplified TV color.

Few discoveries of recent years have so intrigued the scientific world as Dr. Land's findings that the eye can see full color in images which, according to 300-year-old theories, should be in monochrome. In a long series of experiments, he found that human eye doesn't need whole color spectrum to see all colors—it doesn't even need 3 "primary" colors (as in color TV).

Full color, he found, can be seen when black-&-white "color separation" photo positives—taken through different color filters—are projected using only 2 colors. And color sources for projection of these "full-color" photos are highly flexible—they can be red & white, red & green, even as close together in spectrum as red & orange or 2 shades of yellow.

What will this mean to TV—eventually? We asked Dr. Land & several color-TV authorities who are familiar with his experiments. Dr. Land told us:

"Almost all of our attention has been on the purely scientific aspect of the nature of color vision. We feel it is obvious that if a color TV picture were as good as the pictures we can make photographically [with the 2-color method] that there would be considerable value to a simplified TV system—but we have no opinion about how difficult it would be to make the individual TV images of adequate quality and how difficult it would be to match them in size.

"We have done some more-or-less-routine experimentation with TV but are relying for the present on photography as the best technique for exploring the nature of color vision."

Spurred by Dr. Land's photographic results, some TV labs have been experimenting with rudimentary 2-color processes. Bell Labs modified a 3-tube color projection system to use only 2 tubes—red & white. TV research engineer Millard W. Baldwin explains to us: "You can make good-looking pictures with such a system—some of the time. But all of the time? TV is quite different from still color photography. It shoots continuously—everything—anything in front of the camera. Without careful composition, I'm afraid you'd have trouble getting natural color all the time. Nevertheless, I'm surprised nobody has really tried to build a complete color-TV system based on the Land principles."

RCA Labs' Ray Kell, an old color hand, voiced similar opinion. Interpretation & application of the theory are very complex, he told us. He pointed out that to see full-color from a 2-color projection, the colors in the scene must be arranged in "random" manner—there should be at least several different colors, objects of some color contrast. "If you show a red brick building on a green lawn, the picture probably would be OK. But as you pan down to show the green grass by itself, the color would wash out & disappear."

Another well-known TV engineer, veteran of the NTSC, also was worried about this presumable complete lack of color in pictures without color contrast. But he added: "If you'll remember, 3 colors weren't enough for color printing. So who knows?"

Proposed red-&-white color-TV system is described in Fortune magazine by writer Francis Bello: "One beam would produce a basic b&w picture (photographed through a green filter at the TV studio), and a second beam would produce a 'red interlace' of coloring information by activating red phosphors. Such a system should be remarkably stable, requiring none of the present delicate balancing of color & brightness. Whether this improvement would compensate for some probable loss of quality & intensity in reproduction of blues would have to be determined by acceptance tests . . ."

Although its commercial potential is completely uncharted, you'll be hearing plenty more about this fascinating new color theory. For basic background, in case you missed them, 2 excellent not-too-technical articles are available: Dr. Land's own "Experiments in Color Vision" in May Scientific American, and Francis Bello's "An Astonishing New Theory of Color" in May Fortune. If you are interested in basic scientific theory which conceivably could have important implications in many different fields—including TV—we highly recommended a grounding in Dr. Land's color work.

TV-RADIO PRODUCTION: EIA statistics for the week ended June 26 (25th week of 1959):

	June 19-26	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	110,300	121,369	77,290	2,690,519	2,092,512
Total radio	288,041	310,859	161,764	6,852,524	4,470,685
auto radio	126,022	138,427	57,928	2,792,162	1,417,434

Emerson and Du Mont TV-stereo-radio lines were shown to distributors last week in N.Y. Emerson's TV line consists of eleven 21-in. sets priced from \$218 to \$338, four 17-in. portables & table models at \$178-\$248, three 21-in. combinations (2 of them stereo and one including stereo FM-AM tuner) at \$248-\$498. Radios range from \$17.88 to \$54, stereo phonos & radio-phonos from \$78 to \$328. At the showing of Emerson's Du Mont line, a new "restricted dealership" program was announced to distributors, in which the company recommends that no more than one dealer be franchised to handle Du Mont sets in cities with less than 50,000 population. Du Mont line has five 24-in. sets at \$370-\$520, thirteen 21-in. at \$230-\$440, the "Royal Sovereign" 21-in. TV-AM-FM-stereo at \$895 and 7 stereo phonos (some with AM-FM stereo tuners) at \$120-\$480.

Settlement of Westinghouse's 13-week strike at Metuchen, N.J. TV-radio plant came June 28 with ratification by Local 401, IUEW, of an agreement which provides for arbitration of 9 of the grievances which triggered the strike, elimination of production quotas for 9 months, quarterly meetings between union & management, guarantee of non-discrimination against strikers, other points.

Raytheon will build a 140,000 sq. ft. transistor plant in Lewiston, Me., starting early this fall. To be completed by mid-1960, it will eventually employ more than 2000 on an annual payroll of \$7-\$8 million, according to pres. Charles F. Adams.

Hoffman has cut the retail price of its solar-powered transistor radio from \$75 to \$59.95, giving as the reason "new production efficiencies & expanded sales volume."

TV & Radio Production and Sales Index, 1949-1958

(All Unit and Production Figures in Millions)

	F.R.B. Industrial Production Index ¹ (1947-9=100)	Radio Set Unit Production (1949=100)	TV Set Unit Production (1949=100)	Radio Sets, Units ²			TV Sets, Units ²			Components Factory Sales Value ²		
				Dealer Sales	Prod.	Mfg. Val.	Dealer Sales	Prod.	Mfg. Val.	Picture Tubes ³	Receiv- ing Tubes	Diodes & Trans- istors
1949	97	100	100	N.A.	11.4	\$310	2.6E	3.0	\$ 580	\$102	N.A.	N.A.
1950	112	127	250	N.A.	14.6	375	6.1E	7.5	1350	215	N.A.	N.A.
1951	120	110	180	N.A.	12.6	316	5.9E	5.4	957	131	N.A.	N.A.
1952	124	96	203	7.7	10.9	250	6.1	6.1	1049	179	\$259	N.A.
1953	134	117	240	12.2	13.4	298	6.4	7.2	1230	245	191	N.A.
1954	125	91	243	10.6	10.4	229	7.3	7.3	1029	206	385	\$ 15
1955	139	127	260	13.7	14.5	291	7.4	7.8	1071	221	358	33
1956	143	123	248	13.4	14.0	298	6.8	7.4	939	212	374	74
1957	143	135	213	15.1	15.4	374	6.6	6.4	833	183	384	128
1958	134	110	163	12.3	12.6	337	5.1	4.9	668	163	342	200E

¹ Federal Reserve Bulletin. ² Electronics Industries Assn. as reported in *Television Digest*. ³ Excluding other cathode-ray tubes after 1956. E—Estimate. N.A.—Not available.

Handy Statistical Table: Presented in a form which makes year-to-year comparison easy, the N.Y. Stock Exchange firm of Alex. Brown & Sons prepared this table of TV-radio production & sales from figures which have previously been reported in TELEVISION DIGEST. Because of the convenience of the format, we are reproducing it from the firm's June *Industry Review Service*, which is devoted to the TV manufacturing & broadcasting industries.

The Brown review predicts a "fairly good recovery in demand" for TV sets this year and states that retail sales of 5.75 million units are possible, but "demand for other consumer electronic equipment [notably stereo] may well exceed that for TV sets." The report analyzes RCA, CBS, AB-PT, Hoffman, Philco, Motorola & Zenith, and is available from Brown's home office at 135 E. Baltimore St., Baltimore, Md., or its other offices in N.Y., Washington, Winston-Salem and Frederick & Towson, Md.

Star Valley Electronics Inc., Thayne, Wyo., is new manufacturing company headed by C. Richard Evans, former gen. mgr. & chief engineer of Salt Lake City's KSL-TV & KSL and recently v.p.-gen. mgr. of Hawaiian Bestg. System (KGMB-TV & KGMB Honolulu, KHBC-TV & KHBC Hilo, KMAU-TV Wailuku). The firm's principal products will be a line of electronic musical instruments invented by Evans, including a jazz guitar & "the first electronic classic guitar." The company's first product will be a new type of automatic audio sweep generator weighing only 10 lb. and designed for broadcast stations, communications installations and labs.

Recruitment of engineers via TV is being tried by Librascope Inc., Glendale, Cal. electronics firm, with a twice-weekly *Blueprint* program on KCOP Los Angeles. The program deals with scientific developments and devotes its commercials to the firm's employment advantages.

Directory listing 100 Japanese manufacturers & exporters of radios, hi fi & parts—all said to be seeking contacts with U.S. firms—has been published by Japan Export Guides, Box 114-A, Kew Gardens 15, N.Y. It's priced at \$2.

ITI Electronics Inc. is the new name chosen by Industrial Television Inc., Clifton, N.J., electronics manufacturer, in recognition of its broadened activities in non-TV fields.

Raytheon has been awarded \$161 million in Army contracts for continued production of the low-altitude Hawk air-defense missile system.

SALES & PRODUCTION FIGURES: Retail TV & radio sales for May were higher than those of May 1958—continuing the trend which began in March. Total Jan.-May TV sales were still slightly below 1958's comparable figures, while radio sales for the period were well ahead of last year (see p. 19).

TV & radio production were higher than 1958 both for the month & the cumulative Jan.-May period. TVs with uhf tuners totaled 28,247 in May, 20,501 in April, and 29,406 in May 1958. FM radio production totaled 48,841 in May, 31,425 in April. Here are EIA's official monthly TV sales & production figures:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	531,436
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
May	431,911	279,536	266,982	237,189
Total	2,211,712	1,919,162	1,790,840	1,927,290

Radio sales for May (excluding auto) totaled 400,882 compared with 388,863 in April 1959 and 385,383 in May 1958. Jan.-May retail sales were 2,480,686 vs. 2,084,937 during the like 1958 period. Radio production for May was 1,039,562 (including 476,222 auto) vs. 1,040,183 (422,346 auto) in April and 620,899 (185,616 auto) in May 1958. Cumulative Jan.-May output was 5,677,421 (2,262,390 auto) vs. 3,876,737 (1,229,086 auto) in the 1958 period.

"Granco produced 44% of all FM radios sold during the first quarter of 1959," claims a trade ad by Granco Products Inc., big maker of low-priced FM sets (Vol. 15:21). EIA reports 92,374 FM sets were produced during the first quarter. Assuming production & sales about equal for the period, arithmetic would indicate Granco's claimed production is about 40,500 for first-quarter 1959.

Sylvania's new closed-circuit TV camera is now in pilot production at the company's Batavia, N.Y., plant. Mass production is slated by the 4th quarter of this year. Due to be priced at about \$550, the 5-tube camera will be aimed at residential as well as industrial, educational & military markets.

Closed-circuit TV system which GPL claims transmits 4 times more data than heretofore possible is being produced for Navy's BuShips. The high-resolution system operates on a Navy standard of 875 scanning lines, has a bandwidth of 20 megacycles, and provides a horizontal picture resolution of 1000 lines.

SOVIET MERCHANDISE MART: From its high pedestal, the bronze bust of bearded A. S. Popov ("the inventor of radio") frowned benevolently down on a scene reminiscent of a Davega showroom on Saturday afternoon. "Customers" manipulated dials on a wide variety of TVs, radios, hi-fi and stereo combinations of many sizes, shapes & finishes—all lined up neatly for demonstration. Salesmen with winning smiles were extolling the virtues of these latest electronic wonders—but no sales were made.

The scene—the home electronics exhibit at the Soviet Exhibition which opened Tuesday (June 30) in the N.Y. Coliseum—will be repeated daily through Aug. 10. The dealer-showroom illusion was somewhat dispelled by the lack of traditional point-of-sale advertising posters & banners. In their place were tributes to Russian advances in TV-radio technology. One wall mural depicted Moscow's proposed 1677-ft. TV tower (Vol. 14:47) dwarfing the Empire State Bldg. and Eiffel Tower which stood next to it. Another display paid homage to B. L. Rosing, with whom "the birth & development of electronic TV . . . are connected" (in 1911, "he obtained a simple image on the screen of a cathode-ray tube").

The TV sets displayed & demonstrated (mostly by Russian engineers) varied in screen size from 7- to 21-in. In appearance, most of them strongly resembled West German & other European sets, with their high-gloss wood cabinets. While the exhibits stressed 19- & 21-in. sets, Soviet attendants at the exhibit conceded that many of the large-screen units aren't in production yet.

The 2 stand-out models: The "Champion"—an inlaid wood chess table which opens up to convert to a 21-in. TV (somewhat similar to RCA's "hideaway" coffee-table models). A tiny, compact 7-in. transistorized battery-operated portable. The Champion was priced at 5000 rubles (\$500 to \$1250, depending on which exchange rate you use). The little 30-transistor metal-cased portable, scheduled for production "in a few months," had 2 interesting deficiencies: (1) No carrying handle. (2) No provision for an internal battery. We were told that an external 12-volt battery must be used.

Other TV models had pushbutton tuning, clock timers, wired remote control, built-in tape recorders & FM tuners. Many of the sets used vertical chassis, and we were told that 90% of the TV receivers built today in Russia use printed circuits. The 110-degree tube has come to Russia, too—we saw several such models.

Since Russia uses a 625-line TV standard, U.S. stations couldn't be displayed on the sets. They were fed instead from both vidicon and image orthicon camera chains located around the exhibition—with generally excellent results. On most of the sets the 625-line closed-circuit picture came through clear & crisp, with good contrast. (One super-deluxe set, incidentally, with pushbutton tuning, 7 speakers and clock timer, is called the "Admiral.")

Also shown, behind glass, was the control room of "a typical TV center, designed for operation in small towns," with banks of monitors & controls. A novel 4-lb. pistol-grip vidicon camera with back-carried transmitter—all transistorized—was demonstrated for remote telecasts.

The Russians didn't bring their compatible color system to the exhibition. The only color shown was a medical field-sequential closed-circuit system with a 5-in. direct-view screen & a rather dim projection unit which boosted the picture up to about 24-in. proportion. The camera was focused fixedly on a vase of flowers on an operating table.

A separate exhibit was devoted to CTEPEO*, with a special listening room to show its advantages over MOHO†. Stereo recordings were fed to the demonstration sets on 15-in.-per-sec. tapes (no Russian stereo discs were in evidence). Although some of the equipment was quite elaborate, no new principles appeared to be used. In one novel demonstration, 4 speakers were grouped in the traditional string-quartet arrangement, each one representing an instrument. Fed by separate tapes, each reproduced the sound of its own instrument.

Perhaps the most eye-catching (or ear-catching) device in the home electronics display was the "Ecvodin," an electronic musical instrument resembling (and sounding somewhat like) an electric organ. The largest model had 2 piano keyboards and a long smooth surface on which the capacitance of the hand produced differently pitched notes. The Russians claim the Ecvodin, described as a concert instrument, can electronically imitate "all the instruments of a symphonic orchestra." The claim was at least partially substantiated by the interesting variety of sounds made by the instrument.

Some nervous TV-radio & parts makers see the rather elaborate home-electronics display as a prelude to a Russian attempt to invade the TV market. They point to recent limited successes of Soviet optical & lab equipment designed for schools, consistently underselling the domestically produced equivalents.

If the Soviets have their eyes on the U.S. markets for electronic gear, nobody at the exhibition seemed to know anything about it. On the basis of an inspection of the equipment, we'd say considerable restyling would be necessary to make Russian consumer products acceptable to U.S. tastes. And TV exports are virtually ruled out by the difference in standards between U.S. & Russia and the fact that Russia hasn't yet been able to fill home demands for TV—2 principal factors which have helped keep virtually all European-made TV off the U.S. market (Japanese TV, incidentally, uses U.S. standards).

We attended the exhibition's press preview June 29, spending most of our time at the TV-radio displays. We were talking with a Soviet engineer when an army of N.Y. cops invaded the Coliseum and brusquely shooed out all visitors to make way for President Eisenhower, who was about to visit the exhibition. As a large group of policemen converged on the electronics display and rudely urged us to depart, the Russian looked at the uniforms, shrugged his shoulders and said with a resigned smile, "It's the same all over."

*Stereo. †Monaural.

Electronic "schoolmarm" that grades 24 tests simultaneously—at the rate of 6000 answer-sheets an hour—with 100% accuracy has been blueprinted by the Educational Testing Service (ETS). The desk-size machine is being built to ETS specifications by the Norden div. of United Aircraft Corp.

Wurlitzer Co. has acquired all patents & inventions for electronic pianos from Miessner Inventions Inc. of Morristown, N.J. The seller is Benjamin F. Miessner, longtime innovator & engineer in electronics. Wurlitzer has been exclusive manufacturer of an electronic piano since 1955.

Wharfedale Wireless Works Ltd., manufacturer of loudspeakers which are sold extensively in U.S. and other countries as well as England, has been acquired by the Rank Organization, J. Arthur's diversifying film empire.

Trade Personals: Lt. Gen. James D. O'Connell, recently retired as Army Chief Signal Officer, named consultant to General Telephone & Electronics Corp. . . . H. E. Taylor Jr. promoted from industrial products mktg. mgr., Philco govt. & industrial div., to mkt. development dir., Philco International . . . Charles C. O'Brien appointed Zenith mktg. mgr. for hearing aids and related products . . . John M. Leslie Jr., ex-Ampex, appointed exec. v.p., Orr Industries, continuing as gen. mgr.

Harold Metz promoted from special management projects, RCA Service Co. international div., to v.p.-technical educational programs . . . Jack E. Arndt promoted from audio project engineer to consumer product line mgr., Heath Co.; Roger S. Whitlock, ex-Tung-Sol, named technical product line mgr. . . . Payne B. Johnson named to new post of adv. & PR head, Stromberg-Carlson-San Diego . . . James R. Black, ex-U. of Mich., named to Motorola military electronics div. as microelectronics lab mgr., solid state electronics dept. . . . J. Frank Price elected v.p.-operations and a dir. of GPL subsidiary Pleasantville Instrument Corp.

Distributor Notes: Hoffman appoints 7 Graybar Electric Co. branches for TV, stereo hi fi & radio in southern Mississippi, southern Louisiana & southeastern Texas.

William F. Smith, promoted from gen. mgr. to pres.-gen. mgr., Knickerbocker Distributing Corp., Motorola distributor for N.Y. area . . . Newton B. Misell appointed to new post of sales mgr. for built-in TV receivers, Raymond Rosen & Co., Philadelphia RCA Victor distributor.

Du Mont will sell its TV & stereo lines direct to dealers in the N.J. area. Igoe Bros., Newark was previously Du Mont's N.J. distributor.

General Precision Equipment Corp. is offering stockholders a \$2.98 dividend convertible preference stock at \$50 a share. Under the 105,928-share (\$5,296,400) offering, common stockholders of record June 25 get rights to the new issue in the ratio of one preference share for each 11 shares of common held.

Remote control unit which opens TV set doors, changes channels and rotates indoor or outdoor antenna for best reception, is being demonstrated by Motorola. The unit is not in production, but is a "look into the future," and will be shown at various TV & department stores.

TV set sales in Washington, D.C. area for the first 5 months of 1959 are up 20% over the same 1958 period, according to the Electric Institute of Washington—30,416 vs. 24,719. Radio sales dropped to 29,333 from 31,343.

Foreign

Construction of 5 new TV stations is underway in Sweden, at Borlange, Sudsval, Vasteras, Emmaboda and Vastervik. The Borlange station will operate with 60-kw ERP, the others from 10 to 60 kw. Equipment is being supplied by Marconi.

Commercial TV in Holland won a victory over govt.-sponsored telecasting recently as the Dutch cabinet agreed "in principle" to allow the Independent Exploitation Co. to inaugurate commercial TV. Radio stations connected with the govt.-sponsored Dutch Television Foundation oppose the measure, claiming that commercialism is a threat to the cultural level of TV. The independents in turn assert that commercial TV is the only answer to foreign competition. A major battle is expected.

Finance

Avco profits declined sharply during the first-half fiscal year ended May 31. However, this year's 2nd-quarter net profit was almost double that of the first. For the 6 months ended May 31:

	1959	1958
Sales	\$148,420,000	\$140,219,000
Net income	4,202,000	6,210,000
Earned per share	41¢	67¢
Shares outstanding	10,217,231	9,077,281

Reports & comments available: Telechrome, analysis by De Witt Conklin Organization, 120 Broadway, N.Y. . . . Taft Bestg. Co., prospectus, Harriman Ripley & Co., 63 Wall St., N.Y. . . . Telemeter Magnetics, prospectus, Lehman Bros., 1 William St., N.Y. . . . Ampex Corp., market letter report, Ralph E. Samuel & Co., 115 Broadway, N.Y.

Electronics Investment Corp., Electronics Capital Corp. and Salik & Co., all headed by Charles E. Salik, have moved their home offices to 1400 Fifth Ave., San Diego 1, Cal.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Avco	—	\$0.10 Aug. 20	July 31
Daystrom	Q	.30 Aug. 14	July 27
Howard W. Sams.....	Q	.12 July 25	July 10
Wometco Ent. (Cl. A).	Q	.17½ Sep. 15	Sep. 1
Wometco Ent. (Cl. B).	Q	.06½ Sep. 15	Sep. 1

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RCA Maintains Pace: Second-quarter earnings of RCA should be about 40% higher than the 1958 figure, with a sales increase of some 15%—approximately the same percentage gains reported for this year's first quarter, which was the best first-quarter in the company's history (Vol. 15:19). A spokesman said the net profit for the second quarter will be about \$6.5 million vs. \$4.5 million in the 1958 period, with sales totaling more than \$300 million vs. last year's 2nd-quarter sales of \$264 million. First-half sales, therefore, should be about \$625 million vs. \$525 million last year, profits \$19-\$20 million vs. \$13.5 million in 1958.

Varian Assoc., Palo Alto, Cal. manufacturer of microwave tubes, electronic components, etc., has filed SEC registration (File 2-15263) offering \$4 million of convertible subordinated debentures due in 1974 and 20,000 shares of \$1 par capital stock. Proceeds would be applied to working capital & a \$3 million expansion of the company's plant.

American Television & Radio Co., St. Paul, has been granted an SEC hearing July 14 in Chicago on charges that it made "false & misleading representations" in an application for registration exemption for a stock offering (Vol. 15:25). SEC said the hearing will determine whether its order temporarily suspending a regulation "A" exemption for the company should be vacated or made permanent.

COMMON STOCK QUOTATIONS

Week Ending Thursday, July 2, 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	24½	+1½	45½	28	ITT	40¼	+1¼
39½	29½	AmBosch	33¾	-¼	50½	36½	I-T-E	47½	+¾
29½	20½	AB-PT	27	-	123½	72½	Litton	113¾	-¾
84½	61¼	Ampex	78¾	+1¾	37	27¾	Loew's	29	-¾
89	75½	AT&T	81¼	+1¾	70	48¼	Mar'vox	58¾	+4¼
46¾	32¼	Amph-Bore	39½	-½	48¾	36¾	Mallory	45¼	+¾
36¾	23½	Arvin	26	+2	138	111½	MplsHill	134¼	-¼
17½	10½	Avco	15½	+¾	130	57½	Motorola	116	+8¼
74¾	36¼	BeckInst	61¼	-½	12¼	9¾	NatThea	10½	+¾
89	66	Bendix	77¾	+2¾	50¾	44	Param't	47¾	-1½
38¾	24¾	Clevite	38½	+3½	36¾	21	Philco	31¼	+¼
48¾	35	CBS	46½	-	71	43½	RCA	69¾	+4¾
24½	17	ColPict	18½	-¼	73	51¾	Raytheon	57¾	-½
42¾	33¾	ConsElec	37½	-½	10¾	8½	RepbPic	10½	+½
49¼	33½	ConsEllnd	48¾	+2½	45½	26½	Siegler	33½	-1¼
30½	20¾	Cor-Dub	27¾	+1¼	9½	6¼	Sparton	7½	-¼
138	89¾	Corning	138¾	+4¼	28¼	21¼	SpryRnd	26	+1
49¾	34	Daystrom	41½	+1½	23¾	14¾	StdCoil	19	+¾
21¼	17½	Decca	17¾	-¼	33¼	18	StanWar	32¾	+¾
59½	42	Disney	45½	+2¼	53¾	42¼	StewWar	52¼	+1¾
69¾	48¼	EmerElec	64¼	+2¾	33½	24½	Storer	31½	+½
26¾	13¾	EmerRad	21½	+2¾	13¾	9	Telautog	11½	-
33	12½	Gabriel	24½	+½	153¾	61¼	TxsInst	148½	-2¼
42½	34¼	GenBrnze	38¾	+4¼	70¼	56¼	ThompR-W	66¼	+1½
66½	53½	GenDyn	55¾	-	54¼	34¼	Tung-Sol	47¾	+1½
84¾	74½	GE	80¾	+¾	43¾	34¾	20th-Fox	35¾	+¾
38¾	16½	GenInst	32	-	32¼	24¾	UA	31	+¼
45½	31½	GPE	40½	-¾	29¾	27½	UnivPc	28½	-
73¾	60	GenTel	69¾	+½	47¾	24¾	WrnBrc	42¾	-2½
83	44½	GenTire	75¾	-¾	97½	70½	WstgHse	95	+3
37	28¾	Hoffman	35¾	+1¼	136¾	92½	Zenith	123¾	+¾
488	385½	IBM	447	+3					

AMERICAN STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
5¾	3¾	AllidArt	5	-	12¼	5¾	HrldRad	9¼	+½
65¾	36¼	AllidCon	55	+2½	22¾	7	IntRes	19½	+1¾
19¾	11¾	AmElec	16¾	-¼	19¼	9½	Lear	14¼	+¼
26½	15¼	AudioDev	21¾	+2½	2¾	1½	MuntzTV	2¼	-
22¾	10¾	Belock	17¾	-¼	12	5½	Muter	9¼	-¾
10¼	4	Cirostat	8¼	-¼	4¾	2¾	NatUnion	3¾	-
9¾	6	DuMont	8¼	+¼	48¾	23½	PhilpEl	48¾	+5
12¾	4¾	DynamAm	10¼	+¾	43½	14¾	ServoCp	31½	+1
44¾	28¾	ElecCom	40¾	+1	18¼	9	Servomech	13½	-¼
16¾	9½	ElecCp	11½	-¾	10¾	5¾	Skiatron	6¾	+¾
2¼	1	EL-Tron	1½	-¼	17¾	9½	Sonotone	14¼	-¼
174	50¾	FairCam	179	+24	9¾	6¼	Techclr	7¾	-¼
88¼	49	GenTrans.	79½	-¾	22½	9	Tlprmp	17¾	+¾
27¾	20¼	GlobeUn	24¾	-¾	22½	9	TivInd	5¾	+¾
3	1¾	GldFlm	2¼	+¾	14¾	7	TransLux	13	+¼
75	54½	Hazeltine	65	+3	19¾	6¾	Vctoren	15¾	+1¾

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	2¾	3	Maxson (W. L.)	12¼	13¾
Aerovox	9½	10¾	Meredith Pub.	35¼	38¾
AMP Inc.	36¼	39	Metropolitan Bcsgt.	17¼	18½
Baird Atomic	12½	14½	Microwave Associates	20½	21½
British Ind	32	35	National Co	26½	28¾
Capital Cities TV	9¼	10	Official Films	1¼	1¾
Cinerama Prod.	2½	2½	Orr Ind.	34½	37¼
Collins Radio	36	38¾	Pacific Mercury TV	11½	12¾
Cook Elec	42	43½	Packard-Bell	42½	47
Craig Systems	10¾	11¾	Panellit	5	6
Eitel-McCullough	42½	45½	Perkin-Elmer	48½	51¾
Elec Assoc	38	42	Philips Lamp	84¾	87¾
Erie Resistor	10¼	11¼	Reeves Soundcraft	9¾	10½
Giannini, G.M.	32	34½	Sprague Electric	50	53½
G-L Electronics	10¾	12	Tele-Broadcasters	1	1¼
Granco Products	4½	4¾	Teledrome	18	20¾
Gross Telecasting	23¾	25¾	Telecomputing	10¾	11¾
Hewlett-Packard	39¾	42¾	Time Inc.	66	69¼
Hycor	3	3½	Topp Ind.	13½	14¼
Jerrold	6½	7	Tracerlab	9½	10¼
Leeds & Northrup	33¾	36½	United Artists	9¾	10¼
Ling Altec	2¼	2¾	Varian Associates	29½	32
Ling Electronics	23¼	25¼	Wells-Gardner	17¼	19¼
Machlett Labs	27	29	Wometco Ent.	11¼	12¼
Magna Theater	2¼	2¾			

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. † 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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JULY 13, 1959

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

SUMMARY-INDEX OF WEEK'S NEWS

Congress

BROADCAST EDITORIALS ABOUT EQUAL TIME notably absent. Sec. 315 amendment prospects touch-&-go. Harris subcommittee favors stripped-down bill (p. 1).

Auxiliary Services

STATION-CATV BATTLE—more of same in Senate hearings. Pastore reiterates opinion "curative action" is needed. CATV operators gear for rebuttal (pp. 2 & 7).

FIGHT PROMOTER ROSENTOHN to handle own closed-circuit in Johansson-Patterson rematch. TelePrompTer's gross in June 26 bout exceeded \$1 million (p. 8).

Networks

MORE FILM ON NETWORKS in prime time next season. NBC plans only 9½ hours of live & tape, ABC 5 hours, CBS 7½ hours (p. 6).

Programming

TV's ALL-STAR GAME—searching for big names for specials—proceeds at unprecedented rate. Specials also drawing heavily on production, direction & writing talent (p. 9).

Film & Tape

FILM PRODUCERS OBEY CODE, except for small minority, says new NAB Hollywood executive, named to advise film makers on code problems (p. 12).

TV's MOVIE APPETITE is enormous, survey by NTA reveals, with most stations screening anywhere from 6 to 10 features weekly. A few run as many as 45 movie shows (p. 12).

SYNDICATION MARKET SOFTENS in 7-station L.A. Buyers complain prices are too high for potential returns (p. 13).

Manufacturing & Distribution

INDUSTRY ON 'MADE IN JAPAN' FENCE, debating whether to import or not to import. Our survey of 10 industry leaders finds indecision, confusion, concern (pp. 15 & 17).

MOTOROLA STRESSES STEREO with 3-channel line, single-cabinet units; eschews TV gimmicks, promises transistor set soon; 23-in. under test (p. 16).

FCC

FCC HEARS AGENCY SIDE of program-selection process at N.Y. hearings, agency men admitting that networks are in primary program control this fall because of tight time situation (p. 2).

FCC's TV TASTES ARE CONVENTIONAL, though members apologize for "not watching enough." They like sports, news, Westerns, whodunits and "anything well done" (p. 4).

RERUN TRIAL FOR MACK & WHITESIDE promised by Govt. after jurors in Miami Ch. 10 conspiracy case split on verdict. Only one reported for acquittal (p. 5).

Finance

FORTUNE's 500 INDUSTRIAL GIANTS include 34 in electronics fields, led by GE, Western Electric, Westinghouse. Table lists vital statistics of top electronics firm (p. 18).

Stations

STEREOCASTING SCORE TODAY: FCC rescinds permission for broadcast-hour FM tests. All 3 networks and WBC testing AM systems. Dispute over AM-FM technique (p. 3).

FEW CAPTIVE AUDIENCES remain, as 'one-station areas' disappear from U.S. scene. Nielsen survey shows 2% of nation's TV homes don't have multi-station choice (p. 7).

BROADCAST EDITORIALS ABOUT EQUAL TIME? It's a curious thing—the telecasters' battle for easing of Sec. 315 political equal-time burdens. Here they are, on one hand, with an unprecedented degree of editorial support from newspapers. Yet, on the other hand, their own facilities for broadcast editorializing on the subject are notably mum.

Amendment of Sec. 315 is really touch-&-go this session of Congress. Next session, there may be no Lar Daly to provide a perfect peg for another campaign and another stimulus for newspaper support—and broadcasters would be forced to wage a more lonesome battle.

NAB has been a vigorous advocate of both broadcast editorializing in general and of amendment of Sec. 315—but it has yet to put the two together, being too preoccupied, perhaps, with Preparation H and the industry's "image."

It couldn't be that networks and stations are concerned over the obligation to give Lar Daly and his ilk an opportunity to answer their editorials on equal time. Daly's past performance certainly doesn't establish him as a formidable opponent. It couldn't be, either, that broadcasters are afraid of offending the FCC majority which supported Lar Daly. Commission has encouraged controversial presentations, so long as the opposition gets a fair chance for rebuttal.

Furthermore, broadcasters are in much better position to editorialize on equal time than on, say, pay TV, because "public interest" aspect is easier to demonstrate. There would be fewer cries of "self interest."

Congressional reluctance to provide full relief from Lar Daly ruling was demonstrated last week by House Commerce communications subcommittee chaired by Rep. Harris (D-Ark.). Following 3-day hearings on issue (Vol. 15:27), subcommittee met in closed session, wrangled all day over language of proposed Communication Act amendments, finally recommended stripped-down version of bill (HR-7985) sponsored by Harris himself.

Equal-time exemptions in rewritten Harris bill would be limited to appearances by political candidates "on any newscast (including news interviews) or on-the-spot coverage of newsworthy events." As first written, Harris measure also excluded debates, news documentaries, panel discussions "or similar type programs" from equal-time requirements. Senate Commerce communications subcommittee headed by Sen. Pastore (D-R.I.), which conducted 5-day hearings on subject (Vol. 15:26), hasn't acted yet on legislation. And it will take big push to get any Sec. 315 amendments to floor of House or Senate for vote before adjournment of this session.

STATION-CATV BATTLE—MORE OF SAME: "Some curative action is mandatory & imperative." That was stern word from Chairman Pastore (D-R.I.) of Senate Commerce communications subcommittee last week—midway in station-vs.-CATV phase of hearings on bills to regulate community antenna systems and boosters (see summary on p. 7).

Irate TV station operators already had told him enough about allegedly ruinous competition from unregulated CATV operators to make clear the need for new legislation, said Pastore. In fact, he had heard so much about CATV "program pirates" since hearings opened week earlier (Vol. 15:27) that Pastore complained station testimony had reached point of "redundancy."

But just what rules for auxiliary TV services will be recommended by Pastore's subcommittee was no clearer at end of second week of proceedings. At one point Pastore said it might be good idea to split up the omnibus regulatory bill (S-1886) by Sens. Moss (D-Utah) & Murray (D-Mont.), which was generally supported—as starter—by station witnesses. One part could take care of CATV; the other, less-controversial booster controls, he said. But Pastore didn't pursue point.

Thorough going-over of CATV witnesses when their turn on stand comes this week was promised by Pastore, in any event. Referring to their defense against station complaints that they put local TV service out of business—or constantly threaten to do so—Pastore said: "They'll be asked. They'd better be prepared to give the answer, too."

FCC HEARS AGENCY SIDE: Networks are in driver's seat this season when it comes to program control in all key fields—buying, approving, scheduling, pre-empting for specials—but major agencies are only mildly alarmed and feel they can live with situation. In most cases, they get along fine with the TV networks.

That's key impression we got from FCC hearings on TV program-selection process in N.Y. last week, featuring most of Madison Avenue's top TV-radio agency brass.

There were no explosions, no startling facts brought to light by FCC broadcast bureau chief counsel Ashbrook P. Bryant and chief hearing examiner James D. Cunningham who presided. Much of what was covered was elementary ("It's 'TV basics, 1-A,'" scoffed a network observer to us) in network-agency relationships. However, some useful benchmarks for FCC study emerged:

(1) Network control varies with unsold time. C. Terence Clyne, senior TV-radio v.p. for McCann-Erickson, made this point on first day (July 7) of hearings. During 1958 recession, he indicated, it was easier to bring outside shows to the network. Today, with time tight, it's tough "unless the network is enthused" about a show.

(2) Agencies have little to do with public affairs TV, apart from buying such shows for clients interested in reaching "specialized audience," all agreed. Such a program area, admen said, was best left to networks. However, Cunningham & Walsh chairman John P. Cunningham dissented as a minority of one, continuing his crusade for more Madison Ave. participation in public affairs & educational programming.

(3) Overcrowding of network specials is apparent, with regularly scheduled shows increasingly being bumped to create one-shot space on a "take-it-or-leave-it basis"—as J. Walter Thompson TV-radio v.p. Dan Seymour phrased it.

(4) Agencies take pride in exercising limited program control, usually after they've bought a show for a client. Most agency men (particularly Benton & Bowles' exec. TV-radio v.p. Thomas J. McDermott, soon to join Four Star Productions) cited examples of "creative contribution" in improving format, scripts, guest-star policies, and in mildly censoring shows that might offend clients & audiences.

(5) Networks are strengthening "magazine concept" selling, a pet project of Pat Weaver when he was pres. of NBC-TV, with most agencies approving. Virtually all agency men confirmed these trends: (a) Client buys as few as 6 or 7 alternating positions in 13-week run on network-sold shows. (b) Networks purchase from producers of 60-min. shows (like ABC-TV's "77 Sunset Strip" and "The Alaskans" or NBC-TV's "Riverboat") and resell on a minute participation or segment (20 min., alt. wk.) basis. (c) Networks purchase shows from agencies when the agencies can deliver only an alternate client.

Do networks link time sales to program sales? No firm conclusion, it seemed, was reached either way at N.Y. hearings, with agency men—contrary to some expectation—generally ducking the issue.

Entire session was broadcast by N.Y. city-owned radio WNYC and drew top ratings on Madison Ave., judging from the number of portable radios carried on the train from Westport. Next hearings in FCC's network probe will be special session July 21 called by Examiner Cunningham to look into conditions surrounding discontinuance of "Voice of Firestone." Witness list comprises 3 Firestone executives and "Voice" musical dir. Howard Barlow.

THE STEREOCASTING SCORE TODAY: FCC is cracking down on experimental authorizations to test stereo systems during broadcast hours. It has received little useful information, and it sniffs possible abuses—so it is rescinding or refusing to extend virtually all such permits.

The discontinued authorizations were all for FM multiplex tests. There was question in mind of FCC whether stations and equipment makers were commercializing on these tests—some types of stereo multiplex converters being available on the market. FCC officials say reports and information submitted by these stations were meager "and didn't show anything we didn't already know."

Experimental single-station stereocasting is still going on—but in non-broadcast hours. New York is hotbed of AM stereo tests, with 3 network flagships authorized to transmit special stereo systems in wee small hours. WABC, WCBS & WRCA are testing basically similar systems, employing frequency-modulated stereo information impressed on AM carrier. WCBS is using new CBS system which works on this principle, WRCA the RCA system (Vol. 15:10). In Pittsburgh, WBC's KDKA is testing Westinghouse AM system. Only completely different AM stereo system is Kahn Research Labs' sideband method, for which Detroit's WJR has asked test authorization.

In FM, another major system has cropped up—proposed by Zenith. It's currently being tested on Zenith's WEFM Chicago. No details are available. Interest in stereophonic TV systems—at least for the moment—is dwindling toward the vanishing point.

NSRC, now concentrating on FM systems in hopes of meeting FCC's Dec. 11 deadline for filing comments, will convene its important system-specifications panel Aug. 5 for what may be its crucial meeting.

There's plenty of stereo on the air—the non-experimental 2-station kind (mostly AM-FM). And there's considerable debate whether this "makeshift stereo" is a boon or a destructive influence. Almost every AM-FM station combination has at least dabbled in this 2-station stereo approach, and availability of wide choice of stereo discs & tapes as program material is making it more popular.

Majority of package stereo-hi-fi manufacturers have turned thumbs down on this stereocasting system by refusing to offer stereo AM-FM tuners in their 1960 phono combinations—although more lines are featuring them this year than last. (AM-FM stereo tuner is one which will receive both AM & FM stations simultaneously, as opposed to conventional AM-FM tuners which can tune either AM or FM at any time, but not at same time.)

Set makers who ignore AM-FM stereo argue this way: Within year or so, FCC will authorize single-station multiplex system, completely obsoleting 2-station stereo. Frequency response and noise level of AM

& FM stations are so poorly matched that resulting stereo effect is bad. "We have a jack on our set for future multiplex input," these manufacturers argue, "so we're prepared for true stereo broadcasting."

Obvious disadvantage of present AM-FM system is its incompatibility. Since most listeners still hear program monaurally—either on AM or FM alone—they only hear one "track" of the 2-track stereo. Nevertheless, stations which are sold on AM-FM approach minimize this obstacle. N.Y. Times' WQXR, which has been broadcasting AM-FM stereo for 6 years, says this hasn't turned out to be problem. Chief engineer Louis J. Kleinklaus explains that all tapes & discs are auditioned first to make sure that both AM & FM portions will have relatively balanced sound—no long pauses or strange effects—and recordings which don't meet this standard are rejected.

There's one "compatible" 2-station stereo system—which requires no FCC permission. It's Bell Labs' time-delay technique, which, through "precedence effect" phenomenon, gives listener the illusion of direction of sound even though both sound channels actually come from both stations (Vol. 15:9). Thus, monaural listeners hear "complete" sound monaurally, while stereo listeners hear it stereophonically.

Western Electric is now ready to license users of this system. It doesn't sell the equipment, however, which must be purchased elsewhere for \$3000-\$4000. So far, only regular users are KFJZ & KFJZ-FM Fort Worth, full-time stations which broadcast compatible stereo from 3 p.m. to signoff. NBC has used it experimentally in TV-radio and in FM-AM simulcasts, and WQXR tried it out a couple of weeks ago—but the latter said listener response was so slight it has no intention of buying equipment for system.

Common complaint of stations now broadcasting stereo is that no manufacturer is offering studio equipment designed for stereo. Although same basic 2-channel studio & audio gear is required for all kinds of stereocasting, none is available commercially, and all equipment now in use—some of it quite elaborate, as at WQXR—is of home-built haywired variety.

Public's rapid acceptance of stereo hi-fi systems and phonos (see Trade Reports) underscores need for early action to standardize on companion stereo radio service. Phono manufacturers' 1960 lines (which include hardly any monaural models)—and their promotion plans—make it clear that they expect major stereo boom this fall. With dual stereo amplifiers & speakers in fast-increasing number of U.S. homes, big new equipment market and radio audience is waiting—waiting to be told what kind of tuner or converter to drop into the console, to bring radio listening back into the livingroom.

FCC'S TV TASTES ARE LIKE EVERYONE ELSE'S: FCC Commissioners are quite "normal" in their viewing tastes, we found in a recent check of their preferences. And, like many TV industry professionals, they believe that they ought to watch more than they do. Here's rundown on preferences:

Chairman John C. Doerfer—"Sports, of course. And a good historical drama, particularly about the Civil War, [he's quite a Civil War buff]. I like news in depth, the documentaries. And I go for a good whodunit—but not those short ones."

Comr. Rosel H. Hyde—"A good drama—and that's just about it."

Comr. Robert T. Bartley—"News & sports. Oh, I watch some other programs, but news & sports are my real preferences."

Comr. Robert E. Lee—"I'm not very eggheaded, I guess, because I like the Westerns. I go for some panel discussions on Sunday. A good movie is fine. I also try to catch the golf shows."

Comr. T. A. M. Craven—"Sports and whodunits. I'll tell you what I don't like—opera and discussion programs with a bunch of longhairs all talking at the same time about something they don't know anything about, talking down to the rest of us. I like 'Meet the Press' sometimes."

Comr. Frederick W. Ford—"Sports, the Westerns. I read all the Zane Grey and Hopalong Cassidy books, saw all the movies, and now I watch the Westerns. I like anything Leonard Bernstein does. I thought 'Hamlet' was excellent. I like 'What's My Line,' '77 Sunset Strip' and the 'Jack Paar Show' occasionally. Matter of fact, I go for any program that's well done."

Comr. John S. Cross—"I'm easy to get along with. I like a lot of programs—sports, 'The Late Show,' spectaculars once in a while—and I'm an old fan of 'What's My Line'."

Congress

New Agency Probe Set: Long-awaited hearings by a Senate Judiciary subcommittee on administrative practices and procedures of FCC and other federal regulatory agencies, pending since Feb. (Vol. 15:7-8, 10), finally get under way next week. Chairman Carroll (D-Colo.) has scheduled July 21-23 sessions in Room 2228 of the new Senate Office Building—and opening proceedings may run through July 24. The initial witness list had not been drawn up last week, but testimony on how the Administrative Procedures Act of 1946 is working out is expected from legal experts.

The Carroll subcommittee has \$115,000 to spend this year on investigations which could spread ultimately into FCC areas touched by last year's sensational House Commerce legislative oversight subcommittee probes. In addition to Carroll, members are Sens. Hart (D-Mich.) & Dirksen (R-Ill.), the minority leader. Chief counsel is Judge Joseph P. McDonald of Denver. Minority counsel is Cornelius Kennedy of Chicago.

"We're not going into the FCC or any specific agency in the opening phase," Carroll told us last week. "But there's no telling what it may lead into. This is a permanent subcommittee and the agencies might as well know it now. We'll be breathing down their necks for a long time."

Movie price fixing by major studios in violation of the Govt.'s 1948 Paramount anti-trust decree divorcing producers from theater operations was alleged last week by Sen. Langer (R-N. D.). In a floor speech, he demanded that the Justice Dept. do more to enforce the decree—or that the Senate Judiciary anti-trust subcommittee headed by Sen. Kefauver (D-Tenn.) "take effective action." Langer cited complaints by the Independent Motion Picture Theater Owners against such producers as Paramount, 20th Century-Fox, Warner Bros., Loew's, RKO, Columbia, United Artists & Universal. Among the charges: (1) The public is "compelled to pay abnormally high & uniform admission prices, dictated by the film companies, in order to see choice motion pictures." (2) Independent movie houses are forced to give "second-rate theater service" by their inability to get "better pictures" on a first-run basis. (3) Continued operation of "thousands" of small theaters is endangered.

Approval of 2 international AM treaties by the Senate was earnestly sought by the majority of witnesses testifying before the Senate Foreign Relations Committee last week. The North American regional broadcasting agreement has been pending since Nov. 15, 1950, the U.S.-Mexican agreement since Jan. 29, 1957. Those favoring ratification warned that American AM service will deteriorate unless approval is voted. Plumping for ratification were: W. T. M. Beale Jr., Deputy Asst. Secy. of State; FCC Comrs. Hyde & Cross; John H. Dewitt Jr., Clear Channel Bestg. Service (CCBS); Hollis M. Seavey, ex-CCBS; Elliott M. Sanger, WQXR, N.Y.; attorneys Andrew G. Haley and Glenn A. Wilkinson. Opposing were J. R. Livesay, WLBH Mattoon, Ill. representing Daytime Bestrs. Assn., and Rep. Shipley (D-Ill.), who has a bill pending to extend the operating hours of daytime stations.

Malicious damage to any communications facilities—including radio—which are "used or useful in the military or civilian defense functions of the U.S." would be subject to federal criminal law under a bill (HR-8138) by Rep. Dowdy (D-Tex.). Existing federal law covers govt.-owned or operated facilities, but doesn't protect commercial systems used by the Defense Dept.

The FCC

RERUN TRIAL FOR MACK: Ex-FCC Comr. Richard A. Mack, tried for 12 weeks on govt. charges that he and co-defendant Thurman A. Whiteside conspired to throw Miami Ch. 10 to National Airlines' WPST-TV (Vol. 15:15-27), will have to go through it all over again.

The long and sometimes almost riotous proceedings in Judge Burnita S. Matthews' U.S. District Court in Washington ended July 10 in a hung jury, split 11-1—for conviction, according to one member of the panel. Prosecutor J. Frank Cunningham announced a new trial.

Said jury foreman Robert E. Burner in his report to Judge Matthews on its off-&-on deliberations, interrupted when one juror required hospitalization soon after the case was received July 1: "Eleven members of the jury have agreed on a verdict. These 11 believe that the stand of the remaining member is not consistent with reason and have not been able to change the stand of that person by arguments or persuasion." Mack & Whiteside just shook hands.

Judge Matthews, who had pleaded with the jury a day earlier to come to an agreement, dismissed it with thanks, then turned to Mack's counsel Nicholas J. Chase to administer a tongue-lashing. She said he had been "rude, disrespectful & disobedient" during the marathon trial, in which defense lawyers challenged her rulings and demanded mistrials every step of the way until the end.

Chase said later: "I am sorry that Judge Matthews said what she did. My views of the traditions of my profession interdict further comment from me." Mack's only comment was: "I am very proud of my lawyer. I am going back to Florida and try to recover my health." Mack & Whiteside are at liberty under \$1000 bonds.

At one point in legal wrangling, after juror Joseph R. Carroll became ill, it was agreed by opposing counsel that the case would be retried on the Miami home grounds of Mack & Whiteside in the event of a mistrial. But Chase subsequently withdrew his agreement, protesting that Judge Matthews had failed to tell him she had received one of several queries from the jury.

Commissioners' Vacations: As it has for several years, FCC takes off for the month of August for the convenience of its staff and industry representatives. Here's what Commissioners themselves plan to do: Chairman Doerfer—"Sleep. Seriously, it really depends on Congress. I'll stick around if they're still in session and want to call me up for hearings. However, I'd certainly like to get away for 3 weeks. Comr. Hyde—"Visit my family and my wife's family back in Idaho." Comr. Bartley—"Stay in town. Can't afford otherwise; got 2 boys in college." Comr. Lee—"I'll be on the job. I agreed to hold the fort." Comr. Craven—Leaves Aug. 1 to head U.S. delegation to International Telecommunication Union conference in Geneva. Comr. Ford—"No plans." Comr. Cross—"Back in Eureka Springs, Ark. again, helping my wife run the motel."

Six applications for new TV stations were filed with the FCC last week: For Ft. Smith, Ark., Ch. 22, by a local group of businessmen headed by James R. Jorden; for Alpena, Mich., Ch. 9, by WKNX-TV Saginaw; for San Angelo, Tex., Ch. 3, by appliance dealer E. C. Gunter; for Grand Island, Neb., Ch. 11, and Reno, Nev., Ch. 4, both by Electron Corp. (subsidiary of Ling-Altec Electronics) of Dallas, which is also an applicant for Douglas, Ariz.; for Reno, Ch. 4, by attorney Edward I. Cutler & real estate man Robert Wasdon. TV applications pending: 114 (15 uhf).

Networks

LESS LIVE TV: There will be a continued increase in the amount of prime-time film programming on all 3 networks next season. Of the non-film programs, no breakdown is available between live & tape shows.

NBC's schedule for next season shows 14½ hours of telefilm programming and 9½ hours of live & tape each week in the prime time slots. This compares with 11½ hours of film and 10½ live & tape last season—a decrease in live shows despite NBC's scheduled 3 hours of specials each week next season.

ABC's schedule will have 19½ hours of telefilms each week, with only 5 hours of live & tape. This gives ABC about 95% telefilm programming, as against 90% last season, and fulfills its reputation as the "film network." ABC will have a few sporadic live or taped specials, including 2 with Bing Crosby and 4 with Frank Sinatra.

CBS will have 16½ hours of film and 7½ live & tape each week in prime time, compared with 16 film and 8½ live-tape the past season. However, this picture may change before the new season begins, because of a few shaky summer entries.

MBS Payment Offer: Mutual Bestg. has offered creditors 10¢ on the dollar in settlement of debts accrued prior to June 30, when a petition under Chapter XI of the Bankruptcy Act was filed by the network (Vol. 15:27). The offer was made at an informal meeting of creditors called in N.Y. July 9. MBS set a 30-day deadline on the proposal. An official offer will be made at a later creditor's meeting to be called by referee Asa Herzog July 13.

Mutual's creditors (numbering 750) have appointed a 15-man committee to consider the offer, headed by Fulton Lewis Jr., to whom MBS owes \$47,000. UPI made an informal poll of creditors after the N.Y. meeting. Consensus: The creditors will accept the 10¢ offer.

CBC Loses on Ads: Canadian taxpayers continue to pay to view sponsored TV shows, it was disclosed last week during the inquiry (Vol. 15:26) by a Parliamentary committee looking into the policies, operation and costs of the publicly owned CBC. The probe was triggered by the mass resignations of 37 key CBC staffers who implied political interference with the free expression of ideas.

Figures given by CBC officials revealed that advertisers on most TV shows still pay only a fraction of the cost of production, with the public treasury making up the difference (Vol. 13:39 & 14:29). Of 102 TV broadcasts in 2 weeks of March, only 17 produced profit for CBC. Example: The network paid \$30,132 to produce *Cross-Canada Hit Parade* but got only \$9,678 from sponsors Imperial Tobacco & Texaco Co. The Canadian public footed the bill for the \$20,454 deficit.

Agreement on pooled coverage of the 1960 Democratic national convention in Los Angeles was reached at a meeting of the 3 networks in Los Angeles last week. J. Leonard Reinsch (Cox stations), managing dir. of the conclave for the Democratic Party, was in charge of the meeting, attended by CBS v.p. Sig Mickelson, NBC v.p. Bill McAndrew and ABC special events dir. Don Coe. Biltmore Hotel's fourth floor was designated as administrative headquarters for the TV & radio networks.

NETWORK SALES ACTIVITY

NBC's announcement of \$5.2 million gross sales on *Today* and *The Jack Paar Show* (see below) for the 2nd quarter came simultaneously with a network claim of a 6.5 million nightly viewing audience average for the Paar show, based on Nielsen figures. Paar, now seen on a 135-station lineup, had an audience of about 3 million in 1957. Network sales otherwise were light last week, confined mainly to buying of specials.

ABC-TV

Colt .45, Cheyenne & Sugarfoot, summer sponsorship starting July 14.

Procter & Gamble (Benton & Bowles).

The Alaskans, Adventures in Paradise, The Untouchables, Bronco and American Bandstand. Partics. in all 5 starting in fall.

Luden's (J. M. Mathes).

Take a Good Look (Thurs., 10:30-11 P.M.). New panel show produced by Irving Mansfield & Peter Arnell, debuts Oct. 15. Ernie Kovacs will be m.c. *Consolidated Cigar Sales Co.* (Erwin Wasey, Ruthrauff & Ryan).

Saturday Night Pro Football, 7 weekly games starting Aug. 22 at 10 P.M., live & tape.

General Mills (Knox Reeves), *Hamm Brewing* (Campbell-Mithun) in West only; *Natl. Brewing Co.* (W. B. Doner), East only.

Tournament of Roses Parade Jan. 1, 1960.

Quaker Oats (Lynn Baker).

CBS-TV

Hemingway Specials, four 90-min. programs, to be adapted from Hemingway stories by A. E. Hotchner. Producer, Gordon Duff. Times & days not set. *Buick* (McCann-Erickson).

News Specials, eight 60-min. prime-time programs next season, times & days not set. Co-sponsorship with Bell & Howell.

B. F. Goodrich (BBDO).

NBC-TV

People Are Funny moving to new time next season (Fri., 7:30-8 p.m.).

Greyhound (Grey) and *Bulova* (McCann-Erickson).

Tournament of Roses Parade, from Pasadena, Jan. 1, 1960, (11:30 a.m.-1:45 p.m.). Sponsor's order is for 6th consecutive year.

Minute Maid Corp. (Bates).

Today and Jack Paar Show 2nd-quarter 1959 orders not previously announced, involving 18 renewals and 28 new orders for partics. totaling a gross of \$5.2 million.

Renewals: *Regimen Tablets*, 66 partics. (Kastor, Hilton, Chesley & Clifford Inc.); *Alberto-Culver*, 65 partics. (Wade); *Grove Labs*, 52 partics. (Gardner); *Bristol-Myers*, 39 partics. (Young & Rubicam) New orders: *Bayuk Cigar*, 78 partics. (Werman & Schorr); *American Petroleum Inst.*, 30 partics. (Sullivan, Stauffer, Colwell & Bayles).

Modernization of ABC-TV's Stage E in Hollywood, is scheduled for completion before July 15, engineering v.p. Frank Marx announced July 7. All network West Coast specials next fall will originate from the remodeled stage. The Austin Co. is the engineer-building firm.

James Arness, Marshal Matt Dillon of CBS-TV's consistently high-rated *Gunsmoke*, has signed a new long-term contract with the network whereby he'll have his own production company to produce the series in association with CBS-TV. Arness will continue to portray Dillon.

Stations

Few Captive Audiences: The "one-station home" has virtually disappeared from the American TV scene, Nielsen reports in a special study of the degree of choice between stations that can be made by the country's 44.5 million TV homes.

Ten years ago, says Nielsen, "almost half of the homes then equipped with TV sets could receive one station, and only one." By 1952, the percentage of one-station homes had dropped to 32%. In late 1958, the figure had dropped to a mere 2%. At the same time, the percentage of homes that can receive 4 or more stations has gone up to 81%. Here are the figures, shortened by Nielsen to an every-other-year basis:

Increase in TV Station Choice

	'52	'54	'56	'58
U.S. Stations in operation..	109	357	428	481
Homes Able To Receive:				
4 or more stations	31%	61%	77%	81%
2 to 3 stations.....	37	30	19	17
Only one station	32	9	4	2

Resale of radio WKNB New Britain-Hartford for \$255,000 by new owner Connecticut TV Inc. (Vol. 15:26) was accomplished last week. Buyers are Sheldon I. Smerling, N.J. theater concessionaire and owner of WICO Salisbury, Md., and his family. The station was bought by Connecticut TV as part of a package deal when NBC sold WNBC (Ch. 30) to uhf pioneers WICS (Ch. 20) Springfield, Ill. and WWLP (Ch. 22) Springfield, Mass. for \$1,044,000.

Sale of 52% of WDMJ-TV (Ch. 6) Marquette, Mich. and proposed satellite WIRN (Ch. 12) Wakefield, Mich. by Frank J. Russell to Morgan Murphy interests for approximately \$102,000 in obligations plus a \$160,000 loan (Vol. 15:24) was approved by the FCC last week.

Purchase of radio KOBV San Francisco for \$1.75 million by KCOP (Ch. 13) Los Angeles owners Kenyon Brown & Associates from David Segal was announced last week. Buyers also are in NAFI group acquiring KPTV (Ch. 12) Portland, Ore. (Vol. 15:23). In addition, Segal is disposing of KOSI Denver, selling it to ex-Balaban Corp. broadcasting v.p. Bill Armstrong for \$387,000. The San Francisco station was bought by Segal for \$467,500 from S. A. Cisler 3 years ago.

Rep. George Bolling and his son are buying 52½% of KRNO San Bernardino, Cal. for \$240,000 from Western Empire Bcstrs. Inc. Jack C. Vaughn and Cecil L. Trigg, who control KVII (Ch. 7) Amarillo and KOSA-TV (Ch. 7) Odessa, Tex., will acquire 23¾% each.

Demise of NAB's *TV Quarterly* because of "impending changes in the TV information program" was announced recently by NAB PR mgr. John M. Couric, who explained: "We are discontinuing publication because we do not want to duplicate efforts in the important endeavor of acquainting the public with TV's worthwhile contributions to American life."

Associated Press is making available to broadcast news wire members & subscribers a new operations timetable, in color (for desk or bulletin board), which schedules the movement of world & regional news summaries, sports weather, and special features on AP's broadcast wire.

Assn. of Maximum Service Telecasters adds 2 members—WIS-TV Columbia, S.C. & WSOC-TV Charlotte, N.C.

Auxiliary Services

More about

CATV 'PROGRAM PIRATES': Big CATV guns will be lined up in Room 5110 of the new Senate Office Building this week to fire back at station operators who have charged community antenna systems with destroying—or at the very least competing unfairly with—local TV service (see p. 2.)

Nearly a score of CATV operators & supporters from across the country are listed by Senate Commerce communications subcommittee Chairman Pastore (D-R.I.) as witnesses July 14-15 at hearings on 5 bills to place CATV & boosters under FCC regulation—hearings which for 2 weeks have resounded with station complaints (Vol. 15:27). FCC itself will testify at a windup session July 16.

Typical of station complainants last week was v.p.-gen. mgr. G. David Gentling of NBC-affiliated KROC-TV (Ch. 10) Rochester, Minn. He said Rochester Video Inc., locally-franchised CATV system, hasn't yet carried out threats to bring in NBC programs from St. Paul. But if that happens, KROC-TV "will be seriously injured."

"Such one-sided competition between unregulated program pirates and regulated local TV stations will certainly mean the demise of local free TV in most of the smaller communities of the country," Gentling said. He endorsed an omnibus bill (S-1886) by Sens. Moss (D-Utah) & Murray (D-Mont.) as "designed [to] eliminate the opportunity for unfair competitive practices."

Among other things, the Moss-Murray measure would forbid FCC to permit CATV operations which would "adversely affect" creation or continuation of locally-originated TV service.

Marshaled by such CATV champions as ex-Sen. McFarland (D-Ariz.), former Commerce Committee chairman, and National Community TV Assn. (NCTA) gen. counsel E. Stratford Smith, the CATV witnesses will open up their defense & counter-attack after Pastore's subcommittee hears this week's lead-off witnesses. They are Sen. Aiken (R-Vt.) & NAB pres. Harold E. Fellows, both scheduled for July 14.

Among last week's witnesses:

Barclay Craighead, mgr. of off-air KXLJ-TV (Ch. 12) Helena, Mont., lashed out at the Helena CATV system and FCC for his troubles. KXLJ-TV went on air in Jan. 1958, went dark in Feb. 1959 in a losing Court of Appeals dispute with FCC and the community operators who—as a last straw for Craighead—got Spokane signals via microwave.

"The Commission," said Craighead, "appears to take delight in throwing competition against a small-town free TV station." FCC Chairman Doerfer, in particular, "has become the defender & apologist for pay cable systems," he complained. Craighead warned that unless CATV operations are brought under tight controls, local TV stations will "be smashed out of existence in very extensive areas of the country."

Edward Wheeler, Craighead's counsel, seconded the thwarted Helena station operator. He protested that CATV systems make "big money" while small stations are run out of business.

Fred Weber, v.p. of WBOY-TV (Ch. 12) Clarksburg, W.Va., complained about competition from his city's CATV system, which brings in programs from Pittsburgh, Wheeling & Steubenville. "The subscription system gets no permission," Weber said. "It pays no off-the-air fee. But it purloins every network program." He argued that "impossible difficulties" lie ahead for small stations if CATV

"can continue program duplication of a free station as well as rebroadcast all other programs without regulation."

Sen. Allott (R-Colo.), author of a measure (S. J. Res. 26) to legitimize boosters, endorsed CATV provisions in the Moss-Murray bill, too. He said: "Unregulated CATV presents the very real danger, especially in the area of small-town TV, of eventually curtailing if not eliminating TV service from fringe or remote areas, since it serves only the heart of the market because of the current limitations & dependence upon wire."

Testimony or statements in support of legislation to legalize & standardize boosters came from Sen. Curtis (R-Neb.), Reps. Thomson (R-Wyo.) & Berry (R-S.D.), exec. v.p. Lawrence Berger of KTWQ-TV (Ch. 2) Casper, Wyo., and Richfield, Utah, city attorney Tex R. Olsen, representing the Utah TV Repeater Assn.

The CATV lineup this week:

July 14—A. J. Malin, Laconia, N.H.; Henry Griffing, Video Independent Theatres, Oklahoma City; A. Earl Cul-lum Jr., Dallas consulting engineer; Archer Taylor, Missoula, Mont., consulting engineer; Robert Murphy, Casper, Wyo., attorney; Glenn Flinn, Tyler, Tex.; Milton J. Shapp, Jerrold Electronics; Ben Adler, Adler Electronics.

July 15—Ex-Sen. McFarland, representing the Arizona CATV Assn.; Sanford Randolph, Clarksburg, W.Va.; Robert J. Tarlton, Lansford, Pa.; NCTA counsel Smith; Charles Clements, Waterville, Wash.; Clifton W. Collings, Ephrata, Wash.; George M. Frese, Wenatchee, Wash. consulting engineer.

Microwave serving CATV system in Helena, Mont.—Montana Microwave—which FCC had ordered to quit operating last week pending a Commission decision on a protest by KXLJ-TV Helena (Vol. 15:26), has obtained an injunction which would permit it to continue until Aug. 4. The injunction was handed down by the 9th Circuit Court of Appeals, of San Francisco. The FCC, meanwhile, turned down Montana Microwave's request that it be permitted to continue operating pending the outcome of an oral argument on the protest to be conducted by the FCC July 24. However, FCC extended the cut-off date to July 15.

Four translator CPs granted by the FCC last week: Ch. 72, 76 & 80, Texhoma, Tex. to Texhoma TV Translators; Ch. 76, Yakima, Wash. to Allied Electronics. Granted the week of June 28: Ch. 80, Frostburg, Md., to Frostburg Community TV, and Ch. 72, St. James, Minn., to Watonwan TV Improvement Assn. The Minn. grant is conditioned on any future grant of a regular TV station on Ch. 57 at any location involving mileage separations less than those required by the FCC's rules.

Small CATV system in Glendale, W. Va., Glen-Tennas, discontinued operating March 31 after running since 1952, owner Sam Shaw stating: "Too many people get 2 channels on rabbit-ears." The system has been distributing signals of KDKA-TV & WTAE Pittsburgh; WTRF-TV Wheeling, WSTV-TV Steubenville.

Wide-screen TV at Atlantic City, N.J. airport gives control-tower men a panoramic view of runways & parking areas and closeups of landing & departing aircraft. The installation uses 2 "Scanoscope" cameras (Vol. 15:10) developed by Grimson Color Inc. for its wide-screen (7-by-3 aspect ratio) TV system.

Translator start: W76AA Frostburg, Md. began tests June 22 repeating WTTG Washington.

Rosensohn Closed-Circuit: When heavyweight champion Ingemar Johansson and Floyd Patterson are rematched, probably the latter part of September, the closed-circuit TV of the title fight will be handled personally by promoter Bill Rosensohn, without the intermediate services of any closed-circuit company.

Rosensohn, on the West Coast for a vacation, tells us he sees no reason for having someone else do the closed-circuit, as TelePrompTer did in the first Johansson-Patterson fight. "I expect to do it myself," said the promoter who has himself headed 3 closed-circuit companies (Box Office TV, Sheraton Closed-Circuit and TelePrompTer's closed-circuit operation).

The promoter explains that he couldn't do this the first time because part of the agreement under which he left TelePrompTer a year ago stipulated that he would not compete with that company for at least a year. Now, however, Rosensohn, who says he lost \$40,000 promoting the fight last month, expects to more than recoup that in the rematch—including particularly profits from the closed-circuit showings.

Boxoffice gross for TelePrompTer closed-circuit feed of the June 26 heavyweight bout (Vol. 15:26) will be "over a million, and within 1% of our original estimate of \$1,032,000," officials of TelePrompTer told us in N.Y. The receipts, lightened somewhat by a postponement of the championship bout, are less than the \$1.4 million gross on the Robinson-Basilio middleweight fight last year.

Canadian CATVs have doubled to 200 systems in 2 years, and now serve some 135,000 homes with an estimated audience of 600,000 persons, the Telephone Association of Canada was told at its recent 30th annual meeting.

Educational Television

TV & radio will be used by Ford Foundation-financed Fund for Adult Education in a new national "Education for Public Responsibility" program. The aim is "to help public leaders to understand & generally advance the general welfare." One radio series—13 half-hour dramatizations of Alexis de Tocqueville's studies of American life—has been prepared at NYU through a Fund grant. Other TV & radio programs in 1959-60 will include interviews with "representative American figures."

ETV's first year in Kansas City is now being appraised by research experts who seek to determine the comparative academic growth of the TV classes & special "control" groups. Meanwhile, announcement has been made of next fall's TV schedule, which adds a new course—Spanish instruction. During the ETV school year, 65 public, private, & governmental agencies participated in the TV teaching by providing representatives and/or equipment.

Govt. grant to Boston U. for research on TV-teaching of science in elementary schools (Vol. 15:22) is for \$82,000, approximately half of which will be used by the Mass. Audubon Society to develop a series of natural science programs for educational WGBH-TV Cambridge. A 16-month study will be made of some 3000 children who will view the Audubon Society series.

Endorsement of Nebraska's TV-correspondence study project has been made by appraisal committee of leading state educators, who favor expansion of the ETV program on a state-wide basis. The 3-year-old TV-study program, broadcast by KUON-TV Lincoln, serves 29 high schools and currently offers 9 different class subjects.

Programming

TV's All-Star Game: With a record number of specials due on TV next season. Hollywood is now the scene of an unprecedented search for big star names. Most of the bidding is by NBC, which has 3 separate series of specials; CBS wants stars for its Pontiac specials, and David Susskind, who once scorned the use of star names, has also joined in the search for his *Du Pont Show of the Month* on CBS, plus other specials he will be producing.

ABC is interested, but its first efforts to line up stars such as Danny Kaye were fruitless. As of now, ABC has Bing Crosby and Frank Sinatra set, but that's about it.

Naturally, with such a demand for important star names—especially those who haven't been on TV yet—the price is soaring. NBC last week announced Cyd Charisse would make her TV debut on a Ford special, and even before the network made its announcement Miss Charisse, via her press agent, let it be known she was receiving \$250,000 for a single show (out of which she would pay for talent, of course).

The Ford specials, committed to feature names, have already signed Ingrid Bergman and Alec Guinness. Ford tried to get Ray Bolger, but he turned the bid down, as well as an offer of a dramatic starring role in the *Hallmark Hall of Fame* vehicle on NBC. Hubbell Robinson, exec. producer of the Ford series, has also signed Charles Laughton, Tony Curtis & Leslie Caron.

The scouts are also after names such as Marilyn Monroe, Marlon Brando and Gregory Peck, but at this point it's a moot question as to whether they will get them. Trouble is, these stars are in such demand for movies, they don't really have the time for TV.

North-vs.-South on TV: On the eve of its centennial, the Civil War is slowly growing in prominence as a network program theme. NBC-TV announced plans July 8 for a weekly hour-long series titled *The Blue & the Gray*, for 1960-61, to feature dramas based on Civil War narratives of Dr. Henry Steele Commager, whose 2-volume compilation of over 450 narratives (also titled "The Blue & the Gray") was published in 1950. Commager will act as consultant on the filmed series. CBS, whose TV plans for Civil War programming were announced earlier this year, will present a weekly half-hour series next year dealing mainly with the generals on both sides. It will be produced by CBS in collaboration with "American Heritage" magazine and its editor Bruce Catton. ABC-TV will produce a series of Civil War specials in association with Warner Bros.

Wintry chill has settled on ABC-TV's plans to telecast pickups from Squaw Valley, Cal. of the upcoming Winter Olympics, and any deals between ABC and the Olympic Committee are definitely off. Network officials admit to us privately that they understood their winter sports deal gave them a first-refusal on the Summer Olympics next year, but learned later that CBS-TV had quietly sewn up the show. Who will get the winter series hasn't been decided, although presumably it will be CBS.

Newest post-season football game, the "Liberty Bowl" to be staged Dec. 19 at Philadelphia's Municipal Stadium between the top Eastern team & an invitation opponent, has been signed by NBC-TV under a 5-year contract for TV & radio rights. Lindsey Nelson & Red Grange have been signed as commentators for the new event, first major college football bowl game ever to be played in the east under NCAA sanction.

New 'Special' Faces: The barrage of network specials in the forthcoming season is creating new production employment for a growing list of names not hitherto associated with the creation of big-budget one-shots. Last week, Abe Burrows, co-author and dir. of Broadway's "Guys & Dolls" and "Can-Can"—who has been relatively inactive in TV recently—was signed to join Goodman Ace's staff to work on the 20 Revlon-sponsored specials for CBS-TV.

Robert Saudek, best known as the producer of *Omnibus*, is scheduled to produce a 60-min. "intimate revue" special for the 8-show Pontiac series on NBC-TV, and actor-dancer Gene Kelly will turn producer for another special for the same sponsor. Irving Gitlin, new special projects exec. of CBS News and active heretofore primarily in the documentary field, will produce 6 general-appeal public affairs specials for CBS-TV, due to be co-sponsored by Bell & Howell. Dore Schary, ex-production boss of MGM, will produce at least one special for NBC-TV's *Sunday Showcase* series, and writer Robert Alan Aurthur will be exec. producer of the same series.

Live telecast by CBS' WBBM-TV of the mayor's dinner for Queen Elizabeth elicited heated comments from its competitors in Chicago last week. WBBM-TV was attacked for televising the dinner as "exclusive news," in violation of agreement to pool all coverage. Earl Bush, Mayor Daley's PR dir., said he had contracted with WBBM-TV for a closed-circuit telecast to an adjoining ballroom but didn't know about the broadcast. WBBM-TV public affairs dir. Harriet Atllass stated Bush wasn't notified of the proposed telecast but that he hadn't said that the station couldn't air the show. WBKB's Sterling Quinlan said his station will never again participate in a pooled handling of public events, called WBBM-TV's action "unfair, irresponsible and unethical." WNBQ's Lloyd Yoder called the incident "a devious thing to do and a breach of faith." WGN-TV's Ward Quaal said the telecast was "subterfuge" and "I regard this definitely as a breach of good faith."

RCA may step aside as co-sponsor of the 90-min. pre-taped "Moon & Sixpence" drama special which the NBC-TV parent had signed for after an on-again, off-again romance between NBC & Ford Motor Co. The show (talent costs reputedly close to \$370,000) was sold originally by David Susskind to NBC, and was pitched early in the game as a possible kick-off to the lineup of Ford specials on NBC. But Ford cooled and RCA bought half the show (see "Network Activity," Vol. 15:26). Now, Ford has warmed up again on the project, possibly because of Hubbell Robinson's influence, NBC admits, and is talking of a full-sponsorship buy. Ford's not likely to meet stiff opposition.

Benefit improvements in AFTRA's Pension & Welfare Fund contracts were announced last week. Effective June 1, 1959, the life insurance benefit for eligible performers and the accidental death, dismemberment and loss of sight insurance were increased from \$4000 to \$4500. The major medical expense benefit has been extended to cover, with no age limit, physically and mentally handicapped children incapable of self-support, who are wholly dependent on an eligible performer.

TV's top program tribute to a performing act—a custom-tailored network special—will be accorded Nov. 21 to Mike Nichols & Elaine May, who will write & star in an 8:30-9:30 p.m. one-shot for Pontiac, one of a series of 8 specials sponsored by the motor firm in a \$4 million, colorcast series on NBC-TV. Other specials in the series will include an overseas-taped (in Denmark) show with Victor Borge and 3 produced by Gene Kelly.

Television Digest

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Personals: Robert F. Davis promoted from CBS-TV Spot Sales research dir. to research dir. for CBS-TV stations div.; W. Thomas Dawson, TV Spot Sales sales promotion dir., adds duties of research dir. . . . Ralph Dawson promoted from sales dir. to national sales mgr. of WXYZ-TV Detroit . . . James Arthur Yergin, ex-research promotion & adv. dir., WOR-TV & WOR N.Y., named asst. dir. of research, Westinghouse Bestg. Co., succeeding David Smith, who becomes research dir., AM Radio Sales Corp. (WBC radio rep).

Leslie H. Peard Jr., ex-WBAL-TV & WBAL v.p.-mgr., appointed regional sales development dir., Triangle Stations (WFIL-TV & WFIL Philadelphia, WNBF-TV & WNBF Binghamton, N.Y., WFBG-TV & WFBG Altoona, Pa., WNHC-TV & WNHC Hartford-New Haven, WLYH-TV Lebanon, Pa., KFRE-TV & KFRE Fresno, Cal.). He will make his headquarters in Baltimore . . . William G. Hunefield Jr., ex-TvAR, Los Angeles, named sales mgr. of Westinghouse's KPIX San Francisco, succeeding Larry Fraiberg, resigned . . . Bob Marshall, ex-WAGA-TV Atlanta, named program dir., WJW-TV Cleveland . . . Rod Gibson, national sales mgr. of Friendly Group (WSTV-TV Steubenville, KODE-TV Joplin, WBOY-TV Clarksburg & 5 radios), transfers to home office in Steubenville, O. from N.Y., where Lee Gaynor takes over his duties as natl. sales rep . . . B. Calvin Jones, ex-KDKA-TV Pittsburgh, named program dir. of KHOU-TV Houston.

Joseph P. Costantino, ex-KEYT Santa Barbara, named sales promotion & merchandising dir., KTVU Oakland-San Francisco . . . Jack H. Lantry named promotion dir. of KXLY-TV Spokane . . . John Stegall promoted from production mgr. to operations mgr. of KPAC-TV Port Arthur.

Frederick R. Eckley, AT&T asst. v.p.-commercial, named long lines dept. personnel & PR dir. effective July 15, replacing asst. v.p. George F. Sparks, who becomes PR head. Asst. v.p. W. J. Whittaker becomes personnel head and John E. Waidlich becomes head of bldg. & office service dept. . . . Charles A. Runyon, ex-RCA microwave specialist, joins Lohnes & Culver, Washington consulting engineering firm . . . Charles Heaton, ex-WTTG Washington promotion dir., opens public relations firm, Advertising Public Relations Consultants, 8002 Wisconsin Ave., Bethesda, Md., and 6704 Keystone St., Philadelphia.

Dwight S. Reed and Frank E. Pellegrin, v.p.'s & founding partners of H-R Television and H-R Representatives, elected exec. v.p.'s; Avery Gibson, research dir., named v.p.; Don Softness named promotion-publicity dir., Martin Goldberg research dir. . . . Alfred Perry named

exec. asst. to Four Star Films' Herschel Burke Gilbert, head of Four Star music dept. & publishing subsidiary.

Frank Bourgholtzer, NBC Washington correspondent, elected to exec. committee of State Dept. Correspondents Assn. . . . Henry E. Rhea, Triangle Stations engineering director, appointed chairman of Assn. of Maximum Service Telecasters technical committee . . . Joseph Stamler, WABC-TV v.p.-gen. mgr., named TV-radio industry div. chairman, N.Y. USO Fund Campaign . . . G. Blair Nelson, v.p.-gen. mgr. of CFQC-TV Saskatoon, Sask., elected pres. of Western Assn. of Bcstrs (Canada).

Attorney James T. Barker, since 1955 a lawyer with the National Labor Relations Board, most recently as advisor to officer in charge of the Denver NLRB field office, has been named legal asst. to FCC Comr. Rosel H. Hyde. He's 36, a native of Ogden, Utah, received B.S. from U. of Utah, LL.B. from Georgetown U. law school.

Skip Gassensmith promoted to promotion mgr. of WSBT-TV South Bend, Ind. . . . Harry B. Simmons promoted from sales rep to Chicago city sales mgr., ABC Films, succeeding Richard Hurley, now central sales mgr.

William P. Massing, retired asst. secy. of FCC, returns for 1 year as "re-employed annuitant" to the post of defense liaison asst. to defense coordinator Harland Morris. John F. Debardeleben, engineer in field engineering & monitoring bureau, shifts to Morris' group . . . Howard C. Equitz resigns from FCC office of opinion & review to take post as asst. U.S. attorney in Milwaukee.

Brig. Gen. David Sarnoff, returning from Europe where he attended the NATO Atlantic Congress and visited England, Germany & France, called for a bigger western effort in the cold war. "The free world must do a better job than it is now doing," he said, "if it is successfully to meet the great challenge of world Communism." He said he observed a lack of understanding of the meaning and menace of cold war—a condition which "also exists in the United States."

Walter Lowen, advertising placement specialist since 1920, has sold his placement agency to Jerry Fields, dir. of Jobs Unlimited. Since 1957 Lowen has been a management consultant with his daughter Ruth Laguna heading up the Walter Lowen Placement Agency. Lowen was once called the man "who did more for agency men than their mothers," by the late Joseph Katz. He will continue as a management consultant.

Obituary

Irl T. Newton Jr., 35, chief of antenna design for Smith Electronics, Cleveland, died July 4 in Cleveland. He was formerly mgr., broadcast & TV antennas, for RCA's broadcast equipment div. and a staff engineer of Commercial Radio Equipment Co., Washington consulting engineering firm.

Elmer C. Rhoden Jr., 37, TV film producer, died July 5 in Kansas City. He founded Premier Productions 6 weeks ago. Prior to that he had been pres. of Commonwealth Theatres. His father Elmer C. Rhoden recently retired as chairman of National Theatres.

Stephen R. Rintoul Sr., 55, v.p., treas. & founding partner of Venard, Rintoul & McConnell and a veteran radio broadcaster, died in Los Angeles of a heart attack July 1. He is survived by his widow, a daughter and 2 sons.

Paul Gale, 62, NBC Pacific div. traffic mgr., died of a heart ailment July 6 at his home in Hollywood. He had been with NBC for 28 yrs. Surviving are his widow, 2 sons, a daughter and 3 grandchildren.

Advertising

Bates Invades Britain: Currently billing an estimated \$100 million for time & talent annually in U.S. network & spot TV, Ted Bates ad agency made its first international move last week with the purchase of London's John Hobson & Partners Ltd. agency as a wholly-owned subsidiary. No small firm, Hobson currently bills some \$10 million annually and is the British agency for a number of Colgate-Palmolive products handled in the U.S. by Bates.

Following an exchange of board members (Bates chairman Rosser Reeves and exec. v.p. James C. Douglass will serve on the Hobson board; chairman John W. Hobson will be on the Bates board), the 4-year-old British agency will be directly linked to Bates activity. It's expected that some of Bates' hard-sell TV techniques will be adapted for British commercial TV by the new subsidiary, already one of the major TV agencies in the U.K., and that some of the Bates clients will expand into the international market.

Soaps are big in British TV, with commercial video concerns reporting in London last week that household soaps & detergents spent approximately \$3.25 million for TV commercials in the first quarter of this year. The British version of "Tide" alone spent more than \$730,000. Toilet soaps accounted for \$950,000. Next category in size was the tobacco industry, which spent nearly \$2 million. Confectionery advertisers, interestingly, were in 3rd position in spending (they hold no such equivalent rank in the U.S., where they are considered a minor factor in big-time TV), with expenditures of nearly \$1.8 million.

Sun seldom sets on A.C. Nielsen, as the result of a new expansion of the research firm's broadcast audience measurement empire that will virtually cover Western Europe. Nielsen has linked forces with the Attwood Group of Companies Ltd. for a new company that will cover Great Britain, Germany, France, Italy, the Benelux nations, Switzerland and Austria. Attwood has been operating the TAM rating service in Britain. Ownership of the new firm, whose first move is expected to be the formation of a TV rating service in West Germany, will be "substantially 50-50" between Nielsen and Attwood.

Sun tan products have been relying heavily on radio spot this season, RAB pointed out last week. Among the top brands (Coppertone, Tanfastic, Sea & Ski, High Noon, Bronztan, Sun Bath and Bain de Soleil) only two have had noticeable spot-TV campaigns this year—Sun Bath with a heavy 3 week ID push, and Bain de Soleil, with its spot concentrated in June. Sun tan product advertising on TV has been mainly in network shows where parent companies such as Revlon (Sun Bath) and Noxzema (High Noon) slip in spots in their weekly schedules. RAB notes that the trend in radio usage for tanning products is week-end time playing to auto radios and beach portables.

Play for additional spot revenue is now being made to sales managers by The Katz Agency, station reps, in a new presentation entitled "The Sales Manager's Medium." Katz is asking sales departments to earmark at least 10% of their budgets for spot TV, in addition to regular advertising spot budgets. Companies should be using spot TV "as a right arm" of their sales departments, Katz TV sales development mgr. Halsey Barrett claims, because of the "rapid disappearance of over-the-counter salesmanship and the increase (61%) in cost per salesman's contact since 1946."

Advertising People: Charles E. Claggett, Gardner Adv. pres., elected chairman, succeeding Elmer G. Marshutz, named honorary chairman . . . Clifford Spiller elected vice chairman, Sullivan, Stauffer, Colwell & Bayles . . . G. Matthews Baxter, Paul Lehner, Thomas J. O'Connell, account representatives, John L. Van Zant, PR dir., elected J. Walter Thompson v.p.'s . . . Charles A. Pooler, Benton & Bowles senior v.p.-administration, named also to head agency's international operations.

Paul E. Newman, ex-MacManus, John & Adams, named v.p. & L&M cigaret account exec., Dancer-Fitzgerald-Sample . . . L. F. Ohlinger rejoins Leo Burnett as v.p. & mktg. supervisor, after having been v.p. of Fitzgerald Agency, New Orleans . . . John F. Hogan named v.p., Erwin Wasey, Ruthrauff & Ryan . . . William P. Overend named v.p., Grey Adv. . . Edwin M. Marshall named TV-radio dept. business mgr., BBDO . . . Alfred Thomas Prange appointed broadcast business mgr., D'Arcy Adv. . . Robert O. Bach, N. W. Ayer art dir., named v.p. . . Richard S. Hammett, ex-Leo Burnett, appointed research mgr., Young & Rubicam Chicago office.

TV's Top Ad Grossers: With some \$150 million in total billings to his credit, Arthur Godfrey is far-&-away the leader in a July 8 *Variety* compilation of TV's all-time top 10 ad-revenue grossers.

The other 9: Ed Sullivan, \$80 million; Perry Como, \$65 million; Dave Garroway, \$60 million; Gary Moore, \$59 million; Art Linkletter, \$57 million; Milton Berle and Lucille Ball & Desi Arnez, tied for 7th with \$46 million; Ralph Edwards, \$44 million; Groucho Marx, \$40 million; *What's My Line*, \$35 million.

Food product TV ad spending jumped 40% for spot & 15% for net during first-quarter 1959, compared with Jan-Mar. 1958, reports TvB. The 1959-58 first-quarter comparisons show that food & grocery manufacturers spent \$46.6 million vs. \$33.3 million for spot TV and \$31 million vs. \$27 million for net TV. The leading food advertiser during first-quarter 1959 was General Foods with an expenditure of \$9,817,500—an increase of 23% over its first-quarter 1958 TV spending.

Spot radio's top 20 customers during first-quarter 1959 as announced by RAB, by rank: Liggett & Myers, Leeming & Co., Reynolds Tobacco, Ford, Lorillard, American Tobacco, Pharmco, Campbell Soup, Beneficial Finance, Philip Morris, Borden, Plough Inc., Bristol-Myers, Sinclair Oil, B.C. Remedy Co., Chattanooga Medicine Co., Miles Labs, Tetley Tea, Standard Oil and Sterling Drug.

H-R Television & H-R Reps move San Francisco office to the Jerome Bldg., 321 Bush St.

Atlanta office of Peters, Griffin, Woodward station representatives, has moved to larger quarters, at 1372 Peachtree Street, N.E., Atlanta 9.

Station Rate Increases

Station	Base Hour	Minute	Date
KRCA-TV Los Angeles	\$3300 to \$4300	\$800 to \$900 ¹	July 1
WNCH-TV New Haven- Hartford	1200 to 1500	270 to 330	March 1
WPRO-TV Providence	1100 to 1400	300 to 350	June 1
KING-TV Seattle	1100 to 1200	225 to 300	Aug. 1
WCKT Miami	950 to 1050	260 ²	March 15
WDAY-TV Fargo, N.D.	450 to 600	90 to 130	July 1
WCSC-TV Charleston, S.C.	350 to 400	80 to 100	July 1

¹ 20 Sec. only. ² No change.

Canadian Increases

³CKLW-TV Windsor, Ont. 450 to 550 90 to 120 July 1

³ Canadian rates, has separate U.S. rate card.

Film & Tape

FILM PRODUCERS FAITHFUL TO CODE: More than 90% of the telefilm producers do an "exceptional job" in respecting the NAB telefilm code, we're told by Frank Morris, newly-named asst. dir. of code affairs for NAB, who headquarters on the West Coast.

Morris, who was in the continuity acceptance dept. at CBS before joining NAB, has been scrutinizing the product of telefilm—and live—producers for a long time. Experience has shown him "it's only a few producers who give the industry a black eye."

Defining his duties in the newly-created NAB post, Morris explains: "I'm not a censor, as I was at CBS. I can't stop anything. I can just offer my services and bring word of the code to producers from our Washington headquarters on what groups in the country are unhappy with TV programming. I am an advisor."

Morris feels "the TV audience is growing more sophisticated, and its tolerance is becoming broader. However, TV has nowhere near the latitude the movies have at this point." (Morris, code dir. Edward Bronson and motion picture code administrator Geoffrey Shurlock met last week, but Morris tells us it was not to try to bring about uniformity between the TV and movie codes—"just a meeting of old friends.")

Morris will appraise scripts submitted him by producers of pilots or series. He cites actual illustrations of how the code office can help producers. In one pilot film he viewed, a telephone number was used. When he asked the producer if it were a real or mythical number, the producer wasn't certain. Morris checked, found out it was the number of a doctor in N.Y. "If he had run the picture as shot, on TV, he might have been in trouble. For in the picture that number belonged to a sexy woman. Had the picture been shown on TV, the doctor undoubtedly would have been plagued with a lot of nonsensical phone calls, and he might have sued for invasion of privacy. When I informed the producer about this, he immediately corrected the situation by changing the number.

"Then there is the situation regarding identifiable props, particularly important to syndicators. If they use an identifiable prop, like a Yellow Cab, or a Plymouth, they can be in trouble. One syndicator shot a film in which a Plymouth was used and was about to distribute the series for syndication when they made a network sale. The sponsor was an auto company, maker of a different car. So this producer had to reshoot his picture."

For the time being, Morris won't scan commercials, and they will continue to be watched by the Washington office. Asked if he was going to police telefilms, Morris replied, "I'm going to await instructions from the code board in Washington on this."

Morris points out the continuity acceptance depts. at the 3 networks have the final say on telefilm product, that they "have editorial responsibility of censorship." He will work closely with those departments and producers.

Tape-vs.-film comparisons will be a featured topic in a series of CBS-TV demonstrations of new tape commercial techniques to be held in Hollywood July 16-17, and in San Francisco July 21-22. Invitations from John Hundley, sales development mgr. of CBS-TV production sales, who will conduct the demonstrations, have gone to a list of "key agency and client representatives" on the West Coast.

TV'S MOVIE APPETITE: More than one out of 3 TV stations air anywhere from 6 to 10 feature movies a week, one out of 5 outlets telecasts 11-15 features, and some show as many as 21-45 films. So reported NTA International (which distributes NTA's feature packages in the U.S.) last week in a 300-station study released by pres. Harold Goldman.

Independent stations, not surprisingly, outrank network affiliates as movie exhibitors, the independents averaging 21 feature shows a week (average total time: 36 hours) as against 9 features (15 hours) weekly for the affiliates. There's a close relationship between the number of stations in a market and the amount of time spent airing features, L.A. and N.Y. outlets giving 30.2% and 26.8% of total air time, respectively, to TV movies. Here are the NTA figures on weekly totals:

Stations	% of Stations	Films Per Week
106	35.3	6-10
67	22.3	1-5
61	20.3	11-15
30	10.0	16-20
20	6.7	21-25
8	2.7	26-30
3	1.0	31-45
5	1.7	0
300	100.0	

Film Firms on the Move: Three major telefilm companies announced plans for physical shifts and/or realignments last week, with 2 of the moves emphasizing the increasingly close links between Hollywood and the TV industry.

NTA announced that it is shifting its home office from N.Y. to Hollywood as part of parent National Theatres' move into new quarters in Beverly Hills, with NTA maintaining only program sales, o-&o stations div., shipping offices and its video-tape subsidiary (Telestudios) in N.Y.

Screen Gems, the thriving TV subsidiary of Columbia Pictures, will be "integrated into the overall studio operation" this fall, with the production, story, casting and publicity functions due to be headed by Columbia pictures executives in a pattern similar to the TV-movie relationships of Warner Bros. and MGM.

CBS Films, currently quartered a couple of blocks up Madison Ave. from CBS headquarters (485 Madison), will move into larger space before the end of summer in the 477 Madison office building next door to the network.

Syndication sales are humming, Ziv TV—now being purchased by 2 leading Wall St. banking houses (Vol. 15:27)—and ITC reported last week. Sales & renewals on Ziv syndicated telefilms are running 34% higher for the first 6 months of this year as against the same period a year ago, stated sales v.p. Bud Rifkin. At ITC, sales by Arrow Productions (the firm's rerun division) are 21% higher for the first half of this year compared with the period the year before, and 37% higher than the division's first 3 months of operation, said Al Unger, admin. mgr.

Guild Films has been ordered to turn over all prints, negatives, contracts and income on the *Telephone Time* series by R. E. Allen, court-appointed receiver for the show (Vol. 15:27). Allen will negotiate a deal with another national distributor for further syndication of the 79 half-hour films. Jerry Stagg, producer of the series and part-owner, had sued Hal Roach, Guild and others charging "conspiracy & fraud" in the deal whereby Guild leased the films from Roach.

Visit to a TV Planet: Most striking example of the revolutionary change in face and pace in Hollywood today is Warner Bros. When we visited the huge studio which was once a center of movie-making, there wasn't a single movie in production last week. But 8 of WB's 10 TV series were before the cameras.

Warners' Burbank lot is currently very busy—but not on movies. They have built expensive, impressive sets for such 60-min. series as *The Alaskans*, *Hawaiian Eye* and *Bourbon Street Beat*. In addition, the studio—busiest of all the majors in TV—has in production 77 *Sunset Strip*, *Cheyenne*, *Sugarfoot*, *Maverick*, each a 60-min. series, and *The Lawman*, a half-hour series.

All the emphasis at Warners today is on TV, and the only talk we heard about movies was that WB may finance some independent feature films. Warners, more than any other studio, today illustrates the radical change in attitude on the part of the majors, who once brushed off TV as a brash, illegitimate offspring of show business.

A \$500,000 film editing and casting building to accommodate this expanding TV production is being constructed on the Warner Burbank lot, adjoining the TV operations center completed last year. Containing 49 film editing and cutting rooms and 6 casting suites, it will house 125 people, giving WB a total of 75 editing rooms for TV.

Yankee Film Dandy: The sun never sets on American TV shows. Via telefilm, American culture as represented by numerable programs—*Hopalong Cassidy*, *Father Knows Best*, even *Sheena*—is being dispensed in large quantities to the natives of more than 50 countries, from here to Hong Kong, according to annual "Scorecard on U.S. Telepix Sales Overseas" in July 8 *Variety*.

Foreign consumption of American TV fare ranges from a top of 158 shows in Australia to single selections in Guam (*Three Musketeers*), Bolivia, Chile & Ecuador (*O.S.S.*) and French Africa, Morocco, & Tunisia (*Fury*).

Indicative of the mileage film producers are getting, ITC has 16 properties in 33 foreign countries. The distribution is patternless: Ziv is the big gun in Argentina with 8 entries, but low man in Canada, with only *Cisco Kid* riding. Of all the film makers listed, only CBS, ITC and Screen Gems have made it into Africa, bringing with them such interesting items as *Circus Boy*. Another interesting scheduling: *The Count of Monte Cristo* in Monaco.

Purchase of Mills Music by Jack Wrather's TV organization for \$5 million, which has been in the works for months, has hit a series of roadblocks, and may well be dropped. The principal problem is the complexity of the financial relationship of Mills with ASCAP—Mills wants to withhold some 6 months of ASCAP payments (an estimated \$300,000) because of the slowness of the society's payments to members.

Cuts in video-tape prices, which drop the tag on an hour reel to \$271.58 from the previous \$282.90, were announced last week by Minnesota Mining & Mfg. Co., still the sole manufacturer. In lots of 48 or more reels, the savings mount to \$33.95 per reel. MMM v.p. & magnetic products div. gen. mgr. Dr. W. W. Wetzel predicted that "the hour reel will be priced in the neighborhood of \$150 . . . within the foreseeable future." He attributed the reduction to improved production methods which have decreased waste.

L. A. Cool to Syndicators: Los Angeles, for years one of the most important markets for syndicators of telefilms, has developed a chill to them today. Result: In some instances prices of telefilms are dropping in the soft market, but even so there are no takers.

We checked Los Angeles station managers, executives & film buyers about the situation, and they agreed it's due to 2 principal factors: (1) Stations feel telefilms are overpriced, that no matter what rating they may get, the station won't come out with a profit; (2) KTTV, long the leading buyer of telefilms in the Los Angeles market, bought only one film series this summer (*Trackdown* reruns) as compared to 14 last summer.

KTTV competitors accuse that channel of having initiated an inflationary trend by paying sky-high prices for films years ago. KTTV film buyer and asst. program dir. Dick Woollen admits "to a certain extent it's true. We started the inflationary trend. The sellers realized if we liked a show we wouldn't quibble about the price."

Woollen explains he's not in the market for any product now because he has enough films. "The bulk of it is carryovers from what we bought last summer. We will have 1 or 2 new tape shows in the fall also." However, if he wanted any product today, "I would argue the price, which I haven't before. Price on telefilms has gotten beyond the possible-point of return," he says. "We look upon video tape as the answer to this problem. With imagination and ingenuity you can produce a good program on tape for relatively few dollars. Our taped *Divorce Court* is now in 22 markets."

Al Flanagan, v.p.-gen. mgr. of independent KCOP, also states "the price is too steep. Sure, some of these shows being offered will get ratings, but it's cost-per-1000 that counts. What good's a rating if you lose money? KCOP will not buy at present prices, he informs us.

KHJ-TV v.p.-mgr. John Reynolds tells us he's been offered large blocks of reruns and first-runs, but isn't interested because of the price. "For one thing, you can't sell a half-hour show. The average advertiser has a budget of \$1500 a week, with which he can buy 7 or 8 spots scattered on various programs each week. He can't afford a half-hour telefilm which costs around \$2000, or \$3000 including time costs. We are not going to buy any more half-hour shows. In the past we've bought a half-hour show for 52 weeks, and it's been a bomb. When we ask the distributor to help us out with exploitation, he usually says ho-hum, and won't help."

Los Angeles station executives tell us MCA-TV film syndication is asked \$2125 for each of 52 *Shotgun Slade* episodes, including 13 reruns; CBS Film Sales wants \$2200 a week for *Sergeant Bilko* reruns, but will cut it to \$2000 if a station buys the series for 3 years; Ziv TV is asking \$2250 for *Lockup*; ITC originally asked \$2200 for *Sergeant Preston*, the deal to include 13 first-runs, and then eliminated first-runs and asked around \$600.

Small, mobile Trans-Lux sales staff continues to prove that a strong film property can be moved in syndication without big overhead. With its 4-man sales force (including T-L sales v.p. Richard Carlton), Trans-Lux has now sold its color *Felix The Cat* TV cartoon series in a total 35 markets (16 sales made in June alone) for a total gross so far of over \$2 million annually.

"Teletape" is new term for video-taped programs which NTA seeks to trademark in an application filed with U.S. Patent Office.

New York Roundup: MGM-TV's *Father of the Bride*, shot last year as a 30-min. pilot, may yet wind up as General Foods' costliest TV failure. GF has already sunk some \$150,000 into developing & filming the property (based on an MGM feature) on Benton & Bowles' recommendation, is reportedly unhappy with the results, and hasn't scheduled it in a network slot for fall . . . CBS Films' *House on K Street* pilot, produced in Washington by Sam Gallu (*Navy Log*, etc.), hasn't scored a national sale yet, but has aroused enough agency interest to prompt the CBS syndication subsidiary to schedule 2 more episodes for production, plus 6 more scripts. The extra product, CBS feels, may help clinch some deals now close to signing.

Ziv's *Sea Hunt* and *Highway Patrol* take first and second place in 8 out of 10 ARB rating polls of syndicated telefilms, the company says . . . Screen Gems broke store attendance records in Houston, Tex. this month with "personal appearances" (actually, actors dressed in costume) of cartoon characters Huckleberry Hound and Yogi Bear at Foley's dept. store.

Show Corp. of America has added 4 titles to its "Mid-'50 Movies" package now in 25 markets. New features include "Stromboli" with Ingrid Bergman; "Death of a Scoundrel," with Zsa Zsa Gabor; "Back from Eternity" featuring Rod Steiger, and "While the City Sleeps," starring Dana Andrews and Ida Lupino. Fourteen of the 18 releases in the package have 1956-and-later release dates.

Screen Gems' *Man Hunt* has been bought by Alka-Seltzer for a probable spread of 15 West Coast markets. The purchase is a close follow-up to Genesee Beer's N.Y. state regional buy of the Victor Jory series.

June 18 *Playhouse 90* offering "As Dark as the Night," starring Laraine Day and Michael Wilding, was produced in London by Nicole Milnair with a two-fold purpose: TV exposure in the U.S. and theatrical distribution in Europe. The TV earnings of the feature-length film, it's said, already cover an estimated 50% of its budget.

Edward R. Murrow plans to keep busy during his year-long sabbatical. He's said to be planning 2 major hour-long public affairs specials with producer Fred W. Friendly for the Bell & Howell-Goodrich series of 6 shows on CBS-TV.

Talent at Work: Teresa Brewer, fired from the NBC-TV Saturday-night *Perry Presents* series last week after she said she was going to quit, was snapped up for a series of 3 appearances on *The Ed Sullivan Show* . . . Mrs. F. D. Roosevelt becomes a TV program performer July 17 when she reports to work in N.Y. for the pilot film of a new public affairs show dealing with international discussions between college students.

Procter & Gamble of Canada has bought ABC Films' new syndicated series *Congressional Investigator* for 30 markets covering all of Canada. Products and agencies haven't been decided. A sales campaign for syndicating the series within the U.S. will begin this week.

"My Fair Lady" won't be on TV in capsule form this fall after all. Plans for a 90-min. special "Evening with Lerner & Loewe" on NBC-TV—sponsored by General Motors to preview the 1960 lines of GM cars—turned out to be premature, and the special has been scratched. It's said that CBS (which holds controlling interest in "My Fair Lady") and MGM (in the same position on "Gigi") balked at the idea of doing segments of the Lerner-Loewe shows on NBC. Also on the musical scrapheap: Plans for 10 NBC-TV pop music specials to be sponsored by Canada Dry—sponsors & network disagreed on format.

Guild Films has moved to 655 Madison Ave., N.Y.

Hollywood Roundup: Four Star Productions will expand into the field of live production next year. Pres. Dick Powell tells us Rexall Drugs had offered Four Star the job of producing its specials, but said because his telefilm company wasn't then equipped to turn out such shows he had to turn it down. (The account went to David Susskind). With Tom McDermott now production v.p. and live-TV producer Alvin Cooperman on the staff, Four Star now plans to produce live specials, he says.

Ziv TV, which has been trying to sell the pilot of *The Man Dawson* for network showing, has decided to proceed with production of 39 segments, putting the series into syndication. Keith Andes stars . . . Sussex Films and Four Star Films plan a series called *Attorney General*, based on files of the California attorney general's office of identification & investigation. Jules Levy, Arthur Gardner and Arnold Laven, producers of *The Rifleman* and *Captain of Detectives*, head Sussex. A pilot will be produced at Republic studios.

Although David Janssen has been announced as the star of a new series, *The Racers*, he is still under option to Four Star, for which he did the *Richard Diamond, Private Detective* series. Negotiations are on for "Diamond" to be on NBC next season (it was on CBS last season) . . . Allen Rivkin has resigned as producer of Meridian Productions' *The Troubleshooters*, starring Keenan Wynn with Richard Steenberg replacing him . . . Screen Gems has signed Matthew Rapp as a producer, and assigned him to a new series, *Brothers January*.

CBS puts its new *Hotel de Pared* Western series into production Aug. 10. The studio hasn't yet been selected. Milton Krims is producer, and Bill Self exec. producer. . . Robert Dillon named story editor of *Adventures in Paradise* series at 20th-Fox.

Warner Bros. 77 *Sunset Strip* star Roger Smith, recovering from an operation to remove a blood clot from his brain, won't be back at work in the series for at least 6 weeks. Meanwhile, Efrem Zimbalist Jr. and Edd Byrnes are starring in "Strip" episodes now in production.

Producer Jerry Stagg will film his *High Road with John Gunther* series on the Hal Roach lot, with production beginning next month.

Screen Gems has renewed production v.p. Harry Ackerman's contract for 2 years, giving Ackerman additional ownership of shows he personally develops. . . . CNP made a bid to buy 60 telefilms starring Ray Bolger, but he rejected it. Bolger tells us he turned the offer down "because I don't need the money now and I plan a return to Broadway, which I feel will make the films more important then." The dancer-actor also rejected a bid to sell the films to Australia.

Betty Hutton's new series, *Goldie*, goes into production July 13 at Desilu Culver. Stanley Roberts is producer of the CBS series . . . NBC begins production the same day on *Fibber McGee and Molly*, at Metro. William Asher is the producer.

Georgetown Films has been formed by Richard Morley, Bernard Lippman and Herberg G. Luft and plans production of a telefilm series called *The Scene of the Crime*. Morley will be producer . . . Bob Finkel has signed to continue as producer-director of *The Dinah Shore Show* on NBC next season.

Producer Jaime del Valle (*The Lineup*) will produce a new CBS series, tentatively called *Mexico City* . . . Fred de Cordova will be producer-director of *The George Gobel Show* on CBS next season . . . Warner Bros. has resumed production of 77 *Sunset Strip* and *The Lawman*.

Trade Report

JULY 13, 1959

INDUSTRY SITS ON 'MADE IN JAPAN' FENCE: Mention the dynamite-loaded subject of Japanese imports these days and the industry becomes inscrutable. Japan's capture of nearly half of all first-quarter U.S. non-automotive radio sales has tied top-priority tag to this soul-searching question: Do you continue to try to lick 'em or is it time to join 'em?

Our own survey of 10 leading TV-radio-stereo manufacturers indicates majority haven't yet decided whether to import Japanese-made radios and/or tubes, transistors & parts. Although few will admit (for quotation) that they see any real threat in growing Japanese competition, in private discussions their concern about the amputation of transistor-radio profits is real and intense.

Several formulas are already available for integrating imports into U.S.-branded product lines. Most celebrated is Motorola's approach: It had batch of \$29.95-list radios made up in Japan, now manufactures same radio in U.S. with some Japanese parts (including a tuning component not available here, the plastic cabinet and some transistors). This model is "selling like hotcakes," says Motorola. CBS took slightly different tack, re-entering radio market (through its Columbia phono dept.) with transistor sets made by Columbia of Japan. "We wouldn't have done it if these sets weren't made by our own affiliate," a Columbia official told us. Olympic has been selling Japanese-made radios under its own brand-name for some time.

RCA International is following pattern set by International GE, which is buying Japanese transistor radios, tubes & components for sale in markets outside U.S. (Vol. 15:21). Exact nature of RCA's deal is still undisclosed, but company is known to be buying Japanese-made radios for overseas sale.

"If the Japanese can produce the goods more cheaply, they're going to get the business," we were told by one TV-radio veteran who is regarded as an industry pioneer & statesman. "I can see everybody jumping on the bandwagon, creating a very serious problem for the parts makers." (A survey of component makers is now in progress and will be detailed soon.)

• • • •

Most industry leaders—and this includes Admiral, Emerson, GE, RCA, Sylvania, Westinghouse—tell us they have no plans "at this time" to import Japanese-made transistors, tubes, components or finished equipment for domestic market. They express faith in Yankee ingenuity to outdo anything "they" can do.

Behind this facade of detachment is plainly visible the impression of a troubled industry sitting uncomfortably on a made-in-Japan fence. Even the somewhat equivocal answers of set makers to our questions aren't incompatible with previous public statements by Admiral pres. Ross Siragusa that Japanese imports have "seriously affected the profitability of U.S. portable radios" (Vol. 15:13), and by GE chairman Ralph Cordiner that GE lost about 50% of its transistor radio business to Japanese competition (Vol. 15:20).

Two opposing points of view thread their way through responses to our talks with TV-radio-stereo makers on question of use of Japanese imports. Emerson pres. Benjamin Abrams, for example, points out that his firm already is marketing a 100% American transistor portable at \$28—list-priced below Japan-made models. "The Japanese import will kill itself off and disappear in much the same way that German-made phonographs are disappearing from the U.S. market. Within the next 12 months we will see a material decline in Japanese imports."

On other hand, another major manufacturer (whose name, significantly, is withheld by request) told us: "We certainly are looking into the possibilities of Japanese imports—and so is everyone else. Every major American firm has been, now is, or soon will be in Japan to make on-the-spot appraisals. The economics are appealing. Right now, Toshiba & Hitachi receiving tubes are available at 50%-70% of our cost; miniature transformers & capacitors at 50%-60%.

"In Japan, transistors cost no more than tubes, and it makes little difference costwise to Japanese manufacturers to go completely transistor. In this country, we replace our electron tubes (which are 30%-50% higher in price than Japanese types) with transistors that are 50%-100% higher than our tubes. So long as the Japanese continue to combine price & quality, they'll develop American interest."

Japanese offers to build transistor portable TV sets for U.S. manufacturers (Vol. 15:25) also was subject of set maker comment—all of it negative. For further details on our survey, see story on page 17.

TV-RADIO PRODUCTION: EIA statistics for the week ended July 3 (26th week of 1959):

	June 26-July 3	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	98,426	110,300	55,884	2,788,945	2,167,930
Total radio	258,234	288,041	97,205	7,110,758	4,619,163
auto radio	108,459	126,022	19,741	2,900,621	1,464,519

MOTOROLA STRESSES STEREO: Pressing the advantage it gained by early entry into the field (it claims to be No. 1 producer), Motorola last week left no doubt that it believes stereo will be 1960's major home electronics product. Response of 700 dealers attending first showing of new line indicated that they heartily second the emotion.

In first of 14 dealer showings across nation—to be attended by 10,000 retailers—gala MCA-produced product show at luxury Concord resort in Monticello, N.Y., drew far more applause for stereo introductions than for new TV line. Motorola's ingenious stereo line features 3-channel sound—first of the top-echelon lines to do so. Sets have 3 amplifiers instead of the conventional 2, the 3rd (center) unit amplifying only bass frequencies (below 300 cycles) and feeding them to central woofer. Advantages claimed are purity of reproduction and good stereo effect anywhere in room. Except for one model, all Motorola stereo sets are in one-piece cabinets.

In TV, Motorola again emphasizes quality and trouble-free service, eschewing gimmicks. Featured in line is company's first 110-degree set—a slim 17-in. portable, with unique and compact horizontal plated-circuit chassis which can be completely removed from set, thanks to 36 snap-on connectors.

Featured in rest of TV line are new tuner with frame-grid tube for greater sensitivity, pre-focus wide-cathode picture tube said to give longer life (Vol. 14:20), continuously variable tone controls in all 21-in. sets. In line with industry-wide good-furniture trend, Drexel-cabinet series of TVs & stereo units is being expanded. Full-year TV warranty is continued.

Motorola injected itself into 23-in. battle by showing 2 handsome 23-in. sets—not for sale. Said consumer products distribution mgr. David Kutner: "We have designed & tooled a new front to take this tube and are ready to go into production at any time [but] we're not convinced this tube is ready for production. We need a minimum of 5-6 months for testing."

As to battery-operated transistor TV, Motorola showed one of those, too—again not for sale (yet). Said consumer products exec. v.p. Edward Taylor: "We'd rather be right than first." Displaying slim 110-degree 17-in. portable, he added: "We're going to merchandise it as a fine precision instrument—better than any plug-in portable on the market today." Best guess on Motorola's battery-portable timing & pricing: Early next spring, \$250-\$299.

To back new lines, Motorola plans biggest ad campaign in its history, blanketing country with saturation every-other-day ads in 300 newspapers for 6-week period starting Sept. 15, backed with billboards, direct mailers, magazine ads, etc.

Taylor was optimistic about industry-wide TV production, forecasting sales of 6 million this year. He said Motorola's TV sales are up 40% over last year, its portable radios 42% up, auto radios 40% up.

Last major new-line showings will be by Westinghouse—postponed because of lengthy TV-radio plant strike. Dates are now set: N. Y. July 27, Chicago Aug. 4, San Francisco Aug. 11, New Orleans Aug. 14.

TV Buying Plans Down: The American consumer in Feb.-Mar. 1959 had more plans to buy more products than in the comparable 1958 period—but TV wasn't among them—according to the latest *Newsweek*-sponsored report on consumer buying plans compiled by the National Industrial Conference Board. The survey is based on more than 1000 weekly telephone interviews.

Asked if they planned to purchase TV sets within 6 months, 6% fewer respondents answered "yes" this year than last. However, the half-year buying plans for other appliances were up—dishwashers 39%, air conditioners & washing machines 4%, refrigerators 3%. Plans to purchase homes & automobiles also were well above the levels prevailing in Feb.-Mar. 1958: up 15% for homes & 53% for total autos. Used auto purchasing plans increased by 79%.

Trade Personals: Fred J. Kopesky, ex-RCA, named planning dir., Packard-Bell home products div. . . William T. Marx, ex-Raytheon, appointed ITT senior v.p.-planning, organization & industrial relations; Harry G. Beggs, ex-Cresay, McCormick & Paget management consultant firm, named manufacturing & facilities v.p.

Dr. Raymond M. Wilmotte, authority on antenna theory & communications and ex-W. L. Maxson consulting scientist, named to advanced military systems staff, RCA defense electronic products div.; G. Wallace Crawford appointed operations planning mgr., and Arnold E. Linton, manufacturing planning mgr., receiving tube operations, entertainment tube products dept.—both new posts; John Q. Whitehead named custom aviation equipment sales mgr., Richard T. Barrett govt. contracts mgr., Charles Z. Becker, Atlas ICBM contracts mgr., West Coast missile and surface radar dept.

Christian J. Goodman promoted from transistor product sales mgr. to Eastern regional sales mgr., GE semiconductor products dept.; George R. Curtiss, intra-company sales mgr., named Central regional sales mgr., headquartering in Chicago; H. Ward Gebhardt, district sales mgr. in 3 western states, named Western regional sales mgr., Los Angeles.

Robert E. McDowell, Cohu Electronics treas. & secy., also elected v.p.-finance . . . John Squires named GPL western regional mgr., headquartering in Pasadena, Cal. . . Bernard W. Maxwell named adv. & sales promotion dir., American Geloso Electronics.

Charles A. Parry, former Page Communications Engineers foreign technical adviser, named v.p. & U.S. representative of Edison-Page S.P.A., Rome. Kurt G. Happe, Page consultant, appointed Edison-Page Rome office head . . . William V. Levine named editor of *Sylvania News*, succeeding William M. Pace, recently named Sylvania renewal tube sales adv. supervisor.

Allan R. Shilts appointed Stromberg-Carlson controller, succeeding Daniel G. Schuman, resigned . . . John E. Johnson named v.p. & mktg. mgr., RCA electronic data processing div.

H. Leslie Hoffman, Hoffman Electronics Corp. pres., heads a new Cal. corporation which last week acquired Western Mortgage Corp., L.A. real estate mortgage firm.

More about

TO IMPORT OR NOT TO IMPORT: Most U.S. TV-radio-stereo manufacturers are still sitting on the fence on the subject of whether to import Japanese end-products or components for use in their own domestic lines. Our survey of leading set makers (see p. 15) shows that most of them have "no present plans" to deal with Japan—but that plenty behind-the-scenes investigation of Tokyo suppliers is going on.

Japan's transistor radio industry—now dealing through a wide variety of "novelty item" distribution setups—would prefer to work with big U.S. manufacturers. It would like to have top brand-names stamped on its sets and to enjoy first-rate distribution organizations. The temptation to U.S. set makers undoubtedly is great—but no big manufacturer here has completely succumbed to it, although there has been some tentative foot-dipping.

There's a second front, too, in the Japanese push: components. Radio, hi-fi & TV parts are being peddled—and there have been offers from Japanese manufacturers to build all or part of transistorized battery TV sets for U.S. companies. These topics have been covered in our talks with American manufacturers—some of whom didn't wish to speak for attribution.

Emerson's Ben Abrams believes that "more and more, the American manufacturer will shy away from the cheaper imports. The Japanese's principal advantage is greater compactness of equipment. It costs more to make a small set than a large one, and the Japanese have the advantage of cheaper labor."

However another industry statesman, veteran of radio, TV, stereo & tube business, summed up this view: "A number of American manufacturers have opened buying offices in Tokyo or have resident people there. Many are beginning to buy parts for low-cost portable transistor sets which can't be made here because of high labor costs." He foresaw "no falling-off of imported components or small sets. There is no way a U.S. manufacturer can market a set for \$29-\$35 with carrying case and earpiece—they just can't touch it.

"These Japanese products aren't tissue-paper stuff, either. Their govt. has strict quality-control on exports. TV is another thing, though. They can't sell it here without brand-name distribution. I also have grave doubts about Japanese hi fi. Our acoustics are far superior to theirs.

"The answer is automation, and we're moving ahead rapidly—particularly in the production of transistors. We've got faith enough in our own ability. As we develop further automation techniques we can become very competitive in terms of better transistors and other equipment at a good price."

* * *

On the use of Japanese parts, a GE spokesman told us: "There will be an increasing swing to Japanese parts for the simple reason that their price advantage will be increasingly appealing, so long as their quality meets industry standards."

Westinghouse TV-Radio div. marketing dir. C. J. Urban told us: "We do not foresee a swing to Japanese parts. So far as we're concerned, we still have to be shown that Japanese quality is up to our specifications. There's also the problem of availability."

Sylvania Home Electronics senior v.p. Marion E. Pettegrew summed up the majority opinion: "The entire subject of low-cost, imported components represents a serious challenge to the entire home electronics industry,

but I do not, at this time, foresee any great swing by the industry to substantially increased use of imported parts or finished products."

Foreign electronic components and finished equipment aren't new to the U.S. market, although they never have been as major a factor as the Japanese situation now presents for radio makers. Principally, foreign end-equipment imports have been higher-priced goods—European (mostly West German) hi-fi equipment.

Most larger TV-radio-phono makers are just about "100% American" in their use of parts. There are some exceptions, most of them picayune: GE uses a Philips tube in its TV tuner; a number of other manufacturers (Westinghouse, Motorola, Magnavox, Columbia are among them) use British Collaro, BSR or Garrard changers in their 1960 stereo lines; some use Japanese-made tone arms and cartridges in their cheapest phonos. Some smaller radio makers are now using Japanese tubes.

* * *

Japanese transistor TV apparently isn't regarded as a major threat. Typical comments:

Westinghouse's Urban: "Our investigations and those of our international organization indicate that use of Japanese components will be of little help in bringing down the price of transistorized battery-operated TV portables. The Japanese themselves will have difficulty in making a set to retail for \$250. Emerson has already announced such a set [as has Philco] and it seems to me that Ben Abrams has beaten the Japanese at their own game. The problem here is not one of cheaper components but of the state of the art. One of the primary problems is the question of tube size. Are we going with the 8-inch, the reflex, the 17-inch? The cost of making a transistorized TV portable will be such that the unit will have to go to market in the \$250 to \$299 bracket."

Sylvania's Pettegrew: "Just about every major manufacturer in the TV industry has been working to perfect a transistorized TV portable set which can be marketed profitably, and at a price which will assure mass purchases by the public. The industry has not yet solved this problem completely but I believe that American ingenuity & manufacturing knowhow will have more to do with the successful solution of this problem than the importation of low-cost components."

* * *

How to meet the made-in-Japan threat? Here are some opinions:

Emerson's Abrams: "The only way to cope with the Japanese import situation is for American manufacturers to show more ingenuity, to design and produce better equipment."

Admiral's Siragusa: We must play up the many advantages of American equipment—quality, features, availability of replacement parts, service. Also, we must stress that buying-American helps the nation's economy.

An RCA spokesman: "We must produce superior equipment with exclusive features that people are willing to buy at the higher prices."

Westinghouse's Urban: "We can meet foreign competition with innovation & creativity."

Warwick Pres. L. G. Haggerty: "Certainly American industry has the ingenuity and the knowhow necessary for meeting the situation. It always has in the past."

One of the more candid answers came from one of the larger TV-radio manufacturers: "How do we cope with the Japanese import problem? No one in the business seems to have the right answers to this one now."

FORTUNE's '500': The recession played no favorites last year, as indicated by July *Fortune* in its 5th annual tabulation of the nation's top 500 industrial corporations. They dropped collectively 17.8% in profit, from 1957's \$11.7 billion to 1958's \$9.6 billion, and 6.1% in sales, to \$176.8 billion. The cream was even thinner at the top. The first 50 firms were down 20% in net profit and off 8.2% in sales. (Our own survey in Vol. 15:2 showed representative TV-electronics company profits declined average of only 3.2%.)

Ranked with the 500 were 34 manufacturers in electronics and related fields, including newcomers to the listing: Litton Industries, Siegler, Standard Coil Products and Lear (See table below). Displaced were Arvin (469th in '57) & Globe-Union (496th).

General Motors continued as the nation's largest corporation, with sales of \$9,521,966,000 & profits of \$633,628,000. In 2nd & 3rd places were Standard Oil of N.J. & Ford Motor. General Electric came up to take 4th place from U.S. Steel, which dropped into the 5th slot occupied by GE in 1957. The largest increase in 1958-over-1957 sales was scored by Litton, with a whopping 195.6% jump. Siegler was up 125%. However, the electronics-appliance industry trend was down: return on sales in 1958 averaged 4.1% vs. 4.5 in 1957; return on invested capital averaged 10.3% compared with 12.4 the preceding year.

Despite recession's cold touch, many of 1957's high-ranking electronics firms improved their positions or held firm: GE, 4th vs. 5th in 1957; Western Electric, 10th vs. 11th; Westinghouse, 13th vs. 14th; General Dynamics, 20th vs. 20th; IBM, 28th vs. 37th; RCA 29th vs. 29th; Raytheon 111th vs. 167th; Zenith 221 vs. 274, others.

Note: *Fortune's* annual list of 100 largest foreign industrial companies will be published in Aug. issue, along with compilations of 50 biggest banks and merchandising, transportation, life insurance & utility companies. Combined reprints of all lists will be available Aug. 1 from *Fortune* Director, Room 1430, 9 Rockefeller Plaza, N.Y.

Vacation shutdowns by set manufacturers, as reported by EIA & other sources: Admiral, 3 weeks ending July 14; GE, July 24-Aug. 9; Hoffman, July 20-Aug. 2; Magnavox, July 6-19; Motorola, July 6-19; Olympic, July 3-20; Packard-Bell, July 6-19; Philco, July 20-Aug. 2; RCA, Aug. 17-30; Sylvania, Aug. 14-31; Warwick, July 6-19; Wells-Gardner, July 13-26; Westinghouse, Aug. 3-16; Zenith, July 6-19.

New govt. directory of small research & development firms qualified for govt. contract work will be published by the Small Business Administration. Companies interested in listing their qualifications in the book, for which the deadline is Aug. 1, should contact SBA regional offices.

TV-Radio-Electronics Rankings Among 1958's 500 Largest U.S. Industrial Corporations

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RANK '58 '57	COMPANY	SALES ¹ (\$000)	ASSETS ²		NET PROFITS ³		INVESTED CAPITAL ⁴		EMPLOYEES ⁵ RANK					
			'58	'57	'58	'57	'58	'58						
4	5	General Electric	4,120,770	2,420,939	11	10	242,943	8	9	1,310,987	12	12	249,718	2
10	11	Western Electric	2,173,352	1,337,422	20	19	85,936	17	20	887,540	16	19	128,290	8
13	14	Westinghouse Electric ..	1,895,699	1,411,508	17	18	74,773	20	25	870,319	18	18	114,652	9
20	20	General Dynamics	1,511,456	651,182	54	58	36,729	51	49	274,884	81	91	92,900†	13
28	37	Int'l Business Mach.	1,171,788	1,340,399	18	22	126,192	11	18	720,221	23	25	61,159†	22
29	29	Radio Corp. of Amer. ...	1,170,686	751,534	43	38	30,942	67	63	295,439	71	71	69,100	19
44	42	Sperry Rand	864,330	743,153	46	46	27,481	74	42	341,246	63	62	98,728	10
49	58	Int'l Tel. & Tel.	687,451	869,006	30	30	26,600	77	102	395,739	52	54	130,000	7
58	51	Bendix Aviation	619,138	325,561	98	90	21,172	98	90	214,338	97	99	47,000	37
97	97	Whirlpool	404,628	203,536	155	138	10,179	174	198	107,489	188	187	12,799	152
111	167	Raytheon	375,156	138,277	226	233	9,403	193	277	59,982	304	336	33,255	56
123	116	Philco	340,724	182,427	175	157	2,874	387	357	102,109	194	193	20,000	101
124	109	Thompson Ramo Wool...	340,622	203,524	156	149	8,979	204	182	109,698	184	185	23,091†	85
126	120	Sylvania	333,256	264,889	123	124	8,373	217	172	140,646	141	135	27,000†	71
129	129	Minn. Honeywell Reg. ...	328,480	263,816	124	125	22,562	91	106	170,225	117	118	32,129†	60
140	143	ACF Industries	294,894	153,500	204	151	7,851	225	230	120,500	169	156	15,085	128
144	133	Avco	282,330	183,029	174	189	11,597 ⁶	154	169	98,699	201	205	18,935	104
193	192	Motorola	216,590	127,902	240	242	7,356	240	258	71,533	267	269	12,000	164
221	274	Zenith	180,634*	109,206	268	288	12,116	151	246	70,656	269	275	8,500	248
241	230	Gen'l Precision Equip. ...	168,333	132,011	235	226	304	478	362	59,376	309	286	14,500	134
252	256	Admiral	159,902*	101,999	282	274	1,375 ⁷	454	479	59,563	307	303	8,000	262
254	261	Corning Glass	159,138	164,651	196	215	17,164	120	125	110,239	183	189	12,800	150
309	288	American Bosch Arma ..	115,737	64,361	387	376	4,786 ⁸	306	337	28,994	447	453	8,534†	244
318	299	I-T-E- Circuit Breaker ..	111,455	72,073	360	343	3,862	343	294	46,814	358	355	7,842	267
324	301	Collins Radio	107,569	71,298	365	369	1,082 ⁹	466	423	24,550	461	460	8,900	235
366	487	Texas Inst.	91,954	53,792	429	480	6,001	279	384	25,641	459	471	6,500	312
395	...	Litton Industries	83,155	57,751	418	...	3,703	351	...	27,995	452	...	8,600†	242
397	397	Magnavox	82,592	48,360	451	446	2,623	402	385	23,542	467	466	5,050	364
401	444	Daystrom	81,714	52,685	432	438	2,333	414	437	30,168	446	444	6,838	303
438	...	Siegler	72,955	39,900	479	...	1,216	462	...	18,000	482	...	4,000	412
454	...	Standard Coil Prod.	69,490	35,076	486	...	559	475	...	11,963	495	...	7,000	298
459	430	Mallory (P.R.)	68,287	55,448	423	403	2,873	390	406	32,206	437	425	5,432	350
487	...	Lear	63,627	37,923	481	...	1,608	447	...	13,610	492	...	4,847	371
489	455	Clevite	63,355	59,656	404	392	3,109	376	374	42,596	380	364	5,746†	340

*Does not include excise taxes.

¹Net sales, including service & rental revenues for companies that derive at least 50% of their revenue from manufacturing or mining, for fiscal years ending not later than Jan. 4, 1959. Sales of consolidated subsidiaries included; excise taxes collected by the manufacturer not included. ²Total assets employed in business net of depreciation & depletion, but including govt. securities offset

against tax liabilities. ³Including special charges or credits; non-recurring items of a non-operating nature are footnoted when they are 10% of total profit or loss. Figures in parentheses are losses. ⁴Capital & surplus (i.e., net worth). ⁵Average employment for year unless followed by dagger (†), in which case year end. ⁶Includes special credit of \$2,040,518. ⁷Includes non-recurring loss of \$531,316. ⁸Includes special credit of \$685,000. ⁹Includes special credits of \$1,338,724.

Finance

Record Magnavox sales of \$90 million for the fiscal year ended June 30, compared with \$82,592,113 for fiscal 1958, were predicted by pres. Frank Freimann last week.

Packard-Bell Electronics will be traded on the New York Stock Exchange beginning July 14. Symbol: PKB.

Officers-&Directors stock transactions as reported to SEC for June:

Ampex. Charles A. Black bought 100, holds 185.
Arvin Industries. Harlan Foulke sold 244, holds 8445. Robert S. Schaerges bought 750, holds 1938.
Audio Devices. C. J. LeBel sold 2050 privately, retains 77,414. Joseph K. MacCammon sold 400, retains 18,431.
Avco. W. A. Mogensen exercised option to buy 15,000, holds 16,000. James D. Shouse sold 2600, retains 11,980.
Beckman Instruments. G. J. Renne exercised option to buy 795, holds 795.
Clevite. A. L. W. Williams sold 20,060, retains 37,434 personally, 5423 as custodian.
Columbia Pictures. Ralph M. Cohn acquired 989 in satisfaction of obligation, holds 43,298 personally, 1891 in trust, 94,566 in Fico Corp. Charles Schwartz sold 8400 through Schwartz & Froehlich, retains 2042 in Schwartz & Froehlich, 94,566 in Fico Corp., none personally.
Corning Glass. Charles D. LaFollette sold 700, retains 11,020. Thomas Waaland sold 1100, retains 2700.
Daystrom. Thomas Allinson bought 200, holds 800. Edward G. Williams sold 300, retains 1151. Lewis E. Minkel bought 100, holds 100.
Electronic Communications. Donald D. King bought 100, holds 200.
Emerson. Louis Abrams sold 4400 personally, 400 through trusts and 2392 more through Solomon & Mollie Abrams Foundation Inc., retains 44,914 personally, 690 in trusts, none in Solomon & Mollie Abrams Foundation Inc. Percy West acquired 100 pursuant to call, holds 206.
Gabriel. John H. Briggs sold 2000, retains 37,900. Robert T. Hood bought 1400, holds 1800. Frank M. White sold 23,000, retains none.
General Dynamics. Allen D. Marshall sold 3800, retains 10,250. Robert P. Meiklejohn sold 1200, retains 5115. Kenneth Stiles sold 300, retains 700.
GE. Robert L. Gibson acquired 2400 under bonus plan, holds 6317. Gramer W. LaPierre bought 3390, holds 4955. Clarence H. Linder bought 2000, holds 12,150. William C. Wichman sold 745, holds 5226.
General Instrument. Abraham Blumenkrantz exercised option to buy 18,200, holds 56,200. Henry A. Mulcahy exercised option to buy 4400, holds 4528.
General Precision Equipment. George T. Link sold 2000, retains 3972. David Mason bought 100, holds 300. John C. Maxwell bought 500, holds 500.
General Telephone & Electronics. Leslie H. Warner exercised option to buy 500, holds 6000.
Globe-Union. Ralph W. Conway exercised option to buy 600, holds 2000. Harold M. Sauers exercised option to buy 100, holds 2574.
Hoffman Electronics. H. S. Hazeltine sold 100, retains 10.
IBM. McLain B. Smith exercised option to buy 130, holds 130.
ITT. John E. Gingrich sold 100, retains 5042.
Lear. K. Robert Hahn sold 300, retains 806.
Litton Industries. Alfred B. Connable sold 483, retains 7000.
P. R. Mallory. J. E. Cain sold 3000 through trusts and 500 more through Niac Co., retains 1020 in trusts, 80 in Niac Co., 22,491 personally. G. A. Godwin sold 500, retains 5130 personally, 1530 in trust.
Motorola. Charles E. Green sold 140, retains 2760.
NTA. H. I. Bucher exercised option to buy 250, exchanged 750 for National Theatres Inc. securities, retains none.
Philco. Henry F. Argento sold 5000, retains 727.
Raytheon. John H. Beedle sold 3000, retains 54. Carlo L. Calosi exercised option to buy 2000, holds 5150. William Gammell Jr. sold 3000, retains 10,070. Harold S. Geneen sold 16,546, retains 200. N. B. Krim sold 1000, retains 6450.
Siegler. Donald Royce sold 300, retains 8700.
Skiatron Electronics & TV. Marion Douras sold 1600, retains 20,000.
Standard Coil Products. Arthur Richenthal exercised option to buy 35,000, holds 35,100. Glen E. Swanson sold 10,200 through Swanson Foundation, retains 18,500 in Swanson Foundation, none personally.
TelePrompTer. Milton Hendler bought 500, holds 500.
Trans Lux. Harry Brandt bought & sold 4600 personally, bought 200 through H. Brandt Foundation and 5300 more through G. Brandt Foundation, sold 3400 through H. Brandt Foundation, 200 through Bilpam Corp. and 1000 more through Marathon Pictures, retains 168,500 personally, 17,980 in H. Brandt Foundation, 13,550 in G. Brandt Foundation none in Bilpam Corp., none in Marathon Pictures, 2000 in Brapiek Corp., 17,600 for wife.
Tung-Sol. H. Merle Darling exercised option to buy 500, holds 4005. Louis Rieben exercised option to buy 1000, holds 12,774.
20th Century-Fox. J. B. Codd bought 1250, holds 1850. Donald A. Henderson exercised option to buy 2000, holds 2610. Francis T. Kelly exercised option to buy 1250, holds 1251. C. Elwood McCartney exercised option to buy 1250, holds 1250. Joseph M. Moskowitz exercised option to buy 10,000, holds 10,600.
United Artists. Herbert L. Golden bought 238, holds 238.
Walt Disney Productions. Donn B. Tatum sold 150, retains 7.
Warner Bros. Benjamin Kalmenson bought 10,000, holds 10,000. Jack L. Warner sold 10,000 at \$26.12 per share pursuant to option, retains 227,431.
Westinghouse. John W. Craig bought 1000, holds 1000 personally, 400 in trust. Tomlinson Fort exercised option to buy 500, holds 1529. John J. McCloy bought 185 as trustee, holds 185 as trustee, 100 personally. L. W. McLeod exercised option to buy 300, holds 1375. John E. Payne bought 675, holds 1589. Gwilym A. Price sold 116, retains 6000. J. O. Rae exercised option to buy 475, holds 1136. Tom Turner exercised option to buy 340, holds 2665.
Zenith. Frank A. Miller sold 1000, retains 2000. Hugh Robertson sold 900, retains 9528.

Television Shares Management Corp., Chicago management service company & sales agent for Television-Electronics Fund (Vol. 15:23), has asked the SEC (File 2-15312) to register 206,500 outstanding common stock shares for public sale. The offering price and terms of underwriting by a group headed by White, Weld & Co. will be supplied in an amended SEC statement. Management officials own 415,000 (39.1%) of 1,060,000 outstanding shares. Members of their immediate families own 55,000 additional shares. The SEC prospectus lists 21 selling stockholders, largest blocks being sold by Townsend Investment Co. (55,000 shares), Irving Florsheim (25,000), and pres. Wm. H. Cooley, Elizabeth W. Hinman (as executor of Sturtevant Hinman), Mervyn LeRoy & Robert D. Michels (20,000 each).

Ampex will acquire Orr Industries Inc. (formerly ORRadio Industries), Opelika, Ala. tape manufacturer, under the terms of an agreement by the boards of both companies. Ampex has owned about 25% of Orr's stock for 2 years. Subject to stockholders' approval, each Orr shareholder will receive one share of Ampex common stock for each 2.2 shares of Orr—the total Ampex stock involved having a value of about \$16 million on the basis of current market prices. Ampex will set aside 209,000 shares for the transaction. Orr Industries pres. John Herbert Orr will join the Ampex management staff.

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Desilu Productions reports sharply increased profits for the fiscal year ended May 2. The firm's first annual report since stock was sold to the public last year also reports a 53% increase in Desilu ownership of half-hour TV properties. The backlog of shows available for re-runs is expected to increase 69% in the current fiscal year. For year ended May 2:

	1959	1958
Gross income	\$20,470,361	\$15,094,806
Net income	249,566	92,336
Earned per share	22¢	10¢
Shares outstanding	1,150,000	900,000

Desilu Productions will introduce for shareholder approval at the July 21 annual meeting a 45,000-share restricted stock option plan, under which key employees would be granted options to purchase up to 3000 of the shares at a price not less than 95% of the market price.

Republic Pictures' profits & earnings declined in the 26 weeks ended April 25, compared with the comparable 1958 period:

	1959	1958
Net income	\$ 532,137	\$ 1,126,238
Earned per share	17¢	46¢
Shares outstanding	2,004,190	2,004,190

Taft Bestg. Co. common stock (483,322 shares) was placed on the market last week at \$15 per share—a total of nearly \$7,250,000. The offering (Vol. 15:24, 27) is being underwritten by a group headed by Harriman Ripley & Co.

COMMON STOCK QUOTATIONS

Week Ending Friday, July 10, 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 1/8	Admiral	23	-1 1/2	488	385 1/2	IBM	448 1/2	+1 1/2
39 3/8	29 1/2	AmBosch	34	+ 1/8	45 1/2	28	ITT	38 1/2	- 2
29 3/8	20 1/2	AB-PT	28 1/2	+1 1/2	50 1/2	36 1/2	I-T-E	48 1/4	+ 3/4
8 1/2	6 1/4	Amplex	7 1/4	- 1/2	124 1/2	72 1/2	Litton	117 1/4	+1 1/2
89	75 1/2	AT&T	81 1/2	+ 1/4	37	27 3/4	Loew's	30 1/2	+1 1/2
46 7/8	32 1/4	Amph-Borg	38 3/8	- 7/8	70	4 1/4	Mgnvox	59	+1 1/4
36 7/8	23 1/2	Arvin	25 3/8	- 1/8	138	111 1/2	MplsH'll	139	+5 1/4
17 1/2	10 1/2	Avco	15 3/8	- 1/4	130	57 1/2	Motorola	111 1/4	-5 1/4
74 3/4	36 1/4	BeckInst	58 1/2	-2 3/4	12 1/4	9 1/2	Nat'lThe	12 1/4	+1 1/2
89	66	Beck	81	+3 3/4	50 7/8	4 1/4	Paramnt	48 1/4	+ 1/2
38 1/2	24 3/4	Clevite	36 1/2	-2 1/2	36 3/8	21	Philco	29 7/8	-1 1/2
4 1/2	3 1/2	CBS	4 1/2	- 1/2	71	43 1/2	RCA	69 3/4	- 1/2
24 1/2	17	Col Pict	18 1/2	- 1/4	73 1/2	51 1/2	Raythn	55 1/4	-2 1/2
42 3/4	33 1/2	ConsElec	38 3/8	+1 1/2	11 1/8	8 1/2	RepbPic	10 7/8	+ 1/4
50 1/2	33 1/2	CnsElInd	47 1/2	-1 1/4	45 1/2	26 1/2	Siegler	32 1/2	-1 1/2
30 1/2	20 3/4	Cor-Dub	26 3/4	-1 1/2	9 1/2	6 1/2	Sparton	8 3/4	+ 3/8
139 3/4	89 3/4	Corning	139 3/4	+ 1/4	28 1/2	21 1/4	SpryRd	25 1/2	-1 1/2
49 3/4	34	Daystrm	41 1/4	+ 1/4	23 1/4	14 1/2	StdCoil	18 1/2	+ 1/2
21 1/4	17 1/2	Decca	20 3/4	+2 1/2	34 1/4	18	StanWar	33 3/4	+1 1/2
59 1/2	41 3/4	Disney	42 3/4	-2 3/4	57 1/2	42	StewWrn	56 1/4	+3 1/2
69 1/2	48 1/2	EmerElec	66 1/2	+2 1/2	33 1/2	24 1/2	Storer	31 1/4	- 1/4
26 1/2	13 1/2	EmerRad	19 1/2	-1 1/2	13 1/2	9	Telautog	11	- 1/4
33	12 1/2	Gabriel	22 1/2	- 2	153 3/4	61 1/4	TexInst	141 1/2	-7 1/2
42 1/2	34 1/4	GenBrze	39 3/4	+ 7/8	70 1/2	56 1/4	TmpR-W	67 1/4	+ 1/4
66 1/2	53 1/2	Gen Dyn	54 1/2	-1 1/2	54 1/4	34 1/2	Tng-Sol	45 1/4	-1 1/2
84 3/4	74 1/2	GE	83	+2 1/4	43 1/2	34 1/2	20th-Fox	38 1/2	+2 1/2
38 3/8	16 1/2	Gen Inst	29 1/4	-2 1/2	32 1/4	24 1/2	UAA	31 1/2	+ 1/2
45 1/2	31 1/2	GPE	41 1/4	+ 1/4	47 1/2	24 1/2	WarBros	43 1/2	+1 1/2
73 3/4	60	Gen Tel	72 1/2	+2 1/2	98 3/8	70 1/2	Wstghse	97 1/2	+2 1/2
83	44 1/2	Gen Tire	71 1/2	-4 1/4	136 3/4	92 1/2	Zenith	119	-6 3/4
37	28 1/4	Hoffman	32 1/2	-2 1/2					

AMERICAN STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
5 3/8	3 3/4	Allied Art	4 7/8	- 1/8	22 1/2	7	IntRes	18 3/4	- 3/4
65 3/4	36 1/4	Allied Con	49 7/8	-5 1/2	19 1/4	9 1/2	Lear	15 3/4	+1 1/2
19 3/4	11 1/2	AmElec	15 3/4	- 3/8	2 1/4	1 1/2	MntzTV	2 1/4	- 1/4
26 1/2	15 1/4	AudioDev	20 1/2	-1 1/2	12	5 1/2	Muter	9 1/2	- 1/2
22 1/2	10 3/4	Belock	18 1/2	+ 1/4	4 1/2	2 1/2	NatUnon	3 1/2	- 1/4
10 1/4	4	Clostat	7 1/4	- 1/2	48 1/2	23 1/2	PhilpsEl	43 3/4	+ 1/2
9 1/2	6	DuMont	7 1/2	- 1/2	43 1/2	14 1/2	ServoCp	32	+ 1/2
12 1/4	4 1/2	Dynm	9 1/2	- 1/2	18 1/4	9	Servome	13 1/4	- 1/4
44 3/4	28 3/4	ElecCom	40 1/2	- 1/2	10 1/2	5 1/2	Skiatror	6 1/2	- 1/2
2 1/4	1	El-Tron	1 1/4	+ 1/4	17 1/2	9 1/2	Sonotne	13 1/2	- 1/2
186 3/4	50 3/4	Fairch	200	+21	9 1/2	6 1/2	Techclr	7 1/2	- 1/4
88 1/4	49	GenTrns	76	-3 1/2	22 1/2	9	Teleprmp	16 3/4	- 1
27 3/4	20 1/4	GlobeUn	24 1/2	- 1/2	7 1/2	4 1/2	TeleInd	4 1/2	- 1/4
3	1 1/2	GldFlms	2 3/4	+ 1/2	14 1/2	7	TrnsLux	12 1/2	- 1/2
33	30 1/4	Hazltn	30 3/4	-2 1/4	19 1/2	6 1/2	Vctreen	15 1/2	+ 1/4
12 1/2	5 1/2	HrdRad	8 1/2	- 1/2					

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	Meredith Pub	36 1/2	39 1/2
Aerovox	9 1/2	10 1/2	Metropolitan Bestg.	16 1/2	18 1/2
AMP Inc.	35	37 1/2	Microwave Associates	19 1/2	21 1/2
Baird Atomic	14 1/2	16 1/2	National Co.	26 1/2	28 1/2
British Ind	32 1/2	35 1/2	Official Films	1-3/16	1 1/2
Capital Cities TV	9 1/2	10 1/2	Orr Ind.	34	36 1/2
Cinerama Prod.	2	3 3/4	Pacific Mercury TV	11 1/2	13
Collins Radio	36 1/4	39	Packard-Bell	45	46 1/2
Cook Elec	43 1/2	47	Panellit	5	6
Craig Systems	11	11 1/2	Perkin-Elmer	53 1/2	57
Eitel-McCullough	43 1/2	46 1/2	Phillips Lamp	84 1/2	87 1/2
Elec Assoc	40 1/2	44 1/2	Reeves Soundcraft	9 1/2	10 1/2
Erle Resistor	9 1/2	10 1/2	Sprague Electric	54 1/2	58
Glannini, G.M.	30 1/2	33	Tele-Broadcasters	1 1/2	1 1/2
Granco Products	4 1/2	4 1/2	Telechrome	18	20 1/2
Gross Telecasting	24	25 1/2	Telecomputing	10 1/2	11 1/2
Hewlett-Packard	41 3/4	44 1/4	Time Inc.	65 1/2	69
Hycon	3 1/2	3 3/4	Topp Ind.	14	15
Jerrold	5 1/2	6 1/2	Tracerlab	9 1/2	10 1/2
Leeds & Northrup	33 1/4	35 1/2	United Artists	9 1/4	10 1/2
Ling Altec	25 1/4	26 1/4	Varian Associates	33	35 1/2
Machlett Labs	27 1/4	29 1/2	Wells-Gardner	16 1/2	17 1/2
Magna Theater	2 1/4	2 1/2	Wometco Ent.	11 1/4	12
Maxson (W.L.)	11 3/8	12 3/8			

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. †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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SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

HAPPY TV DAYS HERE AGAIN, as dealers' purchases of sets establish all-time record for June. Preliminary figures show June retail spurt, too (pp. 1 & 20).

HOUSE INVESTIGATION LISTS 245 ex-military officers who are employed by a dozen electronics firms, among the 100 biggest defense contractors (p. 20).

Stations

TV-RADIO PROFIT MARGINS DROPPED in '58, NAB financial survey shows, indicating median TV station revenue of \$934,300, before-tax profit of \$135,500 (p. 2).

FOREIGN COMPETITION IN STUDIO GEAR starts as Ampex begins U.S. distribution of new Marconi camera. Other items due. Ampex gets \$2.5 million ETV recorder order (p. 5).

IMAGE PLANS MAKE PROGRESS as NAB's pro tem committee gets \$195,000 in pledges from networks, sets Oct. 1 as target date for full operation (p. 10). Other station stories (p. 8).

RUNDOWN ON TvB shows industry-supported organization has grown from fledgling group in 1955 to an international bureau with over 250 members; new TvB projects reported (p. 11).

Congress

EQUAL-TIME REFORM GETS SENATE GO-AHEAD as Magnuson committee approves Sec. 315 newscast exemptions. Stations cotton to idea of editorializing on subject (pp. 2, 3, 8).

OVERSIGHT "PROGRESS"—and lack of it—in FCC probes reported by House Commerce Committee's Harris (D-Ark). He plans agency advisory group (p. 6).

FCC

LEE'S SOLITARY ALL-UHF STRUGGLE. He submits arguments to Senate Commerce Committee while colleagues move to add vhf to Fresno, Columbus, Ga., San Francisco, etc. (pp. 3 & 6).

BOSTON CH. 5 SET-ASIDE urged by FCC counsel, alleging WHDH-TV won grant following "deliberate efforts to influence" ex-chairman McConnaughey (p. 4).

Auxiliary Services

CATV-BOOSTER HEARING ENDS: new laws in work, as 16 CATV witnesses present case for radio-type controls, stringent regulation of vhf boosters (pp. 4 & 12).

Networks

YARDSTICK ON '58-'59 SEASON shows ABC-TV narrowing the gap in average nighttime ratings, but CBS-TV still on top in audience size & program winners (p. 7).

Advertising

DETROIT PLUS TV EQUALS SALES is the message of NBC-TV's latest study of auto buying. Shoppers are interested in America's new small cars, and dealers think TV will sell them (p. 16).

Film & Tape

TREND OF FILM IS ESCAPISM—that's the overriding consideration in most telefilms coming up next season (p. 18).

Other Departments

EDUCATIONAL TV (p. 13). **FOREIGN** (p. 13). **PROGRAMMING** (p. 14). **FINANCE** (p. 23).

GETTING EXCITED ABOUT TV: Public is getting excited about TV again—excited enough to start what is beginning to look like a boom in TV set sales, despite such new competition for money & leisure time as stereo, the boating craze, etc.

TV had been sole major product not sharing in consumer goods buying upsurge which began late last year and has shown no signs of tapering off. Preliminary retail sales figures for June, however, indicate TV is at last coming out of its slump, the public buying some 360,000 sets—110,000 more than in June 1958, which, admittedly, was a pretty awful TV sales month.

Better news yet is dealers' confidence in consumers' mood to buy more TVs. Unofficial figures indicate that dealers bought more sets last month than in any previous June in TV's history—2¼ times as many as in June 1958.

TV set is, after all, only an instrument for receiving programs—and manufacturers have gone all-out to make it easier to receive programs better with the innovation-laden new 1960 sets just beginning to appear on the market. Other side of coin is the appeal of the programs themselves—caliber of available programming definitely does influence set purchases. TV set makers, through EIA, are expected soon to announce details of promotion campaign to maintain set-buying momentum by calling public's attention to exciting attractions (particularly the specials) in networks' 1959-60 program season (Vol. 15:21). More information about upsurge in TV set sales will be found on p. 19.

TV-RADIO PROFIT MARGINS DROPPED IN '58: The typical TV station was slightly less profitable in 1958 than in 1957, although its gross revenues increased 1%. Its total expenses went up 2%, resulting in a 4% decline in its margin of profit. In radio, the typical station's profits went down 27.4% while gross revenues dropped 3.5%.

These figures are from NAB's annual survey of station finances, based on returns from 231 TV stations & 947 radio stations which were on air for full year of 1958. Financial summary was mailed to NAB members last week. The data isn't compatible with recently released FCC financial figures (Vol. 15:25), since the latter indicate industry-wide totals (TV profits up 7.4%) while NAB breaks down its figures to reflect "typical" (median) stations in various situations—for use as financial yardsticks by its members.

For TV stations, median profit margin was 14.5% of total revenue (before taxes). NAB's typical TV station took in \$1,054,500 in gross time sales, its actual total broadcast revenue being \$934,300 after agency & rep commissions and payments to networks. Total expenses were \$798,800 and before-tax profit \$135,500.

Of typical TV station's revenue, 45% came from national & regional advertisers, 28% from local advertisers, 27% from networks—local revenue increasing slightly since 1957, with national & regional dropping. As to expenses, programming represented 38%, general & administrative 33%, technical 17%, selling 12%. Wage & salary bill increased about 10% from 1957, comprising 46% of total expenses. Typical station spent \$100,000 for film, nearly 12% of total.

Revenues of typical TV stations varied from \$296,000 in markets of less than 25,000 population to \$3.3 million in markets of 1 million or greater. In profits, typical station whose total revenues were less than \$300,000 operated at a loss of \$14,000, while typical station in most affluent group (revenue \$2 million or more) reported about \$1 million profit before taxes.

Radio financial report shows typical station took in \$96,200, spent \$89,900, with pre-tax profit of \$6300. Sales dollar was derived about 85% from local advertisers, 15% national & regional, less than 1% network. Of expenses, 37% was general & administrative, 33% programming, 18% selling, 12% technical.

Median TV profit margin was 15.1% in 1957, 15.9% in 1956, 9.6% in 1955—as opposed to 14.5% last year. In radio, last year's 6.6% was a decline from 9.1% in 1957, 10.3% in 1956 and 10.8% in 1955.

For 1959, TV stations surveyed predicted typical station revenue would be \$1,001,600, increase of 7.2% over last year's \$934,300. Radio broadcasters anticipate typical-station revenue of \$98,600, about 2.5% over 1958. Detailed reports were prepared by Charles H. Tower, mgr. of NAB's broadcast personnel & economics department.

CHANCES IMPROVE FOR SEC. 315 CORRECTION: Full Senate Commerce Committee has voted unanimously to exempt newscasts from Sec. 315 provisions, and House Commerce Committee scheduled July 20 session for vote on similar recommendations by its communications subcommittee.

It's good bet now that bills to nullify FCC's Lar Daly newscast ruling will reach floors before adjournment despite fact that it's late in session—and there are long legislative steps between committee reports & votes on Senate & House floors. If they reach floors, they're almost sure to go through, backed as they are by Chairmen Magnuson (D-Wash.) & Harris (D-Ark.) of Senate & House committees.

Senate committee wrote its own equal-time bill, tossing out 4 proposed amendments on which its communications subcommittee had held 5-day hearings (Vol. 15:25). Picking up language from rejected measures (S-1858, 1585, 1604 & 1929) by Sens. Hartke (D-Ind.), Thurmond (D-S.C.), Allott (R-Colo.) & Holland (D-Fla.), it goes further than stripped-down Harris bill (HR-7985) approved by House committee (Vol. 15:28). Senate version tacks this language to Sec. 315:

"Appearance by a legally qualified candidate on any newscast, news interview, news documentary, on-the-spot coverage of news events or panel discussion, shall not be deemed to be use of a broadcasting station within the meaning of this subsection." Revised Harris bill limits Sec. 315 exemptions to newscasts, news interviews, and "on-the-spot coverage of newsworthy events."

Reexamination by Congress of broadcasters' practices under revised Sec. 315—"at or before the end of the 3-year period" following enactment—also is provided by Senate bill to see whether amendment is "effective & practicable." FCC would be instructed to file annual reports on how equal-time is working out.

Still far away is repeal of Sec. 315—long at top of NAB's legislative agenda. Senate & House amendments say nothing about such troublesome equal-time questions as minority party qualifications.

Nor do they exclude broadcast debates from Sec. 315 requirements—exemption which was sought persistently in hearings by such industry spokesmen as CBS Inc. pres. Frank Stanton. Also missing from both bills is specific amendment language proposed by FCC Comr. Ford to include "special events such as political conventions" in exemptions (Vol. 15:26)—although "on-the-spot coverage" can apply to conventions.

But relief from Lar Daly doctrine itself at least seems to be in sight for broadcasters. Meanwhile CBS demonstrated how FCC's newscast ruling can work to keep news personalities off air now. Network cancelled scheduled appearance by Sen. Humphrey (D-Minn.) on July 19 "Face the Nation." Network explained that its lawyers think Humphrey is candidate for 1960 Democratic Presidential nomination "within the meaning" of Sec. 315. Therefore, said CBS, it wouldn't run risk of being forced to put "obscure or now unknown aspirants" for Presidency on "Face the Nation" too. Humphrey went on NBC-TV's "Today" July 17 instead, pointed out he himself had not yet declared his candidacy. If CBS' equal-time interpretation is accepted generally, he said, "it means literally throwing off the air every person who is mentioned for public office." Humphrey was so miffed by incident that it may have provided the extra impetus needed to speed Sec. 315 revision. Humphrey complained to Senate Majority Leader Johnson (D-Tex.), who said he'd try to bring Magnuson bill on floor this week.

Equal-Time Revision Needs a Push—An Editorial: We seem to have struck a spark last week in our article calling attention to the telecasting industry's failure to use its own facilities in an all-out push for relief from the burdens of political equal-time rules (Vol. 15:28).

We know of at least 27 stations which have indicated great interest in editorializing on the subject, and several which had previously actually done so have reported in: WDSU-TV New Orleans, WTVJ Miami, KOOL-TV Phoenix, KOLD-TV Tucson. (For text of WDSU-TV's editorial, see p. 8; it was prepared under supervision of exec. v.p. Robert D. Swezey, who is also head of NAB's freedom of information committee.) If more of you have editorialized on the issue or plan to do so, please let us know; we're eager to report it. Networks are considering the idea but haven't yet indicated intentions of going ahead.

With chances of relief greatly enhanced by action of Senate Commerce Committee last week, time is exceptionally ripe for a major editorial pitch by stations—plus direct pleas to senators & congressmen—in this most legitimate campaign.

LEE'S SOLITARY ALL-UHF STRUGGLE: Even as FCC Comr. Robert E. Lee continued his lonely but spirited battle to get all TV moved to uhf, submitting his arguments to Senate Commerce Committee last week, his colleagues moved in the opposite direction to shift uhf stations to vhf in several significant markets—Fresno, Columbus Ga., San Francisco, Sacramento, Montgomery, Birmingham (for details, see list of actions on p. 6).

Lee takes extremely dim view of his colleagues' interim & long range vhf plans, as expressed in their statement to Commerce Committee (Vol. 15: 17).The interim concept—dropping in vhf assignments at spacings shorter than now permitted by the rules—"would spell the immediate end of uhf," he said. "It would," he asserted, "perpetuate a substandard 12-channel system with perhaps more stations & less coverage. I would prefer the status quo."

Lee has no objections to negotiating with the military for an additional 13 to 38 vhf channels, but he said, it offers "little hope of improving the situation within this generation." Giving his own timetable, he estimated that the addition of new channels would take 20 years or more to implement.

Uhf has never been given a fair chance, Lee insisted. He went into considerable technical detail, relying on staff-engineering calculations, to conclude that uhf can serve the nation as well as or better than vhf. Furthermore, he said, the 70 uhf channels provide 3500 stations, compared with 600 for 12 vhf, 1250 for 25 vhf, 2500 for 50 vhf—and he does not see a ghost of a chance of ever getting 50 vhf's. N.Y.C. could have 35 uhf stations, he said.

Adequate uhf service can be provided, Lee stated, through use of taller towers, more power, better receivers—he places great hope in parametric amplifiers (Vol. 15:9), multicasting, circular polarization.

Lee is plainly disgusted with TASO, claiming that the TV Allocations Study Organization completely ignored its assignment from FCC: "(1) To assemble the facts relating to the feasibility of transferring the operating of TV broadcasting to the uhf spectrum space. (2) If (1) is not feasible, to assemble the facts which support the best available alternatives. (3) To advise the Commission regarding the technical principles which should be applied to TV channel allocations."

But Lee is alone—at this stage of the game, anyway. However, his colleagues have yet to produce results with their interim & long-range concepts. Last week, the Commission looked at a staff study showing what might be done by cutting spacings to 150 miles, and we understand that the additional station assignments possible are disappointingly few. Furthermore, July 15 has passed and FCC & Office of Civil & Defense Mobilization (OCDM) have been delayed in producing their promised status report on more-vhf negotiations. Lee, who did some negotiating a couple of years ago, is skeptical. "I submit," he said "that the only definite answer that can be expected within the next few months is 'no.' I believe that it would take a minimum of 18 to 24 months for some kind of affirmative offer from the military."

More Commissioners may shift to Lee's side some day—but they certainly are not ready to now—and his prospects of persuading a majority among the present Commissioners are mighty remote.

BOSTON CH. 5 SET-ASIDE URGED BY FCC COUNSEL: One of FCC's big "influence" cases—Boston Ch. 5 grant to Herald-Traveler's WHDH-TV—reached another important stage last week when FCC's legal office recommended the 1957 award be revoked.

Charging "deliberate efforts to influence" Commission, hard-hitting report by FCC associate gen. counsel Edgar H. Holtz & 3 colleagues told special examiner Judge Horace Stern that: (1) Grant should be withdrawn and Herald-Traveler disqualified from seeking it again. (2) Loser Mass. Bay Telecasters Inc. also should be excluded from further consideration. (3) Ex-FCC Comr. George C. McConnaughey should have disqualified himself because he submitted to "off-the-record approaches" by Herald-Traveler & Mass. Bay.

"Improper means" to win Ch. 5 also were used by Herald-Traveler publisher Robert B. Choate & Mass. Bay v.p. Forrester A. Clark in "soliciting the intercession of a large number of legislative & executive officials," Holtz told Stern, who conducted Feb.-March hearings in case (Vol. 15:8-10,11). It was remanded to FCC by Appeals Court following 1958 "influence" hearings by House legislative oversight subcommittee.

Additional criticism was leveled by FCC's lawyers at Boston Globe, which didn't participate in comparative case but later sought to have it reopened. Globe representatives made improper off-record approaches to McConnaughey & Comrs. Doerfer, Bartley, Lee & Hyde and ex-Comr. Richard A. Mack, legal brief said. But it added that under circumstances, this intervention didn't disqualify FCC members—or prejudice legal rights of parties, with possible exception of loser Du Mont Labs.

If Examiner Stern disagrees with FCC counsel's "proposed findings of fact & conclusions," he was urged by Holtz at least to recommend that "misconduct" of parties be considered against them in any future reconsideration of Ch. 5 grant. Judge Stern has set July 24 as deadline for all briefs. His decision will follow.

FCC proceedings in 3 other "influence" cases involving ex-Comr. Mack—Miami Ch. 10 & 7 and Orlando Ch. 9—were held up meanwhile, pending decision by Justice Dept. on his retrial on Miami Ch. 10 conspiracy charges (Vol. 15:28). Judge Burnita S. Matthews in Washington's U.S. District Court last week rejected defense motions for acquittal of Mack & co-defendant Thurman A. Whiteside following 11-1 jury disagreement. But Justice Dept. set no date for new trial.

In still another "influence" case—Springfield, Ill.-St. Louis shift of Ch. 2 (Vol. 15:19-20)—Commission is able to go ahead. It doesn't involve Mack directly. But FCC hasn't yet designated special hearing examiner for rehearing case, as ordered by Court of Appeals.

CATV-BOOSTER HEARING ENDS; NEW LAWS IN WORKS: Community antenna operators got their licks in during Sen. Pastore's long CATV-booster hearings, which ended last week, and it still looks as if legislation will come eventually, putting both vhf boosters and CATV under FCC's wing. But it also still looks very dubious for new laws this session of Congress.

CATV's 16 witnesses did a thorough job of presenting their position—that they want FCC regulation of precisely the type applied to broadcasters, but nothing else, and that vhf boosters should be very carefully controlled if authorized at all. (For excerpts from typical CATV statements, see p. 12.)

CATV operators were heartened by the repeated observations of Senators Pastore (D-R.I.), McGee (D-Wyo.) and Monroney (D-Okla.) that they don't want CATV "at the mercy" of stations. They were referring to proposed legislation which would require CATV to get stations' permission to relay their signals. The senators want FCC to control the "permission" factor. Pastore, for example, foresaw stations charging "orbitant" rates for permission, with CATV operators passing cost on to subscribers.

NAB pres. Harold Fellows stuck doggedly to position that stations have property rights in their signals

and that their permission should be obtained. He said he expected that permission would generally be forthcoming. However, answering McGee, he said he couldn't agree that stations should waive right to charge fees for use of their signals.

Ex-Sen. McFarland (D-Ariz.) would also leave the "permission" question up to FCC. As a station operator (KTVK Phoenix), he noted that many of his contracts with program suppliers would prohibit him from giving permission. He also endorsed licensing of vhf boosters under carefully controlled conditions.

Sen. Aiken (R-Vt.), in a pro-CATV presentation, asserted that his area's telecasters made no complaint about CATV competition and that 45,900 viewers in Vermont depend on CATV.

FCC Chairman Doerfer was given a rough time because he said he couldn't commit his colleagues to the point of guaranteeing they'd legalize vhf boosters. He said that he hoped and believed they would; so did Comr. Craven. This incensed Pastore & McGee, but Doerfer stuck to his guns. The Senators also were miffed because Doerfer displayed his traditional reluctance to regulate the economics of TV to the point of deciding whether a community should be served by a station or CATV. "You get into a common-carrier concept there," he said, adding that he didn't believe that was Congress' intention. "We concluded it's better for the public to choose what it wants." But he also showed sympathy for "local service" by stations. Pastore seemed nonplussed, said: "Maybe we ought to review the whole Communications Act."

Pastore was also dissatisfied with Doerfer's answer to his question about tests FCC has conducted on booster units, when Doerfer noted "the lab isn't equipped to do everything." Said Pastore: "You mean you've been doing something that is nothing?" FCC chief engineer Ed Allen came forth finally with the answer many in industry have sought:

"The equipment we tested, Mid-America and Benco, is not representative of equipment in the field. They're the best, but they still don't have all the necessary characteristics. Too wide a band. They should go off when the main station goes off. Frequency stability is not adequate. However, we feel that the cost estimates are reasonable and that the deficiencies can be overcome."

Doerfer also brought up TV allocations. "We have an allocations problem, too," he said. "Will the boosters interfere with each other and with regular stations?"

On CATV, Doerfer reiterated the Commission's conclusions that the only thing it wants is a law requiring CATV to get station permission and to carry a local station's signal. He insisted that FCC doesn't go for the Monroney bill (S-2303) which is designed to put CATV under same controls which apply to stations.

FOREIGN COMPETITION IN STUDIO GEAR: If you think foreign electronics competition is limited to consumer goods field (Vol. 15:26) or to overseas markets, take a look at this week's development in TV station-equipment field. British Marconi, hot competitor of U.S. station-equipment manufacturers in foreign markets, now is making strong pitch in U.S. market. Its distributor is fast-growing Ampex Corp.

First TV station product to be exported to U.S. will be Marconi's hot new Mark IV camera with 4½-in. image orthicon tube. (U.S. cameras use 3-in. tube). This is camera about which CBS-TV engineering & affiliate relations v.p. William B. Lodge expressed so much enthusiasm at Chicago affiliates' convention last March (Vol. 15:12). CBS has had its first Mark IV camera for 10 days—"and if it looks as good as I think it does," Lodge told us, "we'll equip one studio with them and then see where we go from there."

New camera's claimed advantages are better signal-to-noise ratio, shorter warmup period, international standards switch (valuable for syndication taping uses), remote control of all electronic functions. Ampex, now quoting Sept. deliveries, says camera will be priced "competitively" with U.S.-made models. Ampex will also handle tubes, parts & associated equipment for the camera.

Ampex-Marconi alliance may well extend into other equipment. Deal makes Ampex "sole authorized distributor in the U.S. of Marconi TV cameras, TV equipment and broadcasting equipment." Marconi gear will be handled by Ampex professional products div., which is in charge of Videotape Recorder program. (Any CBS camera purchases will be made direct from England because network's negotiations with Marconi pre-date the distribution agreement.)

Another feather in cap of Ampex—and a milestone for educational TV—was announcement last week that National Educational TV & Radio Center (NET) had placed \$2.5 million order for 43 Videotape Recorders to equip virtually all U.S. educational stations and NET's program center in Ann Arbor. Ford Foundation grant (Vol. 15:26) made possible the purchase, which will lead to world's first TV tape network. Educational purchase comprises Ampex's largest single Videotape Recorder order—by far.

Congress

OVERSIGHT 'PROGRESS': Plans were announced last week by Chairman Harris (D-Ark.) for formation of a new advisory council on administrative problems, representing staffs of the "Big 6" federal regulatory agencies and his House Commerce legislative oversight subcommittee.

The announcement came at the end of a long "progress report" to the House by Harris on what his oversight unit has done this year (not much in public, he acknowledged) to follow up last year's sensation-packed FCC hearings. Chaired by subcommittee counsel Robert W. Lishman, the advisory council would devote itself to improving "operational efficiency" of FCC & other agencies.

Harris promised no new headline FCC disclosures. Instead, he told the House the only hearings he has in mind now—to be held "in the near future"—will be on his general agency reform bill (HR-4800), introduced 5 months ago (Vol. 15:8), and on an American Bar Assn. measure (HR-6774) revising administrative procedures. Competing with Harris in the area will be a Senate Judiciary subcommittee headed by Sen. Carroll (D-Colo.), who opens hearings on agency practices this week (Vol. 15:28).

"The [oversight] subcommittee is making investigations & studies in most delicate & controversial areas," Harris said after ticking off FCC cases which were explored or touched in 1958 (Vol. 15:2 et seq.). But: "None of these investigations of these cases, however, will be presented at public hearings until each has been carefully documented and the subcommittee has determined that the public interest requires such presentation."

An outgrowth of last month's oversight subcommittee panel hearings on agency procedural problems (Vol. 15:25-26), the idea of an advisory council has been received "wholeheartedly & enthusiastically" by FCC Chairman Doerfer & heads of the other "Big 6" bodies—CAB, FPC, FTC, ICC, SEC—according to Harris.

Meanwhile, Sen. Carroll said that his Judiciary administrative practice & procedure subcommittee would confine itself in initial July 21-23 hearings to 2 bills—a standards-of-conduct code (S-2374), proposed by the ABA and sponsored by Carroll himself and a bill (S-600) by Sen. Hennings (D-Mo.) & Wiley (R-Wis.) to set up an office of administrative practice.

But Carroll pointed out that scope of his 3-man subcommittee's jurisdiction "is a gigantic one, reaching into the adjudication, rule-making & licensing functions of the numerous agencies which have been established by the Congress." He has a 5-member subcommittee staff for his investigations—chief counsel Joseph P. McDonald, minority counsel Cornelius Kennedy, staff investigator Carlile Bolton-Smith and 2 office secretaries.

ABA spokesmen were expected to be lead-off witnesses in the Carroll hearings.

In his lengthy "progress report" to the House on the Oversight subcommittee, Harris noted that there's been "great speculation" as to what it would do to carry on this year. "Thus far, due to the limitations of time & of the size of the staff, the subcommittee has had to confine the major part of its activities to certain problems in the so-called 'Big 6' independent regulatory agencies," he said.

Harris assured the House, however, that FCC scandals & problems uncovered in last year's hearings are still being "studied." "The extent to which procedures designed to promote equitable results are being abused . . . will receive further study by the subcommittee," Harris said.

The FCC

UHF-TO-VHF DEINTERMIXTURE: Several long-pending allocations proposals matured last week (see p. 3), and FCC came up with final or near-final answers as follows:

(1) Fresno & Bakersfield. Started new rule-making to add Ch. 2, 5, 7 (educational) & 9 to Fresno, deleting Ch. 12, 18 (educational), 24 & 47, and deleting Ch. 5 from Goldfield, Nev., Ch. 9 from Tonopah, Nev. KJEO is ordered to show why it shouldn't shift from Ch. 47 to Ch. 2, KMJ-TV from Ch. 24 to Ch. 5, KFRE-TV from Ch. 12 to Ch. 9. If Mexican approval is obtained, Ch. 8 & 12 will be added to Bakersfield.

(2) Sacramento, Chico, San Jose, San Francisco, Reno & Stockton. Started rule-making on conflicting proposals to: (a) Substitute Ch. 12 for Ch. 46 in Sacramento, Ch. 11 for Ch. 12 in Chico, (b) Substitute Ch. 12 for Ch. 11 in San Jose and add Ch. 11 to San Francisco, (c) Add Ch. 2 and 11 (educational) to Reno. The Commission denied a proposal to shift Ch. 6 from Sacramento to Stockton for commercial use and Ch. 13 from Stockton to San Francisco.

(3) Columbus, Ga. & Dothan, Ala. Finalized rule-making changing Columbus' channels from Ch. 4, 28 & 34 (educational) to Ch. 3, 9 & 28 (educational), substituting Ch. 4 for Ch. 9 in Dothan. In Columbus, WRBL-TV is ordered to shift from Ch. 4 to Ch. 3, WTVM from Ch. 28 to Ch. 9. Dothan's WTVY shifts to Ch. 4.

(4) Montgomery, Birmingham, Selma, Tuscaloosa & Columbus, Miss. Started rule-making on conflicting proposals to: (a) Shift Ch. 8 from Selma to Montgomery or Birmingham. (b) Shift Ch. 9 from Tupelo, Miss. to Tuscaloosa, Ala. or Columbus, Miss. and shift Columbus' Ch. 4 to Tuscaloosa-Birmingham. (c) Shift Ch. 4 from Columbus, Miss. to Birmingham, Ch. 2 from State College, Miss. to Columbus for commercial use, Ch. 8 from Selma to both Montgomery and State College (educational).

(5) Mitchell & Sioux Falls, S.D. Finalized denial of substitution of Ch. 7 for Ch. 5 at Mitchell, addition of Ch. 5 to Sioux Falls.

In all cases except Fresno, Columbus, Ga. & Dothan, FCC said it would order stations to shift later if necessary.

Carroll Economic-Injury Case: FCC stood by its famed "Carroll" decision last week, announcing a supplemental decision reaffirming the grant of radio WWCC Bremen, Ga. over the protest of Carroll Bestg. Co. (WLBB), Carrollton, Ga. The text of the decision hasn't been released yet, so the Commission's reasoning isn't known.

Though the case involves 2 small radio stations, it's significant because the U.S. Court of Appeals had ordered FCC to reconsider the case in the light of whether or not the public would be hurt by the results of excessive competition (Vol. 14:28). FCC had turned down Carroll's protest with the assertion that: "Congress has determined that free competition shall prevail in the broadcast industry." The court, however, countered with:

"To license 2 stations where there is revenue for only 1 may result in no good service at all. So economic injury to an existing station, while not in & of itself a matter of moment, becomes important when on the facts it spells diminution or destruction of service. At that point the element of injury ceases to be a matter of purely private concern." But the court did add: "If the protestant fails to bear the burden of proving his point (and it is certainly a heavy burden), there may be an end to the matter. If his showing is substantial, or if there is a genuine issue posed, findings should be made."

Networks

YARDSTICK ON '58-'59 SEASON: In the Oct.-through-April TV season recently completed, ABC-TV narrowed the gap in average nighttime Nielsen ratings between it and the other 2 leading networks to a noticeable degree, although CBS still draws top honors and NBC edges out ABC. Also, CBS holds the lead among TV networks in the average number of homes reached at night, the number of top-rated shows in the first 40 Nielsen Average Audience rankings, and the number of newly-launched shows that have won top share-of-audience for their time periods.

That's the gist of an organizational memo circulated at CBS headquarters last week from the office of Jay Eliasberg, dir. of research. It's one of the few long-range rating examinations of the past season and does much to place into perspective the 3-network standing at night (6-11 p.m., Sun.-Sat.). Here are the figures on average nighttime ratings for each network, compared with its previous season's track record:

NIELSEN AVERAGE AUDIENCE RATINGS BY NETWORKS

Network	1958-59 Season	1957-58 Season
CBS-TV	23.0	24.1
NBC-TV	20.5	22.2
ABC-TV	19.2	17.9

As the figures show, CBS-TV's nighttime average level fell off more than a point between the 2 seasons. NBC-TV's loss approached 2 points. Thus, ABC-TV's average rating gain of better than a point caused a noticeable tightening of the competitive standings of the networks, although their 1-2-3 ranking remained unchanged.

Network nighttime viewing, combined, produced an enormous figure in terms of "home hours of viewing" of network shows over a whole season. For the 1958-59 season, the grand total was more than 16 billion home hours, the CBS-TV study shows. The picture:

HOME HOURS OF VIEWING

Network	Sun.-Sat., 6-11 p.m.—Oct. '58-April '59	% Total
CBS-TV	6,717,665,000	41.4
NBC-TV	5,371,895,000	33.1
ABC-TV	4,125,943,000	25.5
Total	16,215,503,000	100.0%

One reason for the strength of CBS-TV's nighttime position can be found, Eliasberg feels, in an "in-depth look at top-rated programs, since they represent a more typical idea of program behavior on a network." Such a view indeed reveals an interesting point: ABC-TV, although scoring more shows than NBC-TV (3 vs. 2) in the top 10 Nielsen ratings on an Average Audience basis and only 2 less than CBS-TV, doesn't sustain this competitive threat down through the ranks of the Nielsen AA top 40 shows. CBS-TV has half the winners. (Note: the 40-place ranking was picked, Eliasberg tells us, "because it is roughly the number of nighttime shows on CBS-TV.")

TOP NIELSEN WINNERS (Average Audience Rating Basis) Oct. '58-April '59

	CBS-TV	NBC-TV	ABC-TV
Top 10	5	2	3
Top 20	10	5	5
Top 30	15	8	7
Top 40	20	12	8

With networks admittedly regaining control of the kind of shows that are to go into their over-all program structure (Vol. 15:28, p. 2), a chart in the CBS-TV memo devoted to the track record of new shows launched on networks last season gives high marks for program insight to the net's program planners (then headed by Hubbell Robinson, Jr., who now heads the Ford-NBC lineup of

specials). A total of 36 new TV shows made their network debuts in the '58-'59 season, with NBC-TV providing the largest number—14. CBS-TV had 12, and ABC 10. Here's how the new shows made out:

RANKING RECORD OF NEW SHOWS Nielsen Audience Shares—'58-'59 Season

Rank	CBS-TV		NBC-TV		ABC-TV	
	No.	%	No.	%	No.	%
Firsts	7	53	2	14	3	30
Seconds	3	25	5	36	1	10
Thirds	2	17	7	50	6	60
Total	12	100%	14	100%	10	100%

MBS Meets Its Creditors: Mutual's reorganization plans include settlement offers in 3 phases—this was made clear at a meeting of the network's principal creditors called by bankruptcy referee Asa Herzog in N.Y. last week. The offer of 10¢ on the dollar (Vol. 15:28) has been accepted by the principal creditors and awaits acceptance by the remainder of the 750, who are invited to meet with referee Herzog July 28. The other 2 phases:

(2) A debt of \$1.3 million to Seattle realtor-builder H. B. Tuskin, is to be paid in full at 4% interest over a period of 10 years, it was decided. Miss Tuskin, an associate of Mutual's new financial angels, Chester H. Ferguson & Albert G. McCarthy (Vol. 15:27), assumed the note of \$1.3 million which had been owed by Mutual to all previous owners of the network since RKO Teleradio pres. Tom O'Neil loaned Mutual the sum. O'Neil, who owned MBS as a separate organization, made loans to the network between 1954 & 1957 to the sum of \$1.3 million. The note has been passed along to new Mutual owners ever since and now has been assigned to Miss Tuskin until such time as Ferguson and McCarthy assume formal ownership.

(3) Separate offer of 50¢ on the dollar for the first \$600, and 10¢ on every dollar thereafter, has been made to Mutual's creditors in the category of reporters, stringers, freelance reporters and panel guests on news shows.

MBS's present income is about \$345,000 a month, with expenses averaging \$400,000 for a monthly loss of \$55,000, said Hurlleigh.

ABC Promotes Barnathan: Julius Barnathan, ABC-TV v.p. & dir. of research, has been promoted to the new post of v.p. for affiliated stations. The station relations dept., station clearance and research depts. will all report to him. Network pres. Oliver Treyz attributed the executive reorganization to "our rapid growth in programming & size, creating a need for greater coordination of all ABC-TV departments that work with our affiliates." Alfred R. Beckman will continue as v.p. in chg. of station relations, Donald S. Shaw Jr. will continue as dir. of TV station clearance, and Frederick Pierce, mgr. of audience measurements for the network, has been promoted to mgr. of research—all 3 reporting to Barnathan, who will report in turn to Treyz.

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Edgar G. Shelton Jr., since 1957 asst. to Robert H. Hinckley, AB-PT's v.p. in charge of the Washington office, has been named asst. to pres. Leonard H. Goldenson for national affairs. Joseph J. Jacobs, a member of ABC's legal dept. since 1954, has been named to asst. to the pres. for legal & bestg. div. affairs. Both promotions reflect shift of duties in Washington previously assigned to Robert H. Hinckley, who retired as AB-PT Washington v.p.

Extension of deadline from Aug. 4 to Sept. 15, for filing of comments in FCC's option-time proposal (Vol. 15:17), was sought by ABC in a petition filed last week.

NETWORK SALES ACTIVITY

Special-buying continued to monopolize sales activity last week as the networks were still left holding the "for sale" signs over their remaining open prime evening hours. As it stood last Friday, ABC had "a limited number of minutes" available in its string of 60-min. participation film shows, plus two unprogrammed half-hours, 8-8:30 p.m. on Wed, and 7:30-8 p.m. on Thurs. CBS had 3 alt. week half-hours unsold. NBC was still looking for takers on *Five Fingers*, but tentatively lined up programs to be sold in its 2 open time slots. Possibilities are *Whispering Smith* for Thurs., 7:30-8 p.m., and *Richard Diamond*, well-established ex-CBS private eye series, for Mon., 7:30-8 p.m.

ABC-TV

- Action Cartoon Strip**, participations, Mon.-Fri. 5:30-6 p.m. next season.
Crackerjack Co. (Leo Burnett).
- Sugarfoot, Bronco**, minutes for next season in the alt. Tues. 60-min. westerns (7:30-8:30 p.m.), plus min. in *77 Sunset Strip* (Fri. 9:30-10:30 p.m.).
Elgin Watch (J. Walter Thompson).
- American Bandstand**, participations for next season. (Mon.-Fri., 4-5 p.m.).
Hollywood Brands Inc. (Grubb-Peterson).
- Untouchables**, new series to debut Oct. 15 (Thurs., 9:30-10:30 p.m.). Participations.
Lewis-Howe (McCann-Erickson).
- Paul Winchell Show**, (Sun. 5-5:30 p.m.) and **Action Cartoon strip** (Mon.-Fri. 5:30-6 p.m.), participations in both.
Louis Marx & Co. (Ted Bates).

CBS-TV

- Edge of Night, I Love Lucy, As the World Turns, The Verdict is Yours**, alt. wk. 15-min. segs.
Mentholatum (J. Walter Thompson).
- For Better or Worse, Top Dollar, Edge of Night, I Love Lucy, As the World Turns, The Verdict is Yours, Edge of Night**, alt. wk. 15-min. segs.
Vick Chemical (Ogilvy, Benson & Mather).
- Rawhide**, (Fri., 7:30-8:30 p.m.), one-third sponsorship on alt. wks.
Vick Chemical (Ogilvy, Benson & Mather).
- Jack Benny Specials**, 3 60-min. comedy programs, first of which is set for Sat. Nov. 7, 7:30-8:30 p.m.
Greyhound & Benrus (both Grey Adv.).

NBC-TV

- Phil Silvers Specials**, 4 60-min. programs next fall, first of which is set for Oct. 17 (9-10 p.m.), with Nat Hiken as writer.
Carling Brewing Co. (Benton & Bowles and Lang, Fisher, & Stashower).
- Outstanding Recording Artists of 1959**, Special, title undecided. Sun. Nov. 29, 8-9 p.m.
Watchmakers of Switzerland (Cunningham & Walsh).
- Another Evening With Fred Astaire** set for Wed. Nov. 4 (9-10 p.m.), produced by Ava Productions, in assn. with NBC-TV. Bud Yorkin will be producer-director.
Chrysler Corp. (Leo Burnett).
- Back to School**, prime evening public service special to be presented Tues. Aug. 25 (8-9 p.m.) with David Brinkley.
Remington-Rand Typewriter Div. (Compton).

Stations

More about

EDITORIALS ON EQUAL TIME: Commenting on our story last week which questioned why so many broadcasters have been editorially quiet about equal time (see p. 3 & Vol. 15:28), exec. v.p.-gen. mgr. Robert D. Swezey points out that his WDSU-TV & WDSU New Orleans had broadcast a strong editorial plea at the start of the Senate Commerce Committee hearings on Sec. 315. We'd be interested in hearing from other broadcasters who have done likewise—and in receiving editorials.

Because of the importance of the subject—and because other broadcasters may be interested in how the stations treated the issue of equal time—we are printing herewith the June 17 broadcast editorial:

A Senate committee this week is holding hearings on a law that is probably better known to broadcasters than it is to most citizens. But this law, Sec. 315 of the Communications Act, is important to voters.

The purpose of Section 315 is good. It's intended to guarantee all political candidates equal treatment on radio & TV. But, in practice, it tends to deprive voters of adequate opportunities to see and hear the important candidates, because it insists on full broadcast coverage of the splinter candidates, including the crackpots and publicity seekers running for office.

For instance, in 1956 there were some 14 candidates for President of the United States. (Here you see their faces.) They represented the Greenback Party, the Prohibitionist Party and the Vegetarian Party, among others. Under Sec. 315, every one of these fringe candidates was supposed to have the same access to broadcast time as President Eisenhower and Adlai Stevenson.

According to a recent ruling of the Federal Communications Commission, which was just reaffirmed Monday, this even applies to newscasts. In other words, during next year's presidential campaign, any time a newscast presents a 2-minute excerpt from a speech of one of the major candidates, it is supposed to present similar excerpts from a dozen other candidates, men with absolutely no chance of becoming President.

In fact, the FCC recently ruled that because a Chicago station showed the mayor of that city greeting a foreign visitor, all the other candidates for mayor could demand equal time to make political talks.

This is obviously ridiculous. If broadcasters try to give good coverage to the major candidates, even when they're public figures performing a duty, then they're forced to clutter up the air with a lot of frivolous candidates the public does not want to hear.

The best answer, we believe, is complete repeal of Sec. 315. This section applies restrictions to political programs and political news coverage that are not applied to any other kind of program.

Sec. 315 has done nothing but pile up red tape. It would seem worth a try, at least, to allow more freedom for broadcasters to use their own judgment—freedom to provide good campaign coverage of the candidates the public wants to know about.

Network radio's top 5 advertisers, according to the latest Nielsen index, are: R. J. Reynolds Tobacco, General Foods, Ex-Lax, Brown & Williamson Tobacco, and Lewis Howe Co. ("Tums"). Reynolds rates top ranking with 320 broadcasts during the four weeks ended June 7.

Spot-TV has paid maximum return for minimum investment to the American Sponge & Chamois Co., which in 2 years has tripled sales of its sponge-cloth product on an annual ad budget of \$70,000. The firm got its Amsco product moving with spot announcements on WRCA-TV, N.Y.

NEW AND UPCOMING STATIONS: Revival of WXIX (Ch. 18) Milwaukee on July 20 as independent by Gene Posner and associates, who acquired outlet for \$50,000 from CBS (Vol. 15:14, 16, 19) changes U.S. operating total to 555 (85 uhf). Two new starters in Canada are CHAB-TV (Ch. 4) Moose Jaw, Sask., which began July 7 and CBC's CBYT (Ch. 5) Corner Brook, Nfld., which began interim operation June 18 as satellite of CBHT (Ch. 3) Halifax, N.S. They bring Canadian on-air total to 61 outlets.

WXIX now has its headquarters in Milwaukee's Schroeder Hotel. Gene Posner, operator of Milwaukee radio WMIL, is pres.-gen. mgr. and controls 51% of stock; Lew Breyer, ex-div. mgr. of Bernard L. Schubert TV Productions, is exec. v.p. in charge of sales & films; Lawrence Turet, ex-WITI-TV Milwaukee, operations dir.; James Chladek, ex-WITI-TV, film dir.; Gino Monaco, WMIL, chief engineer. Base hour is \$395. Rep is Gill-Perna.

CHAB-TV has 6-kw RCA transmitter and 440-ft. Stainless tower with 12-slot antenna at Sioux Lookout, 17 mi. W of Moose Jaw. J. D. Moffat, operator of radio CHAB, is pres. & gen. mgr.; Sid Boyling, station mgr.; Joe Lawlor, sales mgr.; Jay Leddy, program director; Merv. Pickford, chief engineer. Base hour is \$200. Reps are Young Canadian Ltd. and Television Representatives Ltd.

CBYT is repeating CBHT (Ch. 3) Halifax, using GE equipment & 75-ft. surplus tower CBC originally obtained from Canadian Bridge. It's hooked up with CBC's new microwave to Newfoundland-Nova Scotia area. CBHT engineers are manning Corner Brook outlet and regular staff won't be appointed until CBC installs permanent tower & studio next Sept. It's one of 5 low-power outlets CBC is building, others being CBLAT (Ch. 8) Kenora, Ont., which has Dec. 4 target; CBAFT (Ch. 11) Moncton, N.B. French Language outlet, due Dec. 1; CBUAT (Ch. 11) Trail, B. C. and CBWFT (Ch. 6) Winnipeg (St. Boniface), Man., which haven't target dates as yet. CBYT is being sold as bonus with CBHT, but will have its own rate card in the fall.

* * *

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

WAFG-TV (Ch. 31) Huntsville, Ala. now is testing 1-kw GPL Continental transmitter and plans to start programming between Aug. 1 & 15, reports James R. Cleary, chairman & 24% owner of grantee Rocket City Television Inc. It has 172-ft. U.S. Tower ready for GE 5-bay antenna on top of Monte Sano Mt. John S. Gregory, with Birmingham radio-TV background, is pres., program dir. & 24% owner; John Higdon, ex-dist. operations mgr. for Capital Air Lines, is gen. mgr. & 2.3% owner; Ralph Robinson, ex-WBRC-TV Birmingham, operations mgr.; Lloyd W. Root, ex-WHIO-TV Dayton, chief engineer & 2.3% owner. Base hour will be \$165. Rep will be Weed.

WFAM-TV (Ch. 18) Lafayette, Ind. has Sept. 1 target for return to air writes Fred Molchin, chief engineer for new owner Sarkes Tarzian Inc., which took over outlet from Henry Rosenthal and associates for \$65,000 (Vol. 15:19-20). It's converting transmitting equipment from Ch. 59 to 18, will use same 650-ft. tower with RCA antenna.

CJCB-TV-1 (Ch. 6) Inverness, N.S. has ordered Canadian GE 1.5-kw transmitter and plans start this fall as satellite of CJCB-TV (Ch. 4) Sydney, N.S., according to pres. & gen. mgr. J. Marven Nathanson. Construction has just started on transmitter house & 141-ft. tower, which will have Alford 1¼-bay antenna. It will be operated by remote control and be included in sales with CJCB-TV, which has \$275 base hour. Reps are Weed and All-Canada.

Move of all TV to uhf is not urged by the state of California, Gov. Edmund G. Brown has informed FCC, thus repudiating the recommendation of William E. Whiting, chairman of Cal. State Communications Advisory Board, during the 25-890-MC hearing (Vol. 15:25). In a letter to the Commission, Brown stated: "I had not read Mr. Whiting's testimony. I had, in fact, never heard of such a proposal. I had authorized use of my name to support a request for more frequency assignments. I had not, and do not, support elimination of commercial TV, in whole or in part, from the vhf band in California. Official state policy does not support such action either."

Philco's stereo AM system was demonstrated last week by WABC N.Y. in a special daytime test marking the end of an experimental period. Monitoring reception of the tests from a listening point in Newark, N.J., was FCC Comr. Bartley and Commission staffers. The Philco compatible system (Vol. 14:49) works on a principle similar to the RCA, Westinghouse & CBS systems in that directional stereo information is frequency-modulated on the AM broadcast-band carrier (Vol. 15:28). ABC engineering v.p. Frank Marx said ABC is asking the FCC to approve a 90-day extension of its experimental authorization for a series of program tests.

Those 9 Atlanta radio stations are off the hook now, FCC having renewed the licenses of all after rejecting a proposal to conduct a hearing into the adequacy of their programming (Vol. 15:21). FCC first considered ordering a unique hearing in Atlanta to determine whether the stations were doing a satisfactory job as a group. It later decided to consider each on its own merits. The stations involved were WGKA & WGKA-FM, WERD, WGST, WAKE, WQXI, WOAK, WTJH & WEAS. Comrs. Ford & Bartley dissented.

Purchase of Radio KSPR Casper, Wyo. by its TV competitor KTWO-TV (Ch. 2) for \$149,982 from original owner Donald L. Hathaway was announced last week. Also reported on the block was TV adjunct KSPR-TV (Ch. 6), with owner Hathaway planning to darken the station this week and sell the equipment to Casper CATV operator Bill Daniels for approximately \$300,000. Hathaway declined to verify the report but said: "Part of it is definitely wrong." Radio deal was handled by broker Hamilton-Landis & Associates.

Loew's Inc. has been granted summary judgment of \$813,570 in N.Y. Supreme Court (July 15), in its suit against Radio Hawaii, Gotham Beasting Corp. and Founders Corp. Defendants are guarantors of a sale contract of 750 feature films to KTVR Denver, under which \$900,000 was to have been paid over a 60-month period. (Vol. 15:23). Justice Henry Epstein overruled KTVR's contention that the sale was "block booking" and therefore in violation of the N.Y. state antitrust laws. The court ruled that Loew's had performed its obligation under the contract.

Sale of 52% of WDMJ-TV (Ch. 6) Marquette, Mich., approved by FCC, did not include the sale of proposed satellite WIRN (Ch. 12) Wakefield, Mich., as reported in Vol. 15:28. We regret the error.

Corinthian Beasting Corp. has named Henry J. Kaufman & Associates, Washington, D.C., to handle its station group trade advertising & promotion. Corinthian was formerly handled by Anderson & Cairns, N.Y.

KTVI (Ch. 2) St. Louis, with most of its antenna destroyed by a tornado in Feb., has been granted a special temporary authorization to reduce power to 20 kw, pending completion of new facilities at the St. Louis antenna farm.

IMAGE PLANS PROGRESS: Big steps forward in the TV industry's public relations image program—including financing commitments totaling \$195,000 from the 3 networks—were taken last week by a 9-member pro tem organizing committee named by NAB pres. Harold E. Fellows (Vol. 15:27).

Meeting in N.Y. for its first session since the information project was approved in June by NAB's TV board (Vol. 15:25), the committee received pledges of \$75,000 each from CBS & NBC and \$45,000 from ABC for the first year of the program's operation. The TV board had recommended \$65,000 contributions from each network to make the CBS-NBC-ABC total \$195,000. NAB's own ante will be \$75,000.

Members of the pro tem committee (which will be made permanent) also: (1) Pledged from their own stations contributions 4 times their highest quarter-hour one-time rates. (2) Sent out pledge cards to all NAB TV members urging them to become sponsors of the project by doing the same. (3) Adopted "TV Information Organization" in place of "TV Information Office" as the name of the N.Y.-based operation. (4) Set Sept. 15 as a deadline for appointing the program's director (Presidential news secy. Jim Hagerty was mentioned as a possibility) and Oct. 1 as the target date to get going fully. (5) Divided into 3 subcommittees for interim work. (6) Decided to meet again in 2 weeks for progress reports. These subcommittees were named:

Program—C. Wrede Petersmeyer (Corinthian stations), chairman; Charles S. Steinberg (CBS), Kenneth W. Bilby (NBC), Michael Foster (ABC), John S. Hayes (*Washington Post* stations), Willard E. Walbridge (KTRK-TV Houston), Roger W. Clipp (Triangle Stations).

Structure—Clipp, chairman; Hayes, Clair R. McCollough (Steinman stations), Lawrence W. Rogers II (WSAZ-TV Huntington, W. Va.), 3 net representatives.

Personnel—McCullough, chairman; Walbridge, Rogers, Petersmeyer, 3 network representatives.

All pro tem committee members except Rogers attended the N.Y. meeting.

Pres. Harold E. Fellows wound up NAB's 2-week management development seminar at Harvard Business School last week with a plea that broadcasters pay more attention to personnel problems. "If our industry is to realize its full potential, you & I, as its leaders, must devote more time to the quality of its people," he told 60 broadcasters attending sessions on the campus at Cambridge, Mass. Fellows said "the best of our youth" should be recruited for stations—but that it's equally important "to better equip for greater responsibility those people that we have."

Teach broadcasting students the business aspects of the industry as well as the performing arts, gen. mgr. Frank Tooke of Westinghouse's WBZ-TV Boston urged educators last week at NYU's summer TV-radio workshop. He said most broadcasting students have no awareness of such facets of station operation as sales, auditing or promotion, and as a result, the broadcaster must spend time training personnel. He suggested that students be given "a background of the industry—its achievements, its problems, its trends."

New image orthicon camera tube (7513) was introduced last week by RCA for monochrome & color cameras. RCA says the tube's precision construction makes it ideal for color by assuring good registration.

Preparation 'H' (cont.): Revocation last month of good-practice seals from 13 stations for carrying hemorrhoid Preparation "H" commercials in defiance of NAB's TV code review board (Vol. 15:25) became final last week—and another station faced loss of its seal for the same infraction of rules.

NAB's headquarters review board staff has sadly reported that not one of the 13 stations disciplined in June by the TV board had taken advantage of a 30-day grace period to cancel the offending commercials & regain its code standing. Revocation score since start of the Preparation "H" crackdown in April: 21. And the 22nd station, formally notified last month that its seal was endangered by its Preparation "H" contract, showed no signs of backing down. In response to the board's warning, it said that it doesn't agree that the hemorrhoid commercials are objectionable. Disciplinary action against the remaining seal-displaying rebel may be recommended by the review board in a mail poll prior to its next scheduled meeting Sept. 18.

* * *

"Hypocritical NAB code" against hard-liquor commercials was denounced last week by Boston distributing firm Federal Liquors Inc. in boasting that radio WCFM Williamstown had accepted a 26-week contract to plug Nuyens Vodka. Pointing out that Boston area radio WBOS Brookline had signed up earlier for a Federal Liquors account, the firm added that 2-score other stations had indicated they would accept such commercials—or expressed "definite interest." NAB took the news bulletins from Boston calmly, saying that neither WCFM nor WBOS is a member of NAB. Earlier flurry over broadcast liquor commercials eased in Jan. when NAB radio member WCRB Boston cancelled Federal Liquors contract (Vol. 15:1).

Petitions for rule-making filed with the FCC: (1) By WHP (Ch. 55) Harrisburg, Pa., to shift Ch. 12 from Wilmington to Harrisburg or Harrisburg & Dover, Del. or Harrisburg & Atlantic City. (2) By United Electronics Labs, Louisville, to add Ch. 32 to Louisville by substituting Ch. 71 for Ch. 32 in Richmond, Ind., Ch. 79 for Ch. 32 in Oak Ridge, Tenn., Ch. 83 for Ch. 71 in Munice, Ind., Ch. 77 for Ch. 25 in Madison, Ind. (3) By Supt. of Public Instruction, Mich., to add Ch. 9 for educational use in Cadillac by substituting Ch. 6 for Ch. 9 in Alpena.

Two applications for new TV stations were filed with FCC last week: For Flagstaff, Ariz. Ch. 9, by Jerrold Electronics Corp.; for Missoula, Mont. Ch. 4, by Electron Corp., which also is applicant for Douglas, Ariz., Reno, Nev. & Grand Island, Neb. TV applications pending: 105 (15 uhf).

Move of site to 12 miles southwest of Jackson, Miss. was granted to WLBT (Ch. 3) by FCC, over the objections of New Orleans Ch. 12 applicants Coastal TV Co. and WJMR-TV which had asked the FCC to defer action. WLBT was also authorized a height increase from 680 to 1580 ft.

Petition to switch Ch. 5 from Mitchell to Sioux Falls, S.D., filed by WICS (Ch. 20) Springfield, Ill., is due to be turned down. FCC has directed its staff to draw up a document looking toward denial.

CP for Ch. 23, Yakima, Wash., to Yakima Valley TV Co. (Ralph Tronsrud), was recommended in an initial decision by FCC examiner H. Gifford Irion, after 3 competing applicants withdrew.

Request to build on Ch. 4 by WBMG (Ch. 42) Birmingham, Ala. pending action on its petition to allocate vhf channel there (Vol. 15:20), has been turned down by FCC.

RUNDOWN ON TvB: "We really should be called Television Bureau of Marketing," Norman E. (Pete) Cash, pres. of the industry-supported Television Bureau of Advertising, told us in N.Y. last week when we queried him for a status report on TvB activities. "I think we're performing a real function of documenting TV's numbers. It's easily the most-researched ad medium of all time, and we're glad to expose our hand. At present, we're active in several areas at once—encouraging new TV advertisers, providing agencies & advertisers with information on specific TV expenditures, and originating new TV research projects. We're not just selling advertising."

Currently, TvB is taking the first steps toward a 5th anniversary celebration, timed to coincide with the annual membership meeting in Nov. The achievement record, in terms of sheer numbers, is impressive. When TvB began officially (Jan. 1, 1955, following several weeks of planning), there were 52 members and a budget of \$360,000 annually. Today, there are 3 network members, 225 stations, 16 station reps, and international members in Canada, Great Britain and Australia—and the annual budget is now over the \$1-million mark.

TvB's original purpose was "to promote the broader & more effective use of TV as an advertising medium at all levels" as well as "to inform present & prospective advertisers & their agencies concerning the productive use of TV." Although there's no way to prove the exact degree, pres. Cash feels that TvB has played "an important role" in helping TV to grow from its 1955 status as an \$809-million industry, getting some 9.9% of total ad dollars, to its 1958 status as a \$1.3-billion industry getting 13% of advertising spending.

"If an industry bureau in TV is to do meaningful things, it has to start with the advertiser," says Cash. And among the advertisers with which TvB has worked in its jet-propelled history are American Gas Assoc., Adell Chemical (whose Lestoil is one of TV's most prideful successes), Chrysler Corp., General Motors, Ford Motor Co., Sears Roebuck, H. J. Heinz, Manhattan Shirt and Andrew Jergens Co. Cash cited the following to us as among TvB's most meaningful projects:

(1) Dollar expenditure research: "We deliver figures on TV-dollar expenditures by specific brands, not, as print media do a year later, but only 6 weeks after it happens," says Cash. He puts the cost of such research at "close to \$60,000 a year." As most industry members are aware, TvB's periodic reports on spending include data on all 3 major levels—national spot, network and local TV advertising. These are developed with N. C. Rorabaugh Co., Leading National Advertisers and Broadcast Advertisers Reports, and are tabulated by advertiser, brands, days vs. night, by type & volume of spending.

(2) Basic media research: In preparation, and due for August release, is a special study of audience composition, day & night, being developed for TvB by A. C. Nielsen and Pulse. "It will be a real depth study, and will give advertisers a truly basic idea of who's viewing, and when." Other long-range research projects are also planned for the future. Additionally, TvB is working with Penn State U. in developing what amounts to a distillation of opinions, reports, surveys, etc. (a total of some 800 titles) dealing with TV & modern communications. A report is expected early next year. TvB also maintains (and periodically adds to) extensive files of basic TV data covering the number of TV homes, markets, stations; trends in viewing by types of homes, time of day, audience compo-

sition; coverage by TV of specific U.S. market segments such as farmers, Negro homes, high-income homes.

(3) Other TV marketing aids: To help advertisers keep in touch with current trends in TV, a sizable library of TV commercials is maintained by TvB, along with data on dealer co-operative advertising, merchandising and promotion aids to TV, studies on brand recognition, and a case file of TV advertiser successes. Studies of other advertising media (notably magazines & newspapers) are collected, catalogued and made available. And, TvB recently concluded its 2nd annual series of TV sales clinics, attended by more than 800 advertising executives in major cities across the U.S., and is currently in the works with "TV Basics," a new film presentation on the TV medium.

TvB, seeking retail business, is initiating the first phase of a 4-step, year-long project geared to focus attention "on TV's effectiveness as a retail advertising medium." The bureau is currently studying the ad merchandising records of Patterson Fletcher, a specialty store in Fort Wayne. Second step will be planning a TV campaign for the store, for which commercials will be produced & will appear on WANE-TV Fort Wayne. The campaign will start in the fall, and within a year TvB expects to announce the results of the drive.

KTTV's All-Commercial Show: KTTV's novel half-hour series consisting solely of commercials has brought the Los Angeles channel national publicity and good viewer reaction. Last week UPI, AP, *Time* and *Newsweek* all noted the unique program which was concocted by station pres. Dick Moore, and called *Cavalcade of Spots*.

KTTV v.p. Bob Breckner told us: "We have received about 150 letters from viewers and some calls—all complimentary to our program. This is a remarkable reaction considering the nature of the program. When we televise a baseball game—certainly a popular type of programming—we may get 3 cards & 2 letters, if that. Considering there was nothing controversial about the show, and that people rarely write or call unless they are aroused by something, this is a most satisfactory reaction. We have been besieged by agencies & advertisers who think they have interesting commercials, which they want included in our series. In addition, reaction in the trade & press has been most satisfactory." Breckner said no rating was taken on the show.

Shift of WVEC-TV (Ch. 15) Norfolk to Ch. 13 was approved by FCC last week, and station pres. Thomas P. Chisman tells us that the switch will take place some time in Nov. The Commission upheld examiner J. D. Bond's initial decision of last April (Vol. 15:16) which came after the station's 2 competitors for Ch. 13—WTOV-TV (Ch. 27) and applicant Virginian TV Corp.—both agreed to dismiss their applications.

Experimental on-channel booster in Johnstown, Pa. has been granted to WFBG-TV (Ch. 10) Altoona, to be used to test fill-in techniques. It will operate on Ch. 10 between midnight and 6 a.m. when WIIC (Ch. 11) Pittsburgh is off the air. FCC denied petitions of WJAC-TV (Ch. 6) & WARD-TV (Ch. 56) Johnstown and WIIC to dismiss or deny the application.

Petition by WKHM Jackson, Mich., which sought re-hearing & reconsideration of Ch. 10 share-time grant in Onondaga to WILX-TV & WMSB, was denied by FCC.

Auxiliary Services

More about

CATV OPERATORS' ARGUMENT: The foundation for pro-CATV testimony (see p. 4) was laid down by NCTA general counsel E. Stratford Smith in a 40-page document (with appendix) exhaustively analyzing all the pending bills from NCTA viewpoint. He gave full support to the Monroney Bill (S-2303) as "eminently fair and in the public interest" in its licensing provisions for "all forms of fringe area TV service."

As for all other legislative proposals, Smith said:

(1) "NCTA has the gravest doubts, based on . . . engineering studies, that a vhf repeater service can be established which will meet the requirements for TV repeaters. It believes that the uhf translator service is superior and comparable in costs." NCTA would not oppose the FCC-Magnuson bill (S-1739), however, if it clearly established that "ultimate responsibility" for vhf service would lie with FCC. He also suggested that FCC could have legalized vhf boosters without a new law but that it really proposed the legislation so as to give Congress the responsibility of legitimizing the service.

(2) "We oppose any restriction on the right of the public to receive TV via CATV systems and do not believe that broadcast stations should have authority to prevent CATV reception . . . NCTA always recommends carriage of the local station, but would leave authority to require such carriage for case-by-case determination [by FCC]."

(3) "Signals of local stations are not deliberately degraded or impaired by CATV operators, and legislation to permit the FCC to fix engineering standards to protect local station reception is unnecessary."

* * *

A. J. Malin, pres. of National Community TV Association, and operator of CATV system in Laconia, N.H., and radio WWNH Rochester, N.H., described the work of an NCTA engineering committee's analysis of vhf boosters:

"Vhf repeaters not being a satisfactory solution to the fringe area reception problem and actually acknowledged by the engineers to be the poorest method of providing TV repeater service, we do not think the public should be encouraged to their continued use. The only practicable solution that the Commission has been able to devise in the past and which the best engineering evidence to date supports is the uhf translator service which the Commission has found to provide excellent service."

Opposing the proposed legislation which would require CATV systems to get originating stations' permissions to use their signals, Malin said: "We do not believe that there is any precedent in the American system of broadcasting for designating by law how a member of the public may receive TV programs . . . or why we should be interposed as an obstacle between the broadcaster and the public."

Benjamin Adler, president of Adler Electronics, attacked booster proponents' assertions that vhf equipment is vastly cheaper than uhf translators and receivers. He said that a 1-watt vhf booster would cost \$2420 (compared with uhf translators at \$2000-\$4000). A 10-watt booster would cost almost exactly the same as a 10-watt translator, he said. In addition, he added, "the cost of converting a set to uhf averages \$50, whereas there is a \$100-\$200 cost for a suitable vhf receiving antenna and tower capable of picking up the average vhf booster signal beyond 2 or 3 miles." Furthermore, "there is no reason why a uhf-only TV

receiver should cost any more than a vhf-only TV receiver." Over-all, Adler pointed to these uhf characteristics: "extremely high useful-range-to-nuisance-range ratio . . . Directional characteristics enable the uhf antenna to more readily fill in the shape of a particular white area . . . Invulnerability to man-made noise interference and to ghosting." He noted that more than 200 uhf translators are now in use. He later told us he has been shipping them at a rate of 2 weekly for the last 2 years. He also reported orders for about 20 of the 100-watt units.

A 3-man engineering committee of NCTA—A. Earl Cullum, Archer Taylor and George Frese—came up with only the most reluctant endorsement of vhf boosters, coupled with vigorous espousal of uhf translators for the same job. Among the most interesting conclusions was one devoted to cost analysis, which attacked a prime argument of vhf booster proponents—that boosters and vhf sets are much cheaper than translators and uhf sets. They stated that the typical vhf receiver, antenna and viewer's share of the booster cost runs \$374 while the same figures for uhf (including converter) runs \$367.

* * *

Summarizing the whole vhf-vs.-uhf fringe-service picture, they stated:

"(1) A low-power, low-cost TV rebroadcasting service is a useful adjunct to the U.S. TV broadcasting service, to provide a service or choice of service to areas where service is not otherwise available because of terrain or economic limitations, if the service can be established with due regard for the public interest in other TV & radio communication services.

"(2) There is abundant evidence that the uhf translator service is capable of providing this service.

"(3) When all factors are considered on a comparable basis, only minor cost differences are found between uhf and vhf repeater services.

"(4) Because of the greater danger of interference on vhf channels than on uhf channels, it is imperative that engineering standards for a vhf service be at least as protective as for uhf service. A vhf repeater service, however, appears to be . . . possible under proper conditions.

"(5) It is respectfully submitted by this committee that for the protection of the public, all superior off-the-air receiving systems, whether for broadcast relay, uhf translators, vhf repeaters or CATV systems, be assured against destruction by reason of interference from vhf repeaters. This could be accomplished either by prohibition of vhf repeaters or by . . . rules & standards . . . to provide such assurance.

"(6) Furthermore, because of the intermingling of vital communications services in the vhf bands, any rules adopted for a vhf repeater service must provide protection against interference to these non-broadcast services."

Milton J. Shapp, president of Jerrold Electronics, which started out in 1948 producing TV antenna preamplifiers, now operates 9 CATV systems of its own (in Wash., Cal., Ariz., Ida., Ia., N.J., Ala.), recounted early CATV struggles, told how "we climbed mountains with TV sets on our backs" to test systems. "We pioneered TV in those [fringe] areas," he said. "We were heroes. It's very strange that now we're bums [to broadcasters]." In his prepared statement, Shapp urged the subcommittee not to entertain legislation hindering growth of CATV, expressed "support for the independence & integrity" of FCC.

Among other prepared CATV witness statements:

Robert J. Murphy, Casper, Wyo., lawyer representing the Wyo. CATV Assn. argued that "CATV preceded any

other form of TV in almost all of the communities it now serves, and with rare exception, direct reception in any of these communities was then marginal, to say the least. CATV makes network service available to all the communities it serves and in all of these communities a network selection is available."

Glenn Flinn, partner in Tyler (Tex.) TV Co., said that "unless and until it is determined by a court of law that there is a property right in a signal, I believe that it is perfectly proper to take the position, as I do, that a TV signal once broadcast is free to be received by anyone, whether by an individual or a community antenna."

Clifton W. Collins, Ephrata, Wash., lawyer representing the Northwest Community TV Assn. and part owner of Soap Lake TV Inc., said "improvement in TV service in rural fringe areas has come about through a normal competitive process. This is as it should be and legislation designed to protect one legal segment of the TV industry from another cannot be said to be legislation proposed in the public interest."

Charles E. Clements, Waterville, Wash., Pacific Northwest Community TV Assn. pres., said "we ask for no right to engage in a competition-free endeavor. We only ask that any legislation passed enabling rebroadcast facilities on a vhf basis be accompanied by a legislative mandate to the FCC that such rebroadcast facilities be constructed and operated so that no electrical interference can result to other legal facilities."

In addition to the CATV team there were 2 added starters on the witness list: (1) Sen. Karl E. Mundt (R-S.D.), who made a pitch for "reasonable rules" for boosters. "It's a matter of TV or no TV" in booster country, such as his S.D., he said. (2) Albert O. Hardy, IBEW radio-TV-recording div. dir., who had "no objection" to the Moss-Murray bill (S-1886) so long as it isn't interpreted as giving "unfettered discretion to the FCC to junk the present licensing requirement."

Community antenna system in Richfield, Utah, was forced out of business by a county-operated tax-supported illegal booster, alleges Sevier TV Cable Co. owner T. Collins Jackson. The system, which began in Dec. 1954, had 625 subscribers and relayed KUTV, KTVT & KSL-TV Salt Lake City. Also closed down recently was the CATV system in Kitchener, Ont.

Educational Television

Educational WJCT Jacksonville was granted \$100,000 by the Fund for Adult Education last week. The money will be used to equip a new TV studio leased from the Duval County Schools, reports station gen. mgr. Dr. William K. Cumming. To qualify for the grant, the Ch. 7 outlet had to match with \$200,000 worth of building & TV equipment, much of it provided by local commercial stations.

NAEB has received a \$42,738 grant from the W.K. Kellogg Foundation which will be used in part to hire a full-time editor for its various publications and to conduct advanced seminars for educational TV-radio personnel. NAEB exec. dir. Dr. Harry J. Skornia said the funds were the first part of a 3-year grant totaling \$106,338.

General Precision Laboratory Inc. is the most recent manufacturer to join the National Assn. of Educational Broadcasters as an industrial associate. NAEB's first was Motorola, followed by RCA, GE, Minnesota Mining & Mfg. and Ampex.

Foreign

BBC's Translators: Britain's govt.-sponsored BBC has obtained official go-ahead on a plan to construct 14 low-power satellite TV stations within the next 3 years to extend coverage to some 200,000 people and improve it for 940,000 others.

Most of the new stations will be unattended translators, designed to pick up signals from existing BBC stations and re-transmit them on a different channel for local reception. The translators will be in 3 sizes, the largest having a range of several miles. Additional stations are planned later. BBC now has 22 stations in operation and a 23rd scheduled for fall, serving 98.7% of the population.

TV critics draw criticism in England, too. The London theatrical tradepaper, *The Stage & Television Today*, quotes industry sources there with these barbs for British reviewers: "Too high-brow on one hand, or better qualified as gossip writers on the other" . . . "Guilty of 'clever' writing at the expense of reasoned criticism" . . . "Merely voicing personal likes & dislikes." Said one prominent program planner: "With exceptions, critics are a question of mind over matter: We don't mind, they don't matter."

TV famine in southern Hungary has set owners up in arms, reports Reuters. Although residents have been paying their monthly TV license fees (\$2.10) for a half year, the postal department, which apparently also delivers the TV, has refused to start operation of the local replay transmitter. Officials say the picture is not clear enough, and a poor picture will produce more complaints than none at all.

Video tape for Finland: Ampex video products information mgr. Jack Roizen will address the management of the Finnish Bcstg. Corp. in Helsinki this month as a stopover on his trip to Moscow for the U.S. Exhibition there. The Finns want to fly tapes of next year's Winter Olympics over the North Pole from Squaw Valley, Cal., for daily telecasts.

TV sets in West Germany numbered 2,670,955 as of June 1 registration. Inclusion of illegally operated sets would push the total figure over the 3 million mark. Reputedly Europe's fastest growing TV country, West Germany is exploring the possibility of a TV network which might be open to private interests.

New TV station in Perth, Australia—TVW Ltd., due to go on the air in October—will be represented in the U.S. by Intercontinental Services Ltd., headed by Harry Engel Jr., pres. of KUAM-TV & KUAM Agana, Guam. Engel said his firm will act as film-buying agent & adviser, and that agreements are due with other Australian stations.

British govt. has refused to bar BBC from discussing birth control on its weekly *Good Cause* program. Request for suppression of the subject, scheduled for next month, came from a conservative MP who decried its controversial nature and argued that its presentation without debate would be offensive to many families.

Swiss TV homes totaled 64,353 as of June 1, compared with 50,304 at the end of last year and 31,374 at the end of 1957, according to the U.S. Commerce Dept. Yearly license fee is 84 Swiss francs.

A 2-channel commercial TV operation has begun in Beirut, Lebanon, according to a dispatch from Reuters, which says one channel is in Arabic, one English & French.

Programming

'Lineup' at Fountain of Youth: When CBS last week abruptly junked 5 filmed 60-min. *The Lineup* shows, Tom Tully, who co-stars with Warner Anderson, quit with a blast, saying that CBS was taking Madison Ave. dictation in changing the format. Anderson denied Tully's assertions, and said he was staying with the show as its star. As for 2 new players signed for the series—Floyd Simmons & Bill Leslie—Tully contended they were the new stars, but this was contradicted by Anderson who termed them "additional players." What was behind it all? we asked Tully. He had refused to continue with the series as a supporting player, contending it violated his original contract which called for Tully & Anderson to alternate as stars of the police series.

Said Tully: "They shot these 5 films, which I wasn't enthused about. They're trying to blow a half-hour into an hour show, and it doesn't work out. Then they told me they had made a secret poll on Madison Ave.—which disclosed that unless you have a Kookie or a young lead, your show is destined for failure—and said 'we have to go along with that. So you will be in a supporting role.' I told them it was a breach of contract and asked for my release. They said, 'You're fired.' However, I'm not completely released. The next day they called me to say they are holding me until my contract expires. I'd already signed to do 'Death of A Salesman' in summer stock, and they wouldn't let me. So I'll get these fat checks every week without working. They don't want authenticity, they want gimmicks."

Said Anderson: "I'm enthusiastic about our new format. This situation is a family affair and one does not wash their dirty linen in public. I will get star billing without any shadow of a doubt—that is my understanding and my contractual obligation. There is much, much more here than meets the eye. One cannot report a situation from a biased opinion. I am a gentleman. I will not stoop to any recrimination. CBS said they were adding a couple of young men, and there is the possibility they will be very well thought of & well received. This is an embarrassing situation for all. I am now the star of the show and I intend to continue as such, and anything that is detrimental to the show I have to be opposed to. I feel the addition of these young men is going to be a wonderful shot in the arm to the show and that they will bring a certain charm to it which it did not have before."

Signals Off: Among the heavy & happy fan mail received by NBC-TV last week—following its debut of an 80-inch lens on a center-field camera for *Game-of-the-Week*—lay a "cease & desist" billet-doux from baseball commissioner Ford C. Frick. The powerful lens enabled stay-at-home fans to see clearly the signs flashed by the catcher to the pitcher. Apparently the thought occurred to Frick that the thought would occur to some astute ballclubs to install TV sets in the dugout to preview opposing pitchers' plans.

Although going along with Frick's request, NBC sports dir. Tom Gallery noted that "the camera provides the best shot we've ever had of a ballgame."

Step-up in prime-evening public affairs specials (Vol. 15:27) is further evidenced by NBC's forthcoming, "Back to School" report, which is scheduled for Tues., Aug. 25, 8-9 p.m. David Brinkley & a crew of NBC's news correspondents will report from various cities. Commercials for sponsor Remington-Rand will have a back-to-school theme.

TV Too Cautious? Because of the amount of money involved, TV has become excessively cautious, and is relying too heavily on the same old formats, in the opinion of Hubbell Robinson, ex-CBS program v.p. and now producer of the Ford series of specials for NBC next season. Robinson, surveying the overall TV film programming for next season, told us "I don't see anything, with the possible exception of Rod Serling's *Twilight Zone* series, that's terribly unusual."

Acknowledging the limitations of TV film, the executive observed that too many of the series are trend-followers. "They rely on the same old formats, seek new wines for old bottles. The forms in which you work are melodrama, drama, or comedy. The trick is to find a way within these 3 basic forms to do something that is bright & shiny, and stands out from the mob. Like a *Playhouse 90* stood out when it started. While such an innovation may seem adventuresome at the moment, there's a big payoff. When they work, they work awfully big.

"Our overall concept on the Ford series is to try to create things which are different from what everybody else is doing—in drama, comedy or melodrama—and do it in a way which will have a fresh character of its own."

Report on TV Quizzes: The public is entitled to a look at that Grand Jury presentation (Vol. 15:24) dealing with TV quiz shows and impounded by gen. sessions Judge Mitchell D. Schweitzer, N.Y., d.a. Frank Hogan stated last week. Hogan added that the 12,000-word report, which was not filed as a court record after it was challenged by attorneys representing quiz packagers, "discloses a gigantic fraud & hoax" involving pre-coached contestants on certain of last season's big-money giveaway programs.

"The public," said Hogan, "has a right to know the extent to which it has been duped & cheated." Additionally, he hinted that release of the grand jury report would "lead to legislation & regulation designed to prevent a recurrence of such fraud." Judge Schweitzer, whose decision to keep the presentation under wraps has been upheld by 2 associations of lawyers specializing in criminal-courts practice, is due to review his decision in Aug.

NBC-TV got into the act late last week with an official statement declaring that the network "has cooperated fully" on the inquiry, and that "at no time has NBC interceded to block public release of the grand jury presentation." In fact, NBC would "welcome its publication."

Residual negotiations have been completed by Screen Actors Guild whereby actors will be paid residuals on 11 Schenck-Koch post-1948 movies produced for United Artists, which are going to TV. A total payment of \$40,000 will be made to actors who appeared in the movies. Seven of the 11 films failed to return negative costs from the theatrical release, and the producers at first balked about paying for TV release, later yielding. In another deal, SAG actors will get 15% of their original salaries for 5 American-International Pictures films being sold to NTA for TV release.

An "adults only" series, featuring Dr. Joyce Brothers analyzing marriage problems, will follow Jack Paar nightly on WRCA-TV N.Y. She'll frankly discuss sex adjustment, husband & wife stealing and related topics. The series (Mon.-Fri. 1-1:15 a.m., starting Aug. 10) is designed to appeal to the husbands who miss Dr. Brothers' midday programs.

Television Digest

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Personals: Julian Goodman named dir. of news & public affairs of NBC, headquartering in N.Y.; Elmer W. Lower, ex-CBS News dir. of operations, succeeds him as news mgr. for NBC in Washington . . . John Walsh, ex-CBS press information mgr. of special projects, appointed coordinator of special programs, CBS-TV . . . James H. Greer, ex-asst. comptroller of ACF Industries and Price Waterhouse & Co., named controller of CBS TV Network div. . . Richard P. Doherty, Washington consultant, takes U.S. representation for Fuji Telecasting Co., second largest Japanese TV group . . . Robert C. Mackicham, mgr. show-requirement estimating for NBC, promoted to mgr., design & art.

Donald A. Pels, ex-business mgr., WABC-TV N.Y., named controller of Capital Cities TV Corp., operator of WTEN & WROW Albany, N.Y., with satellite WCDC Adams, Mass., also WPRO-TV & WPRO Providence and WTVD Durham-Raleigh . . . Daniel German named program dir. WKTU Utica, N.Y. . . . Paul C. Buford elected pres., Shenandoah Life Insurance Co., which owns WSLs-TV & WSLs Roanoke. James H. Moore, exec. v.p., named pres. WSLs stations, succeeding Blake Newton Jr., who resigned as pres. of both Shenandoah Life and of stations.

H. W. Ray named production mgr. of WAGA-TV Atlanta, succeeding Bob Marshall, now program dir., WJW-TV Cleveland (Vol. 15:28) . . . Nod Nelson named production dir., WAPI Birmingham, succeeding Johnny Johnson, promoted to program dir. Ray A. Furr, v.p. for programming & program development, named v.p., administration . . . William H. Dustin promoted to regional sales mgr., WAVY-TV Portsmouth-Norfolk . . . L. Walton Smith promoted from adv & sales promotion dir. to PR dir. of WROC-TV Rochester.

Robert Sevey, ex-Holts & Male, Honolulu adv agency, named sales mgr., KGMB-TV Honolulu and satellites KHBC-TV Hilo & KMAU-TV Wailuku, succeeding Charles Crockett, now sales mgr. of radios KGMB & KHBC. Robert Costa, resigned as local sales mgr., KGMB-TV, Honolulu, named exec. asst. to pres. & dir. of TV-radio for Lund-Heitman Advertising, Honolulu.

Dick Ryan, gen. mgr., radio KLOK San Jose, elected pres., Ad Assn. of the West; Don Ostensoe, adv. mgr. of First National Bank of Portland, Ore., senior v.p.; Helen Murray Hall, NBC, Hollywood, v.p. at large . . . J. A. C. Lewis, CKEN Kentville & CFAB, Windsor, N.S., elected pres., Atlantic (Canadian) Assn. of Bcstrs.; R. F. Large, CFCY-TV Charlottetown, P.E.I., 1st v.p.; T. H. Tonner, CKCW-TV Moncton, N.B., 2nd v.p.; Marvin Nathanson, CJCB-TV Sydney, N.S., secy.-treas.

International Telecommunications Union meeting, which starts Aug. 17 in Geneva, will have U.S. delegation of about 80 people from Govt. & industry. Heading the delegation will be FCC Comr. T. A. M. Craven, with asst. chief of State Dept. Telecommunications Div., Dr. Arthur K. Lebel as vice chairman. The conference, scheduled to last for 4 months, will discuss revision of radio regulations, including frequency allocations.

CBS commentator Walter Cronkite has been elected pres. of the National Academy of Television Arts & Sciences. Other new officers are: Frederick de Cordova, CBS producer-director, exec. v.p.; David Susskind, v.p., N.Y.; Arnold Wilkes, v.p., Baltimore; Irv Kupcinet, v.p., Chicago; John Secundari, v.p., Washington; Rod Serling, secy., and Henry White, treas.

Radio-TV Execs. Society first annual outing is set for July 30 at Pelham Country Club, Pelham, N.Y. Golf, entertainment, swimming, dancing, and food are on agenda, with links challengers including an RKO Teleradio foursome (Tom O'Neil, Arnold Kaufman, Robert Leder and Robert McNamara), and H-R Television v.p. & RTES pres. Frank Pellegrin.

Thomas Alva Edison Foundation awards to the local TV & radio stations that best served youth in their communities will include a \$1000 college education scholarship to a high school senior. Nominations for the awards (won in 1958 by WQED-TV Pittsburgh and radio WFMT Chicago) are now open. Information may be obtained from the Foundation at 8 West 40th St., N.Y. 18.

"Motion Pictures and TV in the Space Age" will be the theme of the 86th semi-annual convention of the Society of Motion Picture and Television Engineers (SMPTE), Oct. 5-9 at the Statler-Hilton, N.Y. Included will be sessions on international TV, equipment & practices, scientific & military uses, recording & video tape. Dr. J. Paul Weiss, Du Pont products dept., Parlin, N.J., will be program chairman.

New pres. of Broadcast Pioneers is Merle S. Jones, pres. of CBS TV Stations div. Other officers are 1st v.p. Sol Taishoff, *Broadcasting*, and following v.p.'s: Roger W. Clipp, Triangle stations; J. Leonard Reinsch, Cox stations; C. Howard Lane, v.p. KOIN-TV Portland, Ore.

Free copies of TASO Report are being mailed by NAB to all TV members & registrants at its 1959 convention broadcast engineering conference in Chicago. Additional copies are available for \$10 from TASO exec. dir. George R. Town, 104 Marston Hall, Iowa State U., Ames, Ia.

State bcstr. assn. heads will hold their 5th annual conference under NAB auspices next Feb. 24-25 in the Shoreham Hotel, Washington.

Obituary

Eugene Meyer, 84, chairman of the board of the *Washington Post*, died July 17 in George Washington Hospital in Washington. Surviving are his wife, 4 daughters, a son.

Edward F. Loomis, 65, founder & pres. of Radio Reports Inc., died July 14 in Brattleboro, Vt. He formed the TV-radio monitoring service in 1936.

Gerald Pennell Rock, 60, sales mgr. of Muzak Corp., N.Y., and a veteran of the outdoor advertising field, died July 14 in his N.Y. home. He is survived by his wife and 2 brothers.

Advertising

DETROIT PLUS TV EQUALS SALES: Automobiles continue as "the most important possession of most Americans outside the home" and TV continues to be "by far the best national advertising medium for delivering customers" to the doors of the nation's auto dealers. So concludes NBC-TV's 4th annual probe of auto buyers & sellers, "Auto Motives," in a searching estimate of TV's electronic marriage to Detroit's ad dollars.

As in previous studies (Vol. 15:7), the survey conducted for NBC by independent researcher Dick Bruskin examined dealer & consumer attitudes toward TV & shows sponsored by auto firms, the effects of TV in producing sales, brand switching, slogan & ad identifications, brand images, self-image of consumers, and other marketing factors. But, with neat timing, NBC also probed deeply into another area of major significance in the auto industry's fall TV plans: The attitudes of buyers & sellers toward "compact" small cars, both domestic & foreign-made. Here are highlights of "Auto Motives," previewed last week (July 14) in N.Y.:

Small cars: Three out of 7 shoppers in dealer showrooms indicated interest in buying a small car this season, with one of the 3 indicating considerable buying intent.

Foreign cars—Volkswagen, Renault, Fiat, etc.—had no corner on this interest. In fact, there was a strong let's-buy-an-American-car reaction. By a sizeable margin, the biggest comparative advantage of the U.S.-made small car over foreign junior-sized autos is felt by auto buyers to be widespread service facilities. Small U.S. cars are also felt to be more comfortable & better value.

Dealer attitude: Most dealers (76%) want to handle the American small cars, and most feel they should be sold on TV, with 71% of the dealers voting for TV, or a combination of TV supported by print media, as the primary advertising weapon for the small new autos. Nearly 7 out of 10 auto dealers (67%) think that TV is the most effective national medium for attracting customers to showrooms, an increase from the 59% level recorded by NBC in its 1957 survey. Almost the same proportion (64%) feel TV does the best general pre-selling job. By comparison, print media lags behind noticeably in NBC's long-term look at dealer preference for basic national ad media.

Buyer TV attitude: More auto shoppers (46%) told the study's research teams that TV auto advertising did more to bring them into showrooms than named magazines (17%) or newspapers (12%). TV advertising also stands out strongly in the memory of auto buyers, with most (60%) rating it over the print media. The survey also showed that 28% more viewers than non-viewers of the average NBC-TV show sponsored by a motor maker actually shopped for the make (Ford, Chevrolet, Pontiac, etc.) and, the share of sales among auto program viewers (23%) is 35% higher than the share among non-viewers (17%).

As in previous studies, when dealer preference for TV and consumer indications of TV's effectiveness were combined and then measured against actual total national advertising spending by auto companies, there was a curious gap. As NBC-TV puts it: "Each year TV has consistently ranked between the 2 print media in amount of advertising investments [35% in 1959 vs. 40% for newspapers, 25% for magazines], while exceeding their combined total in terms of media preferences." (60% for TV in 1959 vs. 22% for newspapers & 18% for magazines.)

The study itself was conducted during Feb. & March 1959 in communities located in 159 counties in 41 states. Interviews with auto dealers & public totaled 11,179.

Advertising People: Michael J. Donovan, ex-Benton & Bowles v.p. & asst. media dir., William E. Beste, Joseph Harris, Herbert D. Maneloveg, Theodore R. Meredith and Richard C. Wright named to new posts of associate media dirs. by BBDO which also created a media plans board comprising Fred Barrett, v.p. & media dir., and media supervisors Kent D'Alessandro (plans & media analysis), Edward C. Fleri Jr. (spot broadcast), and Charles R. McKeever (network broadcast), among others.

Dr. Seymour Banks, Leo Burnett media, program, copy & creative research mgr., has been named v.p. . . Miss Reggie Schuebel, Guild, Bascom & Bonfigli network relations dir., appointed v.p. . . Harry B. Bressler, ex-Doherty, Clifford, Steers & Shenfield v.p. & copy dir., now Ted Bates v.p. & creative supervisor, copy dept.

Royall Smith named v.p. & creative group head, Lennen & Newell . . . Paul L. Field, ex-N. W. Ayer, joins Benton & Bowles as TV producer . . . Dr. Richard H. Baxter elected v.p., Cunningham & Walsh . . . Alan Koehler named v.p. & senior writer by Norman, Craig & Kummel . . . West Gillingham appointed v.p., Clark & Bobertz.

Ben Alcock, Grey copy v.p., elected to the board . . . Edward M. Marshall named business mgr., BBDO TV-radio dept. . . Donald C. Foote Jr. promoted to media supervisor, Young & Rubicam Detroit office . . . Thomas A. Wright Jr., Leo Burnett v.p. & media mgr., Chicago office, elected pres., Broadcast Advertising Club of Chicago.

Eldon E. Fox, Ford Motor's Edsel Division ad & sales promotion mgr., becomes asst. mgr. of BBDO's Minneapolis office Aug. 3 . . . William B. Bunn, ex-v.p., Cunningham & Walsh, named ad & sales promotion dir., St. Regis Paper Co., N.Y. . . Raymond E. Nelson, ex-NTA Film Network v.p., joins Gregory & House & Jensen as v.p. & mgr. of agency's N.Y. office . . . Edward J. Garvey, ex-Lennen & Newell, rejoins J. M. Mathes as v.p., soft goods & home furnishings div. . . David D. Wines & Ralph L. Wolfe named v.p.'s, D. P. Brother & Co., Detroit.

New reps: WNTA-TV Newark-New York to Young July 15 (from Katz); WBAY-TV Green Bay, Wis. to Katz July 1 (from Weed); WWTW Cadillac, Mich. to Avery-Knodel Sept. 1 (from Hollingbery).

Paper Mate will use TV extensively in its 1959 "Back-to-School" ad campaign, described by ad mgr. James Barton as the largest in the history of the pen industry.

Obituary

Evan Walter Hayter, 48, pres. since 1952 of McCann-Erickson (Canada) Ltd, died July 11 in Toronto. Previously he had been marketing & ad mgr. for Goodyear Tire & Rubber Co. of Canada. He was a former pres. of the Advertising & Sales Club of Toronto and a founder of the National Sales Executive Club.

Station Rate Increases

Station	Base Hour	Minute	Date
WNHC-TV New Haven-Hartford	\$1200 to \$1500	\$270 to \$330	March 1
KBTV Denver	750 to 800	235 to 265	July 1
WSIX-TV Nashville	700 to 760	140 to 160	June 15
WATE-TV Knoxville	600 to 650	120 to 140	Aug. 1
WNEP-TV Scranton-Wilkes-Barre	500 to 575	100 to 125	July 15
WMTW-TV Poland Spring, Me.	500 to 550	100 to 110	July 1
WSFA-TV Montgomery	450 to 500	110 to 125	July 1
KXII Ardmore, Okla.	150 to 250	30 to 50	June 18
WHIS-TV Bluefield, W.Va.	240 to 250	60 to 75	April 1

Canadian Rate Increases

CKCW-TV Moncton, N.B.	250 to 300	50 to 60	July 1
CKRS-TV Jonquiere, Que.	265 to 280	66 to 70	July 1

In Other Media: Magazines show a July-1959 lineage gain of 12.3% over July 1958 and a 5.5% gain for the first 7 months of this year, up from 4.5% at the first half, reports ports *Printers' Ink*. The month's highest gain—31.8%—was scored by the movie-romance-radio group . . . Magazine ad volume during first-half 1959 increased by \$30,783,630 to \$368,630,007 compared with first-half 1958's \$337,846,377 adds PIB. Pages increased by 1382.3 to 36,581.9 vs. 35,199.6 . . . Reader's Digest increases ad rates & circulation guarantee with its Jan. 1960 issue. The 12 million guarantee (up 250,000 over current guarantee) is the highest ever set by any publication.

American dailies passed the 58-million mark in circulation, reports ABC, for the 6-month period ended March 31. The nation's 1736 morning, evening & all-day papers totaled 58,604,942—and the 554 Sunday papers showed a combined circulation of 49,043,905 . . . But national ads in newspapers dropped 5.1% to \$719,049,000 in 1958 compared with 1957's \$757,401,000 volume, reveals ANPA's Bureau of Advertising. Interestingly, despite the decline in the national total, TV-radio (broadcasting & receivers) was one of 6 classifications that established new highs . . . ANPA is establishing a special high-level task force to encourage more newspaper advertising among top national accounts. The group will offer advertisers & agencies assistance on newspaper sales plans . . . *Random House* will distribute the new Groucho Marx book, *Groucho & Me*, to be published Sept. 10 by Bernard Geis Associates. And other upcoming books concerned with TV (and other entertainment) personalities are Eddie Cantor's *The Way I See It*, Mae West's *Goodness Had Nothing to Do With It*, Art Linkletter's *Secret World of Kids*, Dr. Joyce Brothers' *Love, Marriage & Sex*, Carlton Fredericks' *Cook Book for Good Nutrition*, Kay Thompson's *Eloise in Moscow*, and Leonard Bernstein's *The Joy of Music*, based on 7 *Omnibus* scripts . . . Louisiana Gov. Earl K. Long last week announced \$2-million in suits against *Time & Life* for what he termed "slandorous articles & pictures."

Book publishers will use TV, saturation advertising, other hard-sell techniques this year in a dramatic departure from what the *Wall St. Journal* describes as a traditional "atmosphere of an exclusive men's club where voices are never raised & overt commercialism is frowned upon." Typical of the new look in book-selling is Bernard Geis Associates, a new firm whose members include such TV names as Art Linkletter, Groucho Marx, Ralph Edwards, *Queen for a Day* MC Jack Bailey, and TV producers Mark Goodson & William S. Todson. Emphasizes Mr. Geis: "Our partners must reach more than 50 million people every week."

Summer repeats, despite the protests, are not unacceptable to viewers declared *Advertising Age* last week, adding: "Always excepting vocal minorities, people have grown accustomed to repeats. The arithmetic is simple: on a 30 rating show (which is high), 70% could not have seen the episode the first time. Of the 30% who did, 15% would have forgotten the plot or liked it so much they wouldn't mind seeing it again. This is a pretty good target when the cost of repeating runs from \$20,000-\$30,000 less than the original episode for a saving of up to \$450,000 a summer. Is the sanction of the croaking critic worth that much to an advertiser? Not on your balanced budget."

Nearly 1000 advertisers used radio to push more than 200 brands during the first quarter of 1959, RAB reports. The ad count shows that 902 companies used spot radio.

Film & Tape

TV STARS BIG BUSINESSMEN: Those not-so-good-old days in the movies, when many a top star wound up on relief or in the Motion Picture Country Home after dissipating his earnings, aren't so apt to return to TV-oriented Hollywood.

That's because most TV stars of today have become businessmen, too, and there are at least 50 who own either their own production companies or interests in their series, TV stations, radio stations, record companies, etc. Many finance pilots for other stars or producers. Two (Desi Arnaz & Lucille Ball) own their own studio.

Much of this activity is due to the tax structure, which imposes such a high levy on the big-salaried stars. Because of this, many a star has found it advantageous to form his own company and invest his earnings in other activities.

Classic examples are Bing Crosby and Frank Sinatra. Besides owning his own film production company, Crosby heads Bing Crosby Enterprises, a repository for many of his business interests, which once included an electronics lab working on development of a video-tape recorder. He also owns 25% of KCOP Los Angeles, 17% of radio KFOX Long Beach, Cal., and a tiny share in the new purchaser of KPTV Portland, Ore. This is just the beginning of a long list of Crosby financial activities, which—as is well known—includes part of the Pittsburgh Pirates. Sinatra has his Essex Corp. (records) and production companies for movies & TV, as well as radio stations KJR Seattle, KXL Portland & KNEW Spokane (Vol. 14:12).

Other TV-movie stars with TV station ownership are Bob Hope (42.5% of KOA-TV & KOA Denver and minority holdings in radio WIP Philadelphia) and Gene Autry (55% of KOOL-TV & KOOL Phoenix, 48% of KOLD-TV & KOLD Tucson, 51% of radios KMPC Los Angeles & KVI Seattle, 50% of radio KSFO S.F.).

Stars owning all or parts of production companies in TV are Jerry Lewis, Peter Lawford, Danny Thomas, Desi Arnaz & Lucille Ball, Jack Benny, George Burns, Bob Cummings, George Gobel, Loretta Young, John Payne, Robert Taylor, Jack Webb, John Forsythe, Jackie Cooper, Joel McCrea, Bob Hope, Ozzie Nelson, Ray Milland, Donna Reed, Henry Fonda, Rod Cameron, Kirk Douglas, Dennis O'Keefe, Lloyd Bridges, Maureen O'Hara, Zsa Zsa Gabor, Rory Calhoun, Dale Robertson, Dick Powell, Charles Boyer, David Niven, Barbara Stanwyck, Ida Lupino, Betty Hutton, Alan Ladd, Jane Wyman, Mickey Rooney, Robert Young, Gene Barry, and John Wayne.

There will likely be an increase in this trend to ownership and TV tycoonery. Certainly the chief inducement to sign a movie star for a TV film series is the advantage of ownership of property plus the residual value.

Audiences actually build in the second half of 60-min. suspense shows, says NBC-TV in a special late-season sales presentation for *5 Fingers*, new international whodunit scheduled to start in the 9:30-10:30 P.M.-Sat. period on Sept. 12. Quoting Nielson AA ratings for such shows (week ending March 21, 1959), NBC cites an average AA level of 19.1 for the first 30-min. segment, and 20.7 for the second half—an increase of 8%. At a cost of \$25,977 for 1-min. participations in *5 Fingers*, NBC-TV currently anticipates (on the basis of known competition & past performance of show types) a cost-per-1,000 of \$2.74.

Herbert W. Hobler, ex-TelePrompTer sales v.p. and for the past year a sales management consultant, joins Videotape Productions of N.Y. Inc. as sales development dir.

FILM TREND—ESCAPE: TV film's outstanding trend for next season is not so much to be labeled Western or private eye, action or comedy—instead it's a cascade of pure escapism. As one knowledgeable Hollywood executive puts it: "The ratio between Westerns & private eyes may change, but the creek bed doesn't move. Basically, it's sheer escapism." TV film makers have adopted the cinema's B-picture approach: keep thought at a minimum & action at a maximum.

While TV film has always been basically escapist fare, never before has there been such behind-the-scenes avoidance of subjects requiring thought. Writers we've talked to tell us that generally speaking, their orders are to provide excitement, action, mystery and comedy, appropriate to the series involved, but beyond all to stay away from anything provocative. TV, they're told, is not the thinking man's medium.

Falling into out-and-out escapist categories on next season's schedules are 29 Western series, 21 action shows, 15 situation comedies and 8 private eyes. This constitutes most of film programming—but that's not all. Many of the anthology series include episodes which are in the escapist category. And while TV taboos have been dropped in many quarters (Vol. 15:27), and consequently many absurdities of the past (non-drinking heroes, etc.) will be eliminated, there'll be no basic switch from utter escapism.

It's long been the argument of many an ad agency man, and some producers, that when the average viewer turns on his set he doesn't want to have to think—he just wants to relax. That, too, was the guiding principle of most movie makers in turning out product for theatergoers. But TV's a different story—with the addition of the ad-agency theory that it's not wise commercially to provide a "think" drama on TV, because if it becomes too engrossing, viewers will spend the time during commercials discussing the show, instead of absorbing the commercial message. Says one Hollywood executive in TV: "My wife & I talk about the commercials more than we do the shows—some of them are quite interesting."

Fed up with the monumental amount of escapism on TV, Ray Milland once came up with a series project entitled *Controversy*, in which he planned to present stories normally considered too controversial for TV. Ultimately Milland sadly folded his project, giving as his reason the fact that he couldn't find enough stories of this nature. It's more likely wiser heads at MCA, his agents, prevailed. Today Milland is starring in *Markham*, a private eye series. And such top writers as Paddy Chayefsky and Reginald Rose have said they won't write for TV film because of its limited story scope.

Islands of non-escapist drama, of course, will remain in live TV next season—*Playhouse 90*, *U.S. Steel*, *Hallmark Hall of Fame*, *DuPont Show of the Month*, and a large number of specials. However, nobody sees any way to reduce the quantity of escapist fare, and most take the easy way out by riding along with the trend instead of fighting it. It's tough enough to sell a series without making the job insurmountable, they argue. But while the sponsor may feel justified in giving the green light only to utter escapism, he must also face the fact that approximately 40—or more—escapist series are cancelled every spring because of low ratings.

Desilu Productions is seeking producers for its 60-min. *Westinghouse Playhouse* in addition to Bert Granet and Quinn Martin who will produce some of the series.

Revue's Winter Push: Revue Productions, leading telefilm company in Hollywood, has a minimum of 4 pilots available for a Dec. sale, if the necessity should arise for a network sponsor to make a quick change about that time. Like CBS' Jim Aubrey (Vol. 15:27), Revue takes the attitude that selling is no longer a matter of seasons, that it's a year-round proposition. The pilots: *Roadblock*; *Johnny Midnight*, (Edmund O'Brien, star) which is produced by Jack Chertok in conjunction with MCA; *Johnny Guitar*, Jack Webb-produced Western which is a co-production deal with Revue; *The Miss & Missile*, starring Gisele MacKenzie. In addition, the MCA telefilm subsidiary is blueprinting several other projects.

The trend at Revue illustrates what is happening more & more frequently around Hollywood. Rather than waiting until the annual spring pilot push, more telefilmers are producing pilots at any time, as soon as they can combine the right property with casting, and other necessary production elements. Meanwhile, Revue is busy constructing several new stages at its Universal City studio; is building new dressing rooms and new prop room.

National Theatres & Television Inc., will be the new name of National Theatres Inc., if stockholders approve the change at a special meeting to be held Aug. 25. Chairman B. Gerald Cantor and John B. Bertero, pres., in announcing the change, said it reflects the expanding activities of the firm in all phases of TV. The company owns WDAF TV & radio Kansas City, KMSP-TV Minneapolis-St. Paul, and NTA, which operates WNTA-TV and WNTA AM & FM, N.Y.C. The firm also recently acquired a community antenna TV system in Williamsport, Pa. Cantor and Bertero said the company plans to expand its TV & radio holdings to the FCC limits, and also plans increased film & tape programming via NTA. If stockholder approval is obtained, as is expected, the company will adopt its new identity Oct. 1, when NT&T and NTA consolidate their offices in new Beverly Hills headquarters. A \$3.5-million, long-term lease for these headquarters has been signed. The building, now being constructed, will also house subsidiary Fox West Coast Theatres. (For more NT news, see Finance, p. 23.)

Guild Films and Vic Tanny, gymnasium chain owner, will merge under the name of Vic Tanny Enterprises Inc. The new muscles & movies combo will have 2 divisions, one the Tanny chain of 70 gymnasiums dedicated to battling middle-aged spread, the other a telefilm production-distribution-financing operation. Terms of the merger, now being finalized by attorneys, have not been disclosed. Tanny would become the largest single stockholder in the new company and be pres. while Guild pres. John Cole would head the company's telefilm division. Tanny is a major buyer of TV spot time, and will find useful Guild's ownership of free airtime aggregated through barter.

"United Artists Playhouse," the 60-min. anthology series proposed by UA TV, may be on NBC in 1960. Herb Golden, UA TV pres., now on the West Coast, tells us negotiations with the network are still in progress, but plans for the series now call for a 1960 start. Golden says UA got into TV originally because the movie producers with whom it has links wanted to do TV—and it's these same producers who will turn out "Playhouse." UA TV plans to produce 39 *Miami Undercover* telefilms, and offer the series for network sale in Dec. Also to be offered then: *Hudson's Bay*, starring Barry Nelson, currently in production at a new studio in Toronto.

New York Roundup: More daytime TV specials are in the works at CBS-TV, as predicted in our Vol. 15:24. This fall, there'll be at least 3 more feminine-slanted specials in the *Woman!* series (the first of which drew a May 19 Nielsen audience share of 50.3 with Claudette Colbert as hostess). Lauren Bacall may be the next star name signed as an MC. *Woman!* is under the jurisdiction of Irving Gitlin, creative projects dir. of CBS public affairs.

Around the world with ABC Films: Having just signed agreements with 4 foreign organizations, ABC Films reports it has extended its sales representation into every TV market, offering production, dubbing or titling facilities and market analysis. New international associates are Merman Entertainments Proprietary Ltd., Australia & New Zealand; Leo Lax Films with offices in Paris, Rome, Brussels & Munich; TV Inter-Americana, Mexico City, repping ABC Films throughout Latin America, and Kane Lynn & Edward Romero, Manila, for the Far East.

Taped mystery classics, some shot on location abroad, will be the basis of a 12-program series of 1-hr. specials produced for Dow Chemical Corp. by Robert Saudek Associates, which is now scouting the roster of classic whodunits for properties.

Ziv's "Lock-up" has been locked up in 157 markets during the first 6 weeks of selling, for what Ziv sales mgr. Len Firestone terms "a new sales record." New sponsors vary from supermarket chains to oil firms to dairies to private utilities. Ziv also has lined up co-sponsors in several of the 60 markets where American Tobacco has signed for alt. weeks.

NTA's "U.S. Marshal" has been renewed for a second year in 93 U.S. markets by Anheuser-Busch Inc. for Budweiser Beer. Filming of the second round of 39 half-hours is set for an August start at Desilu studios, Hollywood.

Terrytoons, CBS Films subsidiary, reports its theatrical income was 10% greater during the second quarter of this year than in the same period of '58. *Deputy Dawg*, a new Terrytoon TV cartoon half-hour series, is currently in production. Theatrical cartoon releases this year number 16 so far. In another area, the new Terrytoons dir. of commercials is Anderson Craig, formerly head of his own TV commercial production operation.

Biggest blast at Britain since Boston Tea Party came in the N.Y. press July 17 in the form of reviews of *Oh, Boy!*, 30-min. filmed rock-'n'-roll import (from London) which debuted the previous night as a summer tryout on ABC-TV, 7:30-8 p.m. Samples: "Ipecac, with a beat . . . rank & ridiculous cavalcade . . . The soloists have the aggressively amateur status of our own teen-age crushes" (Jack O'Brian, *Journal-American*); "Worst summer show of the year . . . Appalling piece of trash" (Sid Bakal, *Herald-Tribune*); "At last England had her revenge. My comment is not only 'Oh, Boy!' but also 'Oh, Crime!', 'Oh, Punishment!' and 'Oh, Hell!'" (Ben Gross, *Daily News*).

Fred Coe, Herbert Brodtkin and John Houseman have been signed to produce six *Playhouse 90* dramas next season . . . Bob Finkel has been signed by Henry Jaffe Enterprises as producer-director of *Dinah Shore Chevy Show*. Charles Isaacs and Carl Reiner head the writing staff and Gordon Wiles has been named associate producer.

"Winter TV Baseball," 90-min. tapes of Cuban League games, will debut in this country come fall. Syndicator Max Cooper & Associates says the 26-week series already is sold to TV stations in N.Y., Chicago, L.A., San Francisco, Provo-Salt Lake City, Pittsburgh, Milwaukee, Richmond, Houston, with deals pending in 12 additional markets. Cooper is installing 2 Ampex Videotape recorders in Havana to tape games & produce syndication copies.

Hollywood Roundup: Tony Curtis's starring vehicle for the Ford series on NBC will be *The Russ Columbo Story*, which will be filmed at Revue studios in November . . . NBC has optioned 20th-Fox TV's 30-min. murder mystery anthology series, *Whodunit?* for programming in January . . . Banner Films has acquired rerun distribution rights to *Bold Journey* and *I Search for Adventure*, 2 Jack Douglas-produced series . . . KTLA has bought Sandy Howard's interest in the TV series, *Emergency Ward*.

Rox Productions has been formed by James R. Beardsley, Lew Landers and Alyce Canfield. Its first TV film project is to be a series about Mrs. Marion Miller, who for 5 years was an FBI undercover agent working within the Los Angeles Communist Party. The new company will produce a pilot at Ziv TV later this month.

Purchase of Encyclopaedia Britannica Film Library by KCOP-TV Los Angeles and long-term renewals of the package by WISN-TV Milwaukee, KING-TV Seattle, and KGW-TV Portland, Ore. were announced last week by syndicator Trans-Lux TV Corp. sales v.p. Richard Carlton.

A report that Cary Grant will star in Blake Edwards' new telefilm series project, *Mr. Lucky*, based on an old Grant movie, just isn't so, we were informed by Grant. The star feels *Mr. Lucky* should make a good series, but insofar as his personal participation is concerned, it's non-existent. "I'm going to be busy making 2 movies with my own company, Grandon Productions," he said.

Screen Actors Guild collected \$315,879.64 in TV residuals for members during May. The total rerun money collected from last Nov. 1 to May 31 of this year is \$2,259,088.89. This brings the total SAG has collected for actors since 1953 to \$9,760,841.72.

Biscayne TV Inc., independent telefilm company headed by Del Moore, plans the pilot of *One for the Road*, a series to deal with alcoholics & their problems. A pilot will be taped at KCOP for national syndication . . . ABC has ordered 10 more *Adventures in Paradise* episodes from 20th-Fox TV, bringing the total order to 36.

Robert Horton, star of Revue's *Wagon Train* series, tells us he may star in a movie for Romulus Films in England when he finishes current production on the Revue series . . . Allen Rivkin, ex-producer of Meridian Productions' *The Troubleshooters* for United Artists TV, has been asked by UA TV to produce its *Hudson's Bay* series, now before the cameras in Toronto. He hasn't decided yet whether to take that offer, or develop a Western series he is preparing.

Four Star Films and NBC will be partners in the tele-filming of a 60-min. pilot of *Michael Shayne*, based on the mystery series by Brett Halliday. NBC will share in the financing and have an option on the series . . . Former President Harry S. Truman will guest on one of Jack Benny's Sunday night shows on CBS next fall.

ABC has signed William Colleran to produce & direct the Bing Crosby and Frank Sinatra specials next fall . . . Aldea Productions, a new independent telefilm company, has been formed by director John Peyser and producer-writer Sidney Marshall.

Screen Actors Guild has cautioned its members that any assumption that a merger between SAG and AFTRA in a few months is "wishful thinking," pointing out that a specific plan must first be prepared & studied.

Obituary

William F. Broidy, 44, independent movie & TV film producer, died in Hollywood July 14 following an illness. He had produced the *Wild Bill Hickok* telefilm series, which starred Guy Madison.

HAPPY TV DAYS ARE HERE AGAIN: TV is finally beginning to catch up with the boom in consumer durables. After sluggish first half, dealers are buying new 1960 TV lines at unprecedented rate.

Sales of TV sets to dealers last month set all-time record for June. Preliminary estimate is 498,000 units—125% over recession-battered June 1958's 221,000. Previous June high in shipments to dealers was in record-setting 1955, when figure was 407,000 sets shipped, and year's total sales to public was 7,421,000 sets. (It should be pointed out, however, that June 1955 included only 4 weeks for EIA bookkeeping purposes, whereas in 1959 and most other years EIA's June had 5 weeks.)

June spurt is especially significant because it represents first dealer reactions to innovation-laden 1960 lines. Manufacturers watch dealer sales figures (which are not released to public by EIA) even more closely than retail sales because they're considered more accurate and give more up-to-date reflection of sales trends. And dealers have learned the hard way to buy only what they believe they can sell.

This dealer vote-of-confidence in TV during June brings total first-half sales to dealers to about 2,343,000—which, when seasonally adjusted, constitutes annual rate of about 6 million sets. Last year's first-half dealer-buying figure was 2 million, 15% below this year's sales.

Ultimate arbiter, the consumer, has yet to vote on 1960 sets. But preliminary retail sales figures for first-half 1959 show spurt in June buying by public. June sales to consumers came to about 360,000, some 30% ahead of the 250,000 sold in June 1958. This jump was enough to bring cumulative 1959 sales ahead of 1958 for first time—about 2,279,000 vs. 2,177,652 for first half of 1958.

Set makers aren't disturbed by heavy trend to portables in new upsurge—17-in. set sales are more than double last year's and 14- & 17-in. sets constituted 35% of industry total through May. Profit is back in the portable picture, and manufacturers reason that corresponding sales increase in higher-priced models should come in fall. Only dark cloud on horizon is prospect of long steel strike, which could curtail output of some manufacturers—particularly in the hot-selling portable lines.

Inventories are in excellent shape—another optimistic sign—and there are no indications that there will be any extensive dumping or distress-selling of 1959 models. As set output took its annual sharp post-July 4 dip, marking beginning of vacation shutdowns, TV production through July 10 stood at 2,862,032 as opposed to 2,236,680 in the comparable 1958 period (see table on p. 21). And predictions of a 6-million-set year were beginning to be heard once again in the land.

MILITARY PERSONNEL IN ELECTRONICS INDUSTRY: It's no surprise to constant readers of personnel columns in trade press, but House "munitions lobby" investigators are finding that there's heavy concentration of retired military brass on payrolls of electronics firms with big defense contracts.

Nearly one-third of the 721 ex-officers listed by Rep. Hebert (D-La.) & his Armed Services subcommittee as employed by 100 top military manufacturers have been hired by dozen companies in electronic fields—and roster still is incomplete.

House probers have yet to find anything sinister in this fact. They want to find out if retired generals, admirals & lesser ranks are exerting undue influence on Pentagon to get profitable work for their new employers. Initial phase of investigation early this month ended inconclusively, with Philco director Adm. Arthur W. Radford (\$12,000 per year) putting in strong defense of contractors use of former officers' knowhow—and Rep. Hebert himself expressing some misgivings about what probe is accomplishing. Subcommittee then moved into another phase—alleged overcharges of \$12.2 million on Navy contracts reported by General Accounting Office, which listed such contractors as Philco, Westinghouse Air Arm and Collins Radio.

Philco has on its staff 16 retired officers from colonels up in addition to Radford. RCA has 39; GE, 35; Westinghouse, 33; Raytheon, 17; Sylvania, 6; Collins Radio, 5. Others: ITT, 24; General Dynamics, 54; Thompson Ramo Wooldridge, 6; Avco, 4; IBM, 3; Lear, 2. Total: 245 of 721 in biggest defense firms. Unreported to subcommittee: Motorola, General Precision Equipment.

House hearings were sparked by move by Rep. Santangelo (D-N.Y.) to put through conflict-of-interests amendment to defense appropriation bill forbidding employment by defense contractors of officers of general or flag rank within 5 years of retirement. Amendment was narrowly beaten on floor.

TV-RADIO PRODUCTION: EIA statistics for the week ended July 10 (27th week of 1959):

	July 3-10	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	73,087	98,426	54,343	2,862,032	2,236,680
Total radio	198,096	258,234	103,490	7,308,854	4,767,407
auto radio	71,369	108,459	43,167	2,971,990	1,511,114

Sales of picture & receiving tubes for the first 5 months of this year were ahead of 1958, according to EIA figures. May picture tube sales were higher than May 1958, while receiving tube sales for the month were lower. May factory sales of TV picture tubes totaled 667,080 at \$12,745,620 vs. 696,503 at \$13,275,123 in April 1959 and 560,559 at \$11,237,147 in May 1958. For Jan.-May, the 1959 picture tube total was 3,603,969 at \$69,119,573 and the comparable 1958 figure was 2,963,741 at \$59,024,738. May receiving tube sales totaled 30,612,000 at \$25,904,000 vs. 29,800,000 at \$26,047,000 in April and 36,540,000 at \$31,406,000 in May last year. Five-month 1959 receiving tube sales totaled 164,558,000 at \$142,675,000 vs. Jan.-May 1958 sales of 154,136,000 at \$134,824,000.

High-speed TV-electronic system which duplicates documents & prints data directly from computers at speeds of 20,000 characters per second was demonstrated recently by the A.B. Dick Co. The Videograph system can be used to send telegraphic messages, to display information on remote TV screens, and to print still pictures instantaneously from a TV camera. Dick research & engineering div. v.p. Alan I. Roshkind said that the system "is compatible with the output rate of today's modern computers" and reads signals directly from magnetic or punched tape. Original documents are fed into a video scanning device which sends electronic signals to the system's cathode-ray electrostatic printing tube. Time Inc. & the Denver & Rio Grande Western Railroad have placed orders.

Expanding Raytheon rides again, with blueprints for an enlarged electronic warfare center at its Santa Barbara, Cal. operation to centralize activities of its govt. equipment div. Raytheon v.p. & div. mgr. Homer R. Oldfield said recently that the Santa Barbara facilities will be expanded within the next 5 years from today's 65,000 sq. ft. to some 220,000 sq. ft. By 1964, employment is expected to reach 1700, with one in every six an engineer.

National Radio Co. Inc. has been established both as a wholly owned subsidiary of National Co. and as the new name for Mutual Electronic Industries Corp, recently acquired by the Malden, Mass. firm. National Radio, 37 Washington st., Melrose, Mass., will continue the manufacture & marketing of elastic cable, plastic panels and other products previously produced by Mutual and the amateur & short-wave receivers heretofore manufactured & distributed by National Co.

First developmental Nuistor tube—RCA's tiny and radically new vacuum tube design (Vol. 15:11)—is now available to equipment manufacturers on a limited sampling basis. The first type, a small-signal triode, was developed for use as an RF amplifier or local oscillator. A tetrode and a beam power tube will be available later.

GPL employment is at all-time high of more than 2000. The 14-year-old electronics firm began as a one-building plant with 20 employes, now comprises engineering & manufacturing facilities totaling more than 300,000 sq. ft.

RCA's Electronic Music Synthesizer, which can generate any imaginable musical tone, has been installed at America's first electronic music center at Columbia U.

Signs of the TV times: Zenith's 2nd-half TV production will be far beyond original estimates, exec. v.p. Leonard C. Truesdell tells us. Pointing out that he predicted to distributors in June (Vol. 15:23) that his company would sell 100,000 more TVs in 2nd-half 1959 than it did in 2nd-half 1958, he said Zenith now expects to exceed that estimate before the end of August. He described TV-radio business as "excellent . . . wonderful . . . fantastic," stereo sales as "very good." Motorola exec. v.p. Edward R. Taylor, meanwhile, said first dealer showings of the 1960 line resulted in TV orders 106% ahead of last year, table radio 140% ahead, clock radios 420%, hi fi & phonos 159% ahead, stereo category alone 631% ahead (although he pointed out that stereo was just getting started this time last year).

Distributor orders for Emerson TV-radio-stereo models at this year's showing were 50% higher than last year, pres. Benjamin Abrams announced. He said sales of Emerson TV sets for this year's first 6 months were 30% higher than last year's corresponding period, with radio sales running 28% ahead of last year. He predicted that total Emerson sales of home electronic goods and air conditioners in the next 12 months will be 25% higher than in the last 12-month period.

Fast enforcement of FTC anti-trust cease-&-desist orders under the Clayton Act is provided in a Senate-passed bill (S-726) approved by the House. Backed by the Administration, the measure was sent back to the Senate for agreement on minor procedural changes before going on to the White House for signature. Under its terms, FTC orders against mergers, price discrimination, tie-ins, etc. become final—and enforceable by \$5000 fines—60 days after issuance unless they are appealed to the courts. At present, court orders must be obtained to compel compliance. Clayton Act jurisdiction extends to FCC, ICC, CAB & Federal Reserve Board as well as FTC, but the other agencies rarely invoke their authority.

Control of Davega Stores has been acquired by a group headed by Max A. Geller (New Haven Clock & Watch Co. chairman and pres. of Weiss & Geller ad agency), who becomes chairman; Joseph Axler (formerly Waltham Watch Co. pres.), pres.-treas.-chief exec. officer; and Melvin Axler (formerly Waltham exec. v.p.) exec. v.p. & chairman of Davega's exec. committee. Former Davega pres.-treas. H. M. Stein & v.p. Abram Davega become directors. Control of the 27-store Davega operation was obtained, it is understood, with the purchase of slightly more than 40% (nearly \$900,000) of the concern's outstanding shares.

Philco has formed an Italian subsidiary which will operate 2 plants near Milan for the production of Philco TV-radio, refrigerators & electronic equipment. President of the new firm, Philco Italiana S.p.A., is Harvey Williams, Philco International pres.

Hoffman begins most comprehensive ad program in the company's history next month, to introduce its new TV, stereo & radio lines. For the first time the ad schedule will include all ad media in a single campaign, using newspapers, TV, outdoor, national consumer & trade magazines.

Webcor-Emerson Phfft: Insiders who were betting all along that Webcor chairman-pres. Titus Haffa would get back the controlling stock he sold to Emerson recently (Vol. 15:25) can pick up their chips. The fracas which was court-bound for showdown ended suddenly when pres. Benjamin Abrams announced last week that Emerson had resold the 130,000 shares in question to Haffa "at a premium"—disclosed by Haffa to be about \$22 per share plus \$100,000 for legal fees & other expenses. Emerson had paid \$20 per share which, at the time of resale back to Webcor was market-quoted at \$14.

"My decision to regain my holdings despite the cost," explained Haffa, was prompted by "countless" messages from shareholders, distributors and employes urging him "to remain in my present capacity and to keep Webcor, a Chicago company, independent of other organizations." Abrams, described by Haffa as "one of America's outstanding industrialists," said that Haffa had "failed to carry out material provisions" of the original purchase agreement. The fracas developed when Haffa attempted to void the deal on the grounds that it involved conditions which were impossible of fulfillment.

Radio sales last year were higher than EIA figures indicate, says the broadcaster-supported Radio Advertising Bureau, citing the influx last year of "2.2 million Japanese radio sets," primarily transistor portables, which makes the 12,577,000 figure for radios (including auto sets) sold last year "almost 20% too small." The 14-million-plus figure that would thus be derived by adding Japanese sets "puts radio set sales at a level fully 3 times greater than the sale of TV sets in the same period."

RCA has joined 8 other industrial firms providing financial backing for next season's college credit *Continental Classroom* chemistry course in color on NBC-TV 6:30-7 a.m. Mon.-Fri. (Vol. 15:22). RCA's contribution was \$100,000. Other backers: Union Carbide, Bell Telephone, DuPont, General Foods Fund, IBM, Pittsburgh Plate Glass Foundation, Standard Oil of Cal., U.S. Steel.

Ban on use of portable radios by passengers of international air carriers in flight was approved by the Civil Aeronautics Board last week. Agreement by members of the International Air Transport Assn. said that radios might interfere with radar & other navigation equipment. Domestic air carriers in the U.S. have been warned of the hazard but have no similar agreement.

RCA sound tape cartridges for home recording are now available from distributors. The blank tape cartridges, listing at \$4.50, are for use in the new tape cartridge recorders, provide 2 hours of monaural or one hour of stereo listening at 3¼ inches per second.

Widespread opposition among admen to a national fair-trade law is reported by *Printers' Ink*, on the basis of its "Executive Panel" survey of agency & industrial executives. Of 419 respondents, 70% expressed opposition.

Eitel-McCullough will add 53,400 sq. ft., with a 27,000-sq.-ft. addition to its San Carlos facilities, and 26,400 sq. ft. leased in Belmont, Cal. for additional research & engineering operations.

TV technician licensing bill, passed by Ill. House of Representatives, has been killed by the state's Senate licensing committee.

Merger of Hewlett-Packard & Dymec Inc. (Vol. 15:25) has been approved by H-P stockholders.

Trade Personals: David I. Margolis, ex-Raytheon asst. treas., named asst. to ITT pres. H. S. Geneen . . . Morris Harris, ex-Du Mont Labs asst. legal counsel, joins International Resistance to take new post as govt. contract administrator . . . Frank A. Gunther, v.p. since 1929, elected exec. v.p. of Radio Engineering Labs, subsidiary of Dynamics Corp. of America . . . George A. Strichman named to new post of Raytheon director of mfg. services.

Wallace F. Baker named mgr. of renewal sales, Westinghouse electronic tube div., headquartering in Elmira, N.Y., succeeding John J. Doyle, now Midwest sales mgr., headquartering in Chicago. Doyle replaces Harold G. Cheney, who retires Oct. 1 after 39 years with Westinghouse. Raymond W. Andrews, mgr. of sales planning & inventory control, appointed mgr. of Westinghouse renewal market administration.

Walter S. Bower named pres. of Gen. Transistor Intnatl. Corp., subsidiary of Gen. Transistor. George Cohen appointed v.p.-controller of Gen. Transistor Distributing Corp. . . . Robert Pappas, former Ampex Corp. quality control mgr., named mgr. of new subsidiary Ampex Military Products Co. . . . Howard A. Zeimer promoted to mgr. of CBS Labs' military liaison dept. . . . Bernard R. Garrett becomes acting chief engineer, Loral Electronics.

Edward O. Johnson named advanced development mgr., RCA semiconductor & materials div., succeeding Dr. W. M. Webster, now RCA Labs administrative engineer. William Olander, ex-Bell Labs, named technical staff leader, Needham (Mass.) materials lab . . . H. Ernest Ammann, ex-Western Electric, named production mgr., Foto-Video Labs . . . Joseph Levitsky, ex-Bogen-Presto Co., appointed chief engineer, Fanon Electronic Industries (phonos) . . . Henry P. Steier, ex-Federal Aviation Agency, joins Lear Inc. as corporate PR dir.

Virden E. Scranton, ex-gen. merchandise mgr., named asst. mgr. for business & engineering services, Motorola semiconductor div. Dr. Robert E. Samuelson appointed asst. gen. mgr. for research & development, Motorola Western electronics center, Phoenix . . . S. Barton Pope, managing dir. of Pope-Motorola Ltd., Australian Motorola licensee, has been knighted by Queen Elizabeth.

GE has cut prices of silicon-controlled rectifiers as a result of new mass-production equipment. The tiny components, which have made possible significant simplification of TV studio lighting and industrial controls, act as rectifier and current regulator simultaneously. Price reductions range from 14% on the 10-amp 300-volt rectifier to 25% on the 16-amp 200-volt model.

June boom at Muntz TV, with sales (\$465,599) 123% ahead of June 1958, forced the Chicago firm to cut the plant vacation period from 3 weeks to one (with employes paid for the full vacation time). V.p. & sales dir. Jack Simberg said that the June sales were also 5% ahead of May, reversing normal June business which usually runs some 10% under the May volume.

Contract to design electronic air conditioning system for submarines has been awarded to RCA by Navy. System will be based on work at RCA Labs in development of thermo-electric panels which cool without moving parts

Obituary

Joseph Lush, 83, chairman of Hammarlund Mfg. Co. N.Y., and a director of the firm since 1922, died July 15 at Monmouth Medical Center, Long Branch, N.J. He is survived by his wife, 2 stepsons and 4 grandchildren.

Finance

Entron Inc., Bladensburg, Md. supplier of coaxial cable equipment & components, principally for community antenna systems, seeks SEC registration (File 2-15345) of 200,000 common stock shares for public sale at \$5 per share. The underwriter is Alkow & Co. N.Y., which will make the offering on a "best efforts" basis, receiving a selling commission of 75¢ per share, plus \$22,500 in expense allowance, plus a warrant for purchase within 5 years of one share at \$5 for each 10 shares sold to the public. Entron has 121,935 shares outstanding now. Of the proceeds from sales of additional shares, \$35,000 would be used to produce components supplied by subcontractors, \$767,000 for interim financing of cable transmission systems.

Microwave Electronics Corp., Palo Alto, Cal. firm organized in March to develop & manufacture point-to-point communications equipment and other electronic devices, has asked the SEC (File 2-15316) to register \$500,000 of 10-year subordinated debentures and 387,000 common stock shares. The company proposes to offer the debentures and 250,000 common shares for public sale in \$10,500 units, reserving 137,500 shares at 10¢ per share for promoters, officers & directors. No underwriting is involved.

Foto-Video Labs Inc., Cedar Grove, N.J. producer of TV & other electronic equipment, has filed SEC registration (File 2-15362) of 150,000 class "B" common shares for public sale at \$2 per share through Arnold Malken & Co. Inc. The firm said \$50,000 of anticipated proceeds would be used for a TV camera development, \$25,000 to develop other industrial electronic control equipment, \$25,000 to repay bank loans, \$45,000 for sales promotion, \$90,000 for working capital.

National Theatres plans to reopen its exchange offer to NTA stock and warrant holders in Aug. or Sept. NT said the reopening will be made in response to requests by holders of small amounts of NTA stock & warrants who didn't take advantage of the original offer. The original offer expired April 6, after holders of 89% of NTA common and 79% of NTA warrants made the exchange. Terms of the reopening will be the same as the original offer—each NTA share or warrant would be exchanged for \$11 of 5½% sinking-fund subordinated debentures and a warrant for the purchase of a quarter-share of NT common. (For other NT news, see p. 18).

National Co. stockholders approved a 2-for-1 stock split and an increase to 1.6 million from 650,000 in the number of authorized common shares. Chairman Herbert C. Guterman said the increase in shares "will make stock available for favorable acquisitions & working capital." Distribution of the new shares will be made Aug. 2 to stockholders of record July 20.

Ling-Altec Electronics, for 6 months ended June 30, reports net income of \$719,111 (51¢ share) on sales of \$11,294,000. For 3 months to June 30, net income was \$570,640 (40¢ a share) on sales of \$6,263,000. No comparative figures for 1958 periods are available.

Standard Radio Ltd. (parent of radio CFRB Toronto) reports net profits of \$171,124 (79¢ a share) for the year ended March 31, vs. \$145,967 (68¢) the preceding year. Dividends from CFRB to Standard Radio totaled \$175,000. As of March 31, Standard's current assets were \$265,194, of which \$263,181 was cash. Investments in subsidiaries were carried at a cost of \$170,305, current liabilities were \$33,664. One year earlier, current assets were \$225,071, current liabilities \$35,672.

Ross Mfg. Co., Chicago manufacturer of TV components, has been purchased by Advance Aluminum Casting Corp. of Chicago, and will continue operations as Advance Ross Electronics Corp. All outstanding shares were bought from pres. Kenneth B. Ross and secy.-treas. Mrs. Violet Mitchell. Ross received \$896,910 and a non-interest-bearing note for \$20,000, and Mrs. Mitchell received \$3090.

Barnes Engineering Co. reports consolidated net income of \$194,240 (60¢ a share on 324,570 common shares) for 43 weeks ended April 25. The figures were contained in an application for listing on the American Stock Exchange.

Electro-Voice, for 3 months ended May 31, reports net income of \$41,681 vs. \$39,012 for the comparable 1958 period. Net per share decreased from 10¢ to 9¢ because of the greater number of shares outstanding at the end of the 1959 period.

Transcontinent TV Corp., multiple station owner, will recommend a 2-for-1 split of its present stock plus the issuance of 500,000 more shares at a stockholders meeting early in Aug. Approval of the plan would increase the number of authorized shares to 1,520,000.

Tisch Hotels (N.Y.'s Belmont Plaza, Miami's Americana) is now the largest stockholder in Loew's Theatres Inc., having acquired approximately 15% of the outstanding shares. Loew's Theatres' only broadcast property is radio WMGM N.Y.

Motorola 2nd-quarter profits were about \$3,090,000 (\$1.58 a share) and sales were \$65,300,000, compared with \$800,515 (41¢) & \$43,650,070 during the same 1958 period, according to informal estimates by company sources.

Offering of Crosby-Teletronics stock (250,000 shares) through Myron A. Lamosney & Co. (Vol. 15:22) has been priced at \$3.375 a share.

CBS Inc. has asked SEC (File 2-15342) to register 261,797 common stock shares for purchase by employees in its stock option plan.

Reports & comments available: Crosby-Teletronics Corp., prospectus, Myron A. Lomasney & Co., 39 Broadway, N.Y. . . . Baird-Atomic Inc., prospectus, White, Weld & Co., 20 Broad St., N.Y. . . . Philco, comment, Purcell & Co., 50 Broadway, N.Y. . . . Lab for Electronics, review, H. Hentz & Co., 72 Wall St., N.Y. . . . Ling-Altec Electronics, report, Hay, Fales & Co., 71 Broadway, N.Y. . . . Electro-Voice, report, Eastman, Dillon, Union Securities & Co., 15 Broad St., N.Y. . . . Packard-Bell, review, Ralph E. Samuel & Co., 115 Broadway, N.Y. . . . Sperry Rand, report, Reynolds & Co., 120 Broadway, N.Y.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
GE Ltd. (England)	final	7%	Sep. 21	Aug. 13
Gross Telecasting	Q	\$0.40	Aug. 10	July 24
Gross Telecasting "B". . . .	Q	.07½	Aug. 10	July 24
Intl. Resistance	—	.05	Sep. 1	Aug. 14
National Theatres	Q	.12½	July 30	July 15
Outlet Co.	—	1.25	Aug. 1	July 20
Thompson Ramo W.	—	.35	Sep. 15	Aug. 31

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GE's first-half earnings were 13% above the 1958 level, while sales increased 4%. Chairman Ralph J. Cordiner said that 3 of the company's 4 principal product classifications showed increases during the period, and shipments of heavy electrical equipment declined. He said the company is encouraged by indications of increased consumer spending on durable goods. The consolidated GE statement for 6 months ended June 30:

	1959	1958
Sales & services	\$2,065,447,000	\$1,978,994,000
Net income	117,239,000	103,381,000
Earned per share	1.34	1.18
For 3 months to June 30:		
Sales & services	\$1,088,879,000	\$1,014,028,000
Net income	64,461,000	54,197,000
Earned per share	74¢	62¢

General Instrument Corp. reports record fiscal first-quarter sales and a 130% increase in net profits compared with the same 1958 period. Chairman Martin H. Benedek said the company's total backlog is \$28.5 million, including a record \$19.1 in military orders. TV-radio component shipments were up 30% above last year's first quarter, semiconductor sales up approximately threefold, military sales double those of the 1958 period. For 3 months ended May 31:

	1959	1958
Sales	\$12,728,861	\$8,679,027
Net earnings	211,129	87,916
Earned per share	14¢	6¢
Shares outstanding	1,497,723	1,373,273

COMMON STOCK QUOTATIONS

Week Ending Friday, July 17, 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 1/2	Admiral	23 3/4	+ 3/8	50 1/2	36 3/8	I-T-E	48	- 1/4
39 3/4	29 1/4	AmBosch	32 3/4	- 1/4	127 3/4	72 3/4	Litton	123 3/4	+ 6 1/2
29 3/4	20 1/2	AB-PT	28 3/4	- 1/8	37	27 3/4	Loew's	30	- 5/8
84 1/2	61 1/4	Ampex	78 1/4	-	70	48 1/4	Mgnvox	60 1/2	+ 1 1/2
89	75 1/2	AT&T	80 1/4	- 3/8	48 3/4	36 3/8	Mallory	43 1/4	- 1 1/4
46 3/4	32 1/4	Amph-Borg	37 3/4	- 1	142	111 1/2	MplsHill	141 1/2	+ 2 1/2
36 3/4	23 1/2	Arvin	24 1/4	- 1 1/2	130	57 1/2	Motorola	111	- 1/4
17 3/4	10 1/2	Avco	14 3/4	- 3/8	12 3/4	9 3/4	NlThea	11 3/4	- 3/8
74 3/4	36 3/4	BeckInst	67 3/4	+ 8 3/8	45 1/4	42	Pckrd-Bell	42	-
89	66	Bendix	78 1/2	- 2 1/2	50 3/4	44	Paramnt	47 1/2	- 3/4
38 3/4	24 3/4	Clevite	35 3/4	- 1	36 3/4	21	Philco	28 3/4	- 1 1/2
48 3/4	35	CBS	46 1/4	- 1/4	71	43 3/4	RCA	68 3/4	- 1/2
24 1/2	17	Col Pict	22 3/4	+ 3 3/8	73 3/4	51 1/4	Raythn	55	- 1/4
42 3/4	33 3/4	ConsElec	41 3/4	+ 2 3/8	11 3/4	8 1/2	RepbPic	10 3/4	- 3/8
50 3/4	33 3/4	CnsElInd	49 3/4	+ 2	45 1/4	26 1/2	Siegler	33	+ 3/8
30 3/2	20 3/4	Cor-Dub	25 1/2	- 1 1/4	9 1/2	6 1/4	Sparton	7 3/4	- 1 1/2
140	89 3/4	Corning	138 3/4	- 1/4	28 1/4	21 1/4	SpryRnd	24 3/4	- 1
49 3/4	34	Deastrm	44 1/2	+ 2 3/4	23 1/4	14 3/4	SidCoil	17 3/4	- 3/8
21 1/4	17 1/4	Decca	20 1/2	- 3/8	34 3/4	18	StanWar	34 3/4	+ 3 3/4
59 1/4	41 3/4	Disney	40 1/2	- 1 1/4	57 1/2	42 1/2	StewWar	55	- 1 1/4
69 3/4	48 1/4	EmrElec	66 3/4	- 1/4	33 1/2	24 1/2	Storer	31	- 1/4
26 3/4	13 3/4	EmrRad	19 3/4	- 1/2	13 3/4	9	Telautog	11 1/2	+ 1 1/2
33	12 3/4	Gabriel	22 3/4	+ 1/4	159 1/2	61 1/4	TexInst	152 1/2	+ 10 3/8
42 1/2	34 1/4	GnBrnze	39 1/2	+ 1 1/4	70 1/4	56 1/4	TmpR-W	63 1/2	- 3 3/4
84 3/4	74 3/4	GE	81 1/2	- 1 3/8	54 1/4	34 1/4	Tng-Sol	44 1/2	- 1 1/4
38 3/4	16 1/2	GenInst	28 3/4	- 3/8	43 1/2	34 3/4	20thFox	37 3/4	- 1/4
73 3/4	60	GenTel	71 1/2	- 5/8	32 1/4	24 3/4	UA	30 1/4	- 3/4
83	44 1/4	GenTire	74	+ 2 3/8	47 3/4	24 3/4	WarBros	43 1/4	+ 1 1/4
37	28 3/4	Hoffman	32 3/4	- 1/4	98 3/4	70 1/2	Wstghse	91 3/4	- 5 3/8
488	385 1/2	IBM	440	- 8 1/2	136 3/4	92 1/2	Zenith	121 1/2	+ 2 1/2
45 1/2	28	ITT	37 1/4	- 3/8					

AMERICAN STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
5 3/4	3 3/4	AlliedArt	5	+ 3/8	22 3/4	7	IntRes	19 3/4	+ 3/8
19 3/4	11 3/4	AmElec	16 3/4	+ 1	19 3/4	9 1/4	Lear	14 3/4	- 1/4
26 1/2	15 3/4	AudioDev	20	- 1/8	2 3/4	1 3/4	MntzTV	2 3/4	- 1/8
22 3/4	10 3/4	Belock	20	+ 1 1/2	12	5 1/2	Muter	8 3/4	- 3/8
10 1/4	4	Clarostat	8	+ 1/4	4 3/4	2 3/4	NatUnion	3 3/4	+ 1/4
9 3/4	6	DuMont	7 3/4	-	48 3/4	23 3/4	PhlpsEl	49	+ 5 1/4
12 3/4	5 3/4	Dynm	5 3/4	-	43 1/2	14 3/4	ServoCp	30 3/4	- 1 3/4
44 3/4	28 3/4	ElecCom	39 3/4	- 1	18 3/4	9	Servomec	12 3/4	- 3/8
16 3/4	9 3/4	ElecCp	10 3/4	- 3/8	10 3/4	5 3/4	Skiatron	6 1/4	- 1/4
2 1/4	1	El-Tron	1 3/4	+ 1 1/2	17 3/4	9 1/2	Sonotone	13 3/4	+ 3/8
138 3/4	50 3/4	Fairch	179	- 21	9 3/4	6 3/4	Techclr	7 3/4	- 1/4
88 1/4	49	GenTrns	90 3/4	+ 14 3/4	22 3/4	9	Telehrmp	21 3/4	+ 4 3/8
3	1 3/4	GldFlms	2 3/4	- 3/8	7 3/4	4 3/4	TeleInd	5	+ 1/4
75	54 1/2	Hazltn	30	- 3/4	14 3/4	7	TrnsLux	11 1/4	- 1 1/4
12 3/4	5 3/4	HrdRad	9 3/4	+ 3/8	19 3/4	6 3/4	Vctreen	17 3/4	+ 2 1/2

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 3/4	3 3/4	Magna Theater	2 1/4	2 1/2
Aerovox	11 3/8	12 3/8	Maxson (W.L.)	11 1/2	12 3/8
AMP Inc.	35 1/2	38 1/4	Meredith Pub	36 1/2	39 3/4
Baird Atomic	12 1/4	14	Metropolitan Bcstg.	17 1/4	17 3/4
British Ind	29 1/2	32 1/2	Microwave Associates	21	23
Capital Cities TV	9 3/4	10 1/2	National Co.	13 1/2	14 3/4
Cinerama Prod	2 3/4	2 3/4	Official Films	1 3/4	1 3/4
Collins Radio	34 3/4	37 1/4	Orr Ind	33 3/4	36 1/4
Cook Elec	42 1/4	45 1/4	Pacific Mercury	10 3/4	11 3/4
Craig Systems	10 3/4	11 3/4	Panellit	6 1/4	7
Eitel-McCullough	43 1/4	46 1/4	Perkin-Elmer	55 1/4	58 3/4
Elec Assoc	44	48	Philips Lamp	84 3/4	88
Erie Resistor	9 3/4	10 1/4	Sprague Electric	54 3/4	58 1/4
Giannini, G.M.	28 1/4	29	Tele-Broadcasters	1	1 1/4
G-L Electronics	12 1/2	13 3/8	Telechrome	17 1/2	19 3/8
Graco Products	4 1/4	4 3/4	Telecomputing	10 3/4	11 3/4
Gross Telecasting	23 1/2	24 3/4	Time Inc.	64 3/4	68
Hewlett-Packard	46 3/4	49 3/4	Topp Ind	34 3/4	34 3/4
Hycon	2 3/4	3 3/4	Tracerlab	11	12 3/4
Jerrold	6 3/4	7 3/4	United Artists	8 3/4	9 3/4
Leeds & Northrup	35	37 1/2	Varian Associates	35 3/4	38
Ling-Altec	26 3/4	28 3/4	Wells-Gardner	16 1/4	17 3/4
Ling Electronics	26 3/4	28 3/4	Wometco Ent.	11 1/2	12 1/2
Machlett Labs	27	29 1/4			

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. — No change during week. *Trading began July 14.

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WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

SET MAKERS PLUG "FINEST SHOWS" in one-month campaign geared to top-notch fall programs. Material to appear in newspaper ads, store windows (p. 1).

"TUNNEL DIODE," MADE-TO-ORDER for TV and thousands of other uses, unveiled by GE. Cheaper than transistor, it oscillates at TV frequencies with low noise level (p. 16).

FIGHT ELECTRONIC IMPORTS with "buy American" campaign, labeling of sets with foreign parts, urges Muter. Component makers say imports haven't hurt them (p. 16).

OPTIMISM HIGH DESPITE STEEL STRIKE: Manufacturers agree 6-7 week strike could hurt TV-radio, but other indicators point to continued good business (p. 17).

Congress

SENATORS SCORN BAN on own "influence" in ABA bill prohibiting off-record contacts in agency cases. Minority leader Dirksen leads attack (pp. 2 & 4).

ZERO HOUR FOR LAR DALY equal-time ruling nears. Senate committee takes exemptions to floor for vote. House committee endorses bill (p. 3).

Programming

TRAFFIC JAM IN SPECIALS is developing, as producers, packagers & agents duplicate in ideas (p. 12).

Advertising

BIG BREWERS PACE FILM BUYS as new syndicated shows are lined up for fall regional deals in a long list of major markets. Tobacco, food, oil firms are also active (p. 14).

FCC

"VOICE" VS. NETWORKS—the official story placed in FCC's record. Firestone witnesses tell story of preemptions by NBC & ABC, but they're not mad at anybody (pp. 3 & 6).

FCC'S "CARROLL" PHILOSOPHY on "economic injury" vs. public benefits from station competition spelled out in Carrollton-Bremen (Ga.) radio decision (p. 5).

BOSTON "INFLUENCE" CASE brings demand by Justice Dept. that Ch. 5 grant to WHDH-TV be revoked. Govt. brief concurs with FCC counsel's findings (p. 7).

Networks

1958-1959 YARDSTICK for ABC differs from the CBS long-range view reported last week, with ABC claiming rating gains this season where other networks had none (p. 7).

NETWORK TV AD REVENUE continues ahead of last year—up 9% for first 5 months, compared with 6% for all ad media (p. 8).

Foreign

THERE'S GOLD IN FOREIGN market for U.S. telefilm shows; single film outside U.S. can now gross \$17,500 (pp. 2 & 11).

Finance

RECORD SALES FOR RCA in first half total \$633.7 million, profits rise 44% to \$13.5 million. Burns attributes increase to diversification (p. 20).

Other Departments

STATIONS (p. 9) **AUXILIARY SERVICES** (p. 12). **FILM & TAPE** (p. 14).

SET MAKERS PLUG PROGRAMS: The telecasters' "circulation managers"—manufacturers of TV sets—are ready to launch their constructive drive to call attention to what's good about TV programming (Vol. 15:21). If all segments of TV distribution trade join in, the number of impressions made by this campaign should be phenomenal.

Theme of drive, under aegis of EIA, will be slogan, "The FINEST Shows of All Are on TV This Fall." Twelve set manufacturers are expected to join in, all using distinctive 1- & 2-column mats in their national newspaper advertising Aug. 15-Sept. 15, with distributors supplying similar mats to retailers for use in their own advertising.

Some 37,000 retailers are due to receive large colorful window banners in mail from EIA by Aug. 10, carrying same slogan. Stores are being asked to supplement them with promotional material from local TV stations. Telecasters will also be requested to use slogan in IDs, etc. Campaign was developed by special 3-man top-level committee headed by Zenith's Leonard C. Truesdell with Motorola's Edward R. Taylor and Warwick's Charles N. Hoffman. Zenith is furnishing art for banners & mats, and manufacturers are being asked to supply mats to distributors & dealers.

Cost of entire impact program is expected to be less than \$1000 per manufacturer. Zenith's Truesdell explains: "Of course, we won't promote any specific TV shows—but we want to call the public's at-

tention to the broadcasters' attempt to improve their programming with specials and other fine shows, and to renew viewing interest in the wide variety of shows available to the public."

Telecasters can get information on how to participate in promotion program from EIA, 1721 DeSales St. N.W., Washington. If campaign succeeds, it will be landmark in TV history, marking first concerted drive by receiver manufacturers to call public attention to excellence of programming provided by American telecasters. Significantly or not, most of work in organizing & laying out drive was done by Truesdell, whose Zenith Radio Corp., as No. 1 pay-TV proponent, has often been the most carping critic of the quality of free TV programming.

TELEFILM'S OVERSEAS DOLLARS: More than a dozen U.S. telefilm distributors, ranging the corporate alphabet from ABC Films to Ziv TV, are now selling in excess of 150 TV film series in some 50 countries overseas. Film salesmen—modern Marco Polos—now cover their enormous beat with jetliners.

Total value of this market is anybody's guess. Syndicators usually play foreign sales close to the vest. A few are unduly optimistic. Guesstimates by members of foreign sales teams we've contacted, however, put gross overseas telefilm income anywhere from \$20 million to more than \$30 million annually.

Movies still do a bigger share of film business overseas than does TV. Major theatrical features today earn up to 56% of their revenue outside of U.S. Telefilms, by comparison, may do 20% of total business overseas, although this figure may grow as worldwide TV expands and market restrictions disappear.

Maximum per-episode earning is about \$18,500 overseas, we're told by ITC's dir. of international sales Abe Mandell. That's figured on the top telefilm price in every market (for country-by-country breakdown, see p. 11). Since this can be 50% of a show's original talent & production budget (not counting language dubbing), it's an attractive earning, enabling producers to (1) keep down U.S. price on a show, or (2) add more production values.

Despite travel, sales costs are cheaper overseas. Syndicators generally figure 30-35% of domestic U.S. revenue is taken up with costs of sales force & distribution. Foreign telefilm sales costs, on the other hand, are estimated to be only about 20% of total foreign gross.

SENATORS SCORN BAN ON OWN 'INFLUENCE': No laws forbidding backdoor approaches to FCC by politicians & others seeking to influence its decisions will be passed at this session of Congress—or in foreseeable legislative future. Even if they got as far as the Senate floor (which is unlikely) they'd be debated to death.

Chances of such agency reform bills never were bright—despite much pious talk—even at height of excitement over last year's House exposes of ex-parte finagling in FCC cases. As we pointed out in editorial more than year ago (Vol. 14:25), basic trouble is that members of House & Senate themselves regard political influence as their privilege & prerogative.

Outlook for reform legislation was reduced to extinction last week in Senate by some frank talk on subject by Minority Leader Dirksen (R-Ill.), Majority Whip Mansfield (D-Mont.) & Commerce Committee Chairman Magnuson (D-Wash.).

Candid talk was started unexpectedly by Dirksen. He served notice on his own Judiciary subcommittee on administrative practice & procedures which had just started another series of hearings on subject (see p. 4), that he'll have no part of any influence-bans which affect members of Congress.

Off-record contacts with regulatory agencies in behalf of constituents & friends are part of his 25-year political practice in Washington, and he'll continue them as long as he's in Senate, declared Dirksen. His stand was applauded by other Senators on floor. Effect was that Senate subcommittee's hearings under Sen. Carroll (D-Colo.) were virtually torpedoed before they got under way.

If there's any moral to be drawn from this, it probably is that backdoor approaches to agencies may be improper when made by non-politicians, but that members of Congress are politicians elected by constituents whose interests (including TV channels) must be served.

While Dirksen et al. were unraveling things at one end of Pennsylvania Ave., FCC was trying to tie them together at the other—in conformity with decision of U.S. Court of Appeals in the St. Louis-Springfield Ch. 2 shift (Vol. 15:19).

Commission issued a "rule-making on rule-making," proposing to set up "special" kinds of rule-making proceedings in which it would specifically refuse to talk to anyone except on the record. Commission

doesn't spell out what kinds of rule-making will be special, says it will announce its views on a case-by-case basis. Its guide, of course, will be Court of Appeals' language which referred to rule-making involving "resolution of conflicting private claims to a valuable privilege."

Commission hopes to limit the number of special rule-makings to keep itself as free as possible to gather information. Says one FCC attorney, for example: "I'd hate to see the Commission close itself up on a rule-making such as shifting all TV to new channels, and the like."

New proposal runs only 5 pages, labeled docket 12947, and comments on it are due Aug. 24. (FCC doesn't say whether it will reject off-the-record comments on it.)

'VOICE' VS. NETWORKS—THE OFFICIAL STORY: The Voice of Firestone has spoken— and its story—the Firestone version—is now on the FCC record. Until NBC's & ABC's sides are given, presumably some time this winter, the record will show that Firestone was treated rather brusquely.

Firestone executives made it clear, during Commission's network hearing last week, that neither network did anything illegal in bumping the Voice—NBC in 1954, ABC this year—but they also indicated their feeling that they'd been shoved around.

Firestone witnesses apparently bear no grudge. While they told of being "shocked, astonished & surprised" at being preempted, they emphasized that they have "no axe to grind" with the networks, no desire to "put anyone on the spot," and nothing but the most "cordial relations" with the networks.

FCC counsel offered networks chance to testify in rebuttal immediately, but latter chose not to at this time. Hearings resume on unspecified subjects about Oct. 1, according to presiding officer James Cunningham & chief FCC counsel Ashbrook Bryant. At end of whole proceeding, Bryant said, networks are expected to give their views on all issues of the inquiry.

"Voice of Firestone" story is combination of emotion & business. Firestone family is much attached to the show despite its modest rating, preferring it to "Disneyland," for example, over the pleas of its ad director who vainly & wistfully sought to impress the Firestones with the "endless merchandising possibilities" of Disneyland. But Firestone hierarchy didn't want its rating to decline, either, so they were adamant in refusing any period other than sometime between 8 & 10 p.m. And they weren't impressed with plight of networks, which had trouble selling shows following Voice because of low audience carryover. (For hearing details, see p. 6.)

Congress

ZERO HOUR FOR LAR DALY: Congressional decks were nearly cleared for action to overturn FCC's Lar Daly political equal-time newscast ruling (Vol. 15:19) last week. The Senate Commerce Committee headed by Sen. Magnuson (D-Wash.) took its own unanimously-approved Lar Daly bill (S-2424) & report on the newscast issue (No. 562) to the Senate floor. The measure exempting TV & radio news shows from the Communications Act's Sec. 315, was placed on the legislative calendar, ready to be called up by Majority Leader Johnson (D-Tex.) at any time.

The House Commerce Committee chaired by Rep. Harris (D-Ark.) approved—by an "almost unanimous" vote, according to him—an amended version of the chairman's already-rewritten bill (HR-7985) nullifying the Lar Daly decision. Next step for Harris: Clearance with other House leaders for a floor vote.

Broader than the House measure, the Senate committee's bill was introduced formally by Chairman Pastore (D-R.I.) of the communications subcommittee and will bear his name instead of Magnuson's as the author. It says: "Appearance by a legally qualified candidate on any newscast, news interview, news documentary, on-the-spot coverage of news events, or panel discussion shall not be deemed use of a broadcasting station within the meaning of this subsection."

The Pastore measure also provides for re-examination

by Congress of Sec. 315 within 3 years and periodic reports by FCC on equal-time developments. The accompanying committee report says: "In establishing this category of exemptions from Sec. 315, the committee was aware of the opportunity it affords a broadcaster to feature a favorite candidate. This is a risk the committee feels that is outweighed by the substantial benefits the public will receive through use of this dynamic media in political campaigns.

"Every reasonable safeguard must & will be established to prevent any partisan broadcaster from abusing this new right. The committee has faith in the maturity of our broadcasters & their recognition to serve public interest. The committee feels that the proposal contained in this legislation is in the public interest & worth the risk of being taken when contrasted with the alternative which is a blackout in the presentation of legally qualified candidates in the news-type programs. Broadcasting journalism is a way of our life as is reporting through newspapers & magazines. The public has become dependent upon it & is entitled to it."

As finally reported out by the House committee after 2 days of closed-session editing, the Harris bill says: "Appearance by a legally qualified candidate on any bona fide newscast (including news interviews) or any on-the-spot coverage of news events (including but not limited to political conventions & activities incidental thereto) where the appearance of a candidate on such newscast, interview, or in connection with such coverage is incidental to the presentation of news, shall not be deemed to be use of a . . . station within the meaning of this subsection."

Political conventions hadn't been mentioned specifically in exemptions from Sec. 315 provided in an earlier Harris bill version recommended by his communications subcommittee. The full committee stuck the reference in to make sure that no convention delegate would suffer from network coverage discrimination because of misunderstanding of the meaning of "spot" news coverage.

The House committee otherwise accepted most of the language of the subcommittee's rewrite of the original Harris bill, which, as first drafted, had proposed exemptions not only for newscasts but news documentaries, panel discussions & "similar type" shows (Vol. 15:29).

Meanwhile there were some reverberations in Washington—but no thunder—from a hassle between presidential hopeful Sen. Humphrey (D-Minn.) & CBS over the network's cancellation of his scheduled July 19 appearance on *Face the Nation* (Vol. 15:28).

Sen. McCarthy (D-Minn.) told the Senate it should go slow in doing anything about revising Sec. 315 because of the network's "badly reasoned, arbitrary & inconsistent" Sec. 315 ruling against Humphrey's appearance. A Humphrey partisan, McCarthy said the situation called for a "full-scale" investigation of CBS.

Sen. Monroney (D-Okla.), a Commerce Committee member and leading Congressional critic of network programs & ratings, said CBS' action in keeping Humphrey off *Face the Nation* was "the nth degree of absurdity."

CBS Inc. pres. Frank Stanton billed himself for a network editorial on equal-time issues July 26 on CBS-TV's 6-6:30 p.m. *Behind the News with Howard K. Smith*. The show was titled "Behind the News: Sec. 315," and Stanton was scheduled to wind it up with his first such on-the-air expression of opinion in 5 years.

NBC & ABC aren't planning any air editorials on section 315, we were told by top-echelon executives of the 2 networks last week. NBC feels that prospects are good for an early revision of the statute, and, as a v.p. put it, "editorializing on TV may do more harm than good by slowing up the process while other revisions are considered." ABC's attitude is generally similar. Pres. Oliver Treyz told us he felt that "a modification of the clause" would be preferable to "a complete overhauling" that might stretch for a lengthy period.

An added starter in the broadcast equal-time editorial lists, joining other stations which have joined battle (Vol. 15:28-29), was Stauffer Publications' WIBW-TV Topeka. Gen. mgr. Thad. M. Sandstrom's on-air appeal for public understanding of broadcasters' equal-time problems was put in the *Congressional Record* by Rep. Avery (R-Kan.).

And—as always—Lar Daly himself was heard from again. The perennial America First candidate who started the FCC rumpus, demanded that NBC give him equal time on *Today* to match Sen. Humphrey's July 17 appearance on that show. Daly said he's running for President, too. NBC turned him down.

Special video tape recorder is being installed in Washington by U.S. Information Agency to permit recording on each of 4 standards—U.S., European, British, or French. TV dir. Romney Wheeler reports that target date for tests is Sept. 15, with full operation due by Dec. 1. Two recorder cameras & 1 TV-film chain will be associated with 2 new "modest but well-equipped studios" being constructed in the basement of the Health, Education, and Welfare bldg., 330 Independence Ave. One of the early projects of the new facilities will be a series of experimental taped programs featuring correspondents of overseas networks & stations.

More about

SENATE PROBE BLUNTED: Senate minority leader Dirksen (R-Ill.) showed up last week for the latest Congressional investigation of the evils of ex-parte influence on the FCC and other federal regulatory agencies—and sent it into a tailspin (see p. 2).

Chairman Carroll (D-Colo.) had no sooner got under way on the long-projected hearings on corrective legislation by his 3-man Judiciary subcommittee on administrative practices & procedures (Vol. 15:28-29) than Dirksen quietly tossed a bomb into the proceedings.

Washington communications lawyer Donald C. Beelar was on the stand testifying earnestly in behalf of the American Bar Association bill (S-2374) when it happened. He was a lead-off man on a high-powered ABA team urging quick action on the measure, which provides \$10,000 fine and one-year jail sentences for "any person" making off-the-record approaches to the agencies "with intent to influence the consideration or decision" in adversary cases. Other witnesses, including Sen. Douglas (D-Ill.) & acting Asst. Attorney General Robert A. Bicks, had similarly supported the bill.

A member of the subcommittee along with Sen. Hart (D-Mich.), Dirksen peered at the 4-page bill & then at Beelar. He observed benignly that a member of Congress is a "person" who often has "intent to influence" and said: "Ever since I came here in 1933 as a freshman member of the House I have been calling regulatory agencies in behalf of my constituents, and I expect to continue to do so."

This would hold true as long as he's around, Dirksen went on, and he warned that the ABA measure would run into a lot of trouble if it ever got on the Senate floor for debate & vote. And addressing Beelar pointedly, Dirksen added that "for 26 years my office has been full of attorneys—just full of attorneys" asking him to "do us some good" in TV and other cases. "If ever I kept a list it would look like *Martindale's Directory*," Dirksen said.

Dirksen told Carroll & Hart, who had warmly endorsed the purposes of the ABA bill, to "look at the practical aspects of the matter." He said he has a "duty" to serve his constituents when they need help to win something (such as a TV grant) from an agency. "They're my people. They send me down here."

"Now, Mr. Beelar," Dirksen went on, "here is a Commission. One of the members comes from Ill., let us say. What would be the natural thing to do? Call up the clerk? Why, certainly not. You would call up the person in the Commission that you know . . ."

And as for making such calls a matter of public record in agency cases as required by the ABA's measure, that would be tipping off a constituent's business enemies, Dirksen said. "That's just not the way the game is played," he assured Beelar; it's not the way things are done in Washington.

Then Dirksen left the hearing room for the Senate floor, leaving Carroll & Hart looking startled. Carroll said: "Never have I sought to go into a Commission to influence in an adversary case."

Next day Dirksen expanded on his Congressional-influence philosophy in a floor speech. "I wonder if there are people who think that we live in a vacuum in Washington," he said. He told the Senate that if the ABA's bill is enacted, "I've outlived my usefulness—period."

He drew open support for his position from majority whip Mansfield (D-Mont.), Commerce Committee Chair-

man Magnuson (D-Wash.) & Sen. Talmadge (D-Ga.). Said Mansfield: "I feel no compunction at all about calling agencies downtown." Said Magnuson: "Many Senators bring agency problems" to him, and he has "no hesitation" in helping them out. Said Talmadge: "Our constituents send us here to represent them in matters before the Government."

Meanwhile Carroll wound up the initial 3 days of his subcommittee proceedings, which produced little testimony about faults & abuses in agency procedures which hadn't already been heard in earlier hearings by the House Commerce legislative oversight sub-committee (Vol. 15:26) and the Senate communications subcommittee (Vol. 15:24). He set no date for resumption of the Senate inquiry, in which spokesmen for the govt. agencies are expected to be heard next.

Also on the Carroll subcommittee's hearing agenda is an ABA bill (S-600) whose title I establishes an independent Office of Federal Administrative Practice to "carry on continuous studies" of agency procedure & recommend reforms to Congress.

In addition to Beelar, last week's ABA witnesses included pres.-nominee John D. Randall, administrative law chairman John B. Gage, Ashley Sellers, C. Frank Reifsnnyder, Justin N. Feldman, Robert M. Benjamin. Also testifying were Navy gen. counsel F. Trowbridge vom Baur, dir. John F. Cushman of the Justice Dept.'s office of administrative procedure, pres. Joseph Zwerdling of the National Conference of Trial Examiners.

Outside the hearing room, Attorney Gen. William P. Rogers lined up in support of "influence" legislation. He told a news conference that he wouldn't comment on Dirksen's stand, but that it was "simply a matter of fair play" that agency business should be handled like court business. "If any member of Congress wants to present his views, he can do so on record," Rogers said.

After all this, Carroll himself took the Senate floor at week's end. He pleaded with Dirksen & other Senators that they recognize a distinction between discharging duties to constituents and making "backdoor approaches" designed to influence regulatory agencies. However, Carroll backed away from the ABA's "influence" bill, which he himself introduced. He said he didn't know whether it's "a good idea or not."

Dirksen made no reply to Carroll on the floor. But Mansfield repeated that he'd "oppose any mandate that would keep me from approaching a quasi-judicial agency on behalf of the citizens of my state." And Sen. Aiken (R-Vt.) joined the Dirksen chorus. Aiken said it's "the duty of every one of us to represent our constituents with regard to cases involving their interests."

Advisory council on administrative problems organized by House Commerce Committee Chairman Harris (D-Ark.) to promote efficient operation of federal agencies (Vol. 15:29) held its first get-together meeting last week. Participating were legislative oversight subcommittee counsel Robert Lishman, who heads the council, and subcommittee staffers Beverly M. Coleman, Charles P. Howze Jr. & Richard N. Goodwin, and these agency representatives: FCC—gen. counsel John Fitzgerald & Paul McDonough, asst. to FCC Chairman Doerfer. SEC—gen. counsel Thomas G. Meeker & associate exec. dir. Charles P. Kappler. ICC—gen. counsel Robert W. Ginnane. CAB—gen. counsel Franklin M. Stone & his asst. John G. Adams. FPC—gen. counsel Willard W. Gatchell. An FTC representative on the council hadn't been designated yet.

The FCC

FCC's 'CARROLL' PHILOSOPHY: It will take a lot of proof for an existing station to convince FCC that licensing of a competitor will cause such "economic injury" to the first station that the public will suffer from impaired broadcast service. In essence, that's what Commission made plain last week in releasing the text of its supplemental "Carroll decision" which affirmed its grant of radio WWCC Bremen, Ga. despite protests by WLBB (Carroll Bcstg. Co.) Carrollton, Ga., and a Court of Appeals order to reconsider it (Vol. 15:29).

In rehearing "evidence to show whether a grant of the application would result in such economic injury to the protestant as to impair its ability to continue serving the public," FCC found, first of all, that WLBB hadn't put up good arguments.

"Our analysis of the facts must begin with the observation that a considerable portion of the evidence in this record is of doubtful validity as a basis for projection of the economic situation in the Carrollton-Bremen area and a prediction of events to occur," FCC said.

The ruling concluded that the only "so-called 'injury' to the public" claimed by the Carrollton station as a result of establishment of the Bremen outlet, 11 miles away, was based on WLBB estimates that WWCC competition would: (1) Divide the available listening audience. (2) Force reduction of advertising rates by 50%. (3) Bring staff dismissals. (4) Prevent the remaining "minimum operating staff" from providing "the high type of public service programming presently being offered." (5) Cause "public institutions" to suffer as a result.

Carroll had argued at the outset of the case that both WLBB & WWCC would fail if the Bremen grant were made, "thus depriving the area of local broadcast service." Later Carroll posed the issue of whether either station "would be able to carry out a plan of public service."

In any event, FCC found that WLBB "has not sustained its burden of proof," that the station made no effort to show that its operation now "is an efficient one in terms of its operating costs, rate pattern [etc.]."

And, FCC added, it had heard nothing in the case to prove that "competition is likely to result in injury to the public of such severity that the listening & using public should be deprived of the opportunity of choice of services from competing stations and that the town of Bremen should be denied the first local radio outlet."

Quitting air July 21, KSPR-TV (Ch. 6) Casper, Wyo. informed FCC that its troubles came from the local CATV system which offers 3 signals from Denver stations. Owner Donald Hathaway has sold radio KSPR to competitor KTWO-TV (Ch. 2) for \$149,981 (Vol. 15:19) and his TV equipment to the owner of the CATV system, Bill Daniels, who plans to use it in a proposed Farmington, N.M. station. Hathaway told the FCC: "With this multiplicity of signals, the audience in our area is split so thin that an advertiser is unable to make his advertising pay out generally, even at our low rates of some \$15 per one-min. announcement. As a further competitive stumbling block, the competitive station here was carried on the cable system & we were not. We had hopes that the FCC or other legislation would come to our rescue on this unfair situation. However, after holding out this long, feel that it is now prudent to discontinue. We are convinced that 2 competitive free TV stations could live in this market but not with CATV operating also."

Stations & CATV Debate Microwaves: Counsel for telecasters faced a skeptical FCC last week as they presented oral arguments on their protests against microwave grants to serve CATV systems.

Recently, and at considerable length, FCC has given its reasons for continuing microwave grants for CATV (Vol. 15:16), and its questions last week showed that Commissioners haven't changed much. Their position, basically, is that the microwaves are common carriers, offering service to all comers, and that the Commission cannot attempt to control the kind of traffic they carry. As Commission counsel Arthur Gladstone argued, such action would constitute "censorship," violating the First Amendment. The only way of handling the matter of CATV competition with stations, if FCC wants to referee it, is to get Congress to give it authority to control CATV directly. And, he noted, FCC has declined to do that.

Commissioners were impressed, nonetheless, with arguments of station counsel to the effect that CATV is killing off service to the public by destroying the economic base of stations which can reach rural areas that CATV can't cover. But Commissioners still are full of questions about that, too. For example, Chairman Doerfer asked what would happen if the FCC cut off the microwave from a CATV system that served 30,000 people in order to help a station reaching 2000 in the mountains, implying that the greater number would tip the scales.

Stations' counsel argued that CATV-microwaves are destroying FCC's TV allocation plan. Vernon Wilkinson posed this one: Suppose it were possible to put a station on a platform 1000 miles over Denver and its signal drove all U.S. stations out of business. Wouldn't FCC then think it had to control the common carrier that fed signals to the platform? Gladstone's answer: Control the platform, not the carrier. "Shoot it out of the sky, if necessary."

Counsel for stations put much emphasis on the fact that a CATV system and the microwave feeding it are frequently controlled by the same people, and the CATV is the carrier's sole customer. CATV counsel cited several U.S. Supreme Court decisions, involving lumber companies with railroads serving solely their own needs, which held that the railroads were true common carriers. He also contended that the microwave owners do look for other customers, have even negotiated with TV stations.

The main effort of station lawyers was to get FCC to conduct full-scale evidentiary hearings on the microwave applications, to make them justify themselves. Gladstone indicated that FCC does not hold the discretion to conduct such hearings. As of last week, however, the Commission seemed disinclined to schedule hearings.

New Clear-Channel Proposal: FCC came up last week with another proposal in its 14-year-old AM clear-channel proceeding—it now plans to consider putting full-time stations on all clear channels. Last year (Vol. 14:16), the Commission announced a proposal to break down 12 channels and boost the power of stations on the other 12 from 50 to 750 kw (action on 770 kc was held in abeyance pending resolution of conflict between WABC N.Y. and KOB Albuquerque). Now, said the Commission, it will look into "the feasibility of allocating on 24 clear channels a limited number of unlimited-time Class I stations of not less than 10-kw power." Location of the new stations, FCC stated, "would be determined on the basis of need in areas without primary service and under controlled conditions which would afford protection to class 1-A stations on those channels."

More about

RISE & FALL OF 'VOICE': Key witness in FCC's *Voice of Firestone* hearing last week was Charles B. Ryan, Firestone dir. of advertising, merchandising & sales promotion. After recounting the history of the program, he told how NBC pres. Niles Trammell in 1943 sold the firm *Firestone Telenews* on NBC-TV to preserve 8:30-9 p.m. for "Voice", giving assurances that the period could be used by Firestone indefinitely. In 1951, "Voice" started as a simulcast.

Then, in April 1954, NBC pres. Pat Weaver informed Ryan that the Mon. period was being preempted for the *Sid Caesar* show because "we are being clobbered by Godfrey on CBS."

"I told Weaver," said Ryan, "that I was shocked, astonished & surprised that they would treat their oldest customer in that manner after we had made an investment of some \$40 million with them through the years."

NBC offered a variety of non-prime time periods and, later, 39 weeks of free Sunday afternoon time. Firestone refused because "it would be unfair to the audience—also . . . they had no assurance about future treatment by NBC."

ABC pres. Robert Kintner & ABC-TV pres. Oliver Treyz then pitched for the business and got it in June 1954. Firestone signed a 52-week non-cancellable contract, which guaranteed the position, in 1954, 1955 & 1956. In 1957, it signed a 39-week contract with the understanding that the show could be bumped. However, Ryan said, Treyz assured Firestone that "suitable" time would be available if the program were to be shifted. Kintner & Treyz had no doubt about what Firestone considered "suitable," he said—between 8 & 10 p.m.

Then came the big shock on Feb 22, 1959, Ryan said. His national ad mgr. A. J. McGinness received a call from *N.Y. Times* reporter Val Adams, who read him an ABC press release outlining fall program plans—which didn't include "Voice." *Adventures in Paradise* had its former position. Treyz came to Akron & told Ryan "Adventure" couldn't be moved (it later was, Ryan added).

Ryan said he told Treyz he couldn't understand ABC's taking away the period without talking to Firestone. But Treyz took the position that Firestone had given up the position when it signed the 39-week contract.

ABC then offered several 10 & 10:30 p.m. positions but Firestone would have none of them. CBS also stepped in with a 5:30-6 p.m. Sun. proposal, also unsatisfactory to Firestone. The last show on ABC was June 1, 1959.

The unusual development in the hearing came when Ryan volunteered a statement to the effect that he was there under subpoena, that his records had been ordered by FCC, that he had nothing against the networks & their executives, and that he has cordial relations with them.

FCC counsel Ashbrook Bryant broke in with: "I think this sort of thing can go too far." Presiding officer James Cunningham chimed in with: "Yes, I do, too." Bryant then asserted that Firestone witnesses hadn't been subpoenaed. He said FCC had requested them to appear. Ryan stated that he wasn't testifying over objection.

We later asked Ryan to clarify his attitude. "I'm not trying to put anyone on the spot," he said, "but I guess the thing had to come out publicly. FCC is in its rights." Nonetheless, throughout the whole of the entire incident, Firestone has been getting an impressive amount of favorable publicity for its "corporate image" as the wronged advocate of fine music. This quality reputation in the minds of the public should do the company no harm in tire sales.

BOSTON 'INFLUENCE' CASE: The Justice Dept. last week joined FCC counsel in urging that FCC's much-challenged 1957 award of Boston Ch. 5 to the *Herald-Traveler's* WHDH-TV be revoked as "void" because of alleged attempts to "influence" ex-chairman George C. McConnaughey (Vol. 15:29).

In a 13-page brief filed on the July 24 deadline set by FCC special hearing examiner Judge Horace Stern for written arguments, Attorney General William P. Rogers said "public interest" requires that both WHDH-TV & loser Mass. Bay Telecasters Inc. be disqualified from further participation in the case.

With these 2 contestants out, the contest for Ch. 5 should be reopened, the Justice Dept. said. Rogers cited off-the-record luncheon meetings between McConnaughey, *Herald-Traveler* publisher Robert B. Choate & Mass. Bay v.p. Forrester A. Clark as evidence that they tried to bring pressure on the former FCC chairman. Moreover, the brief noted, "WHDH sought Senatorial aid" in its cause.

The Justice Dept. was critical of McConnaughey's conduct in the case. But unlike FCC associate gen. counsel Edgar H. Holtz, Rogers didn't conclude that McConnaughey should have disqualified himself from participating in the Ch. 5 award.

An across-the-board defense of the Boston award was filed at the same time by WHDH-TV in a 30-page brief and "proposed findings & conclusions," which said: (1) "No member of the Commission should have disqualified himself or may be retroactively disqualified by the Commission because of any bias or prejudice." (2) "WHDH cannot be assigned any comparative demerit nor any of its opponents awarded a comparative preference in this proceeding because of any attempt of WHDH to prosecute its case in a manner inconsistent with recognized public processes of adjudication."

Loser Mass. Bay in its brief argued that the case must be reheard with WHDH-TV disqualified. It defended its own conduct, said that in the event FCC doesn't toss out the grant, evidence against WHDH-TV "should weigh heavily" against WHDH-TV keeping its grant.

Similar lines of argument were followed in briefs by losers Greater Boston TV Corp. and Du Mont Labs, and by intervenor *Boston Globe*. Greater Boston said that the applicants didn't have an "impartial tribunal." Du Mont Labs said WHDH-TV, Mass. Bay & Greater Boston should be disqualified. The *Globe* said "fundamental rules of fairness" were disregarded in the award.

FCC budget of \$10,550,000 for fiscal 1960 was approved last week by House acceptance of a conference report on appropriation for independent offices. The House had proposed \$10.4 million for FCC, the Senate \$10.7 million, the Administration \$11 million (Vol. 15:27).

Allocations petitions filed: By grantee WTOH-TV (Ch. 79) Toledo, to add Ch. 5 to Toledo, substituting Ch. 12 for Ch. 5 in Cleveland, Ch. 5 for Ch. 12 in Erie; by Joint Council on Educational TV, to reserve Ch. 9, Wausau, Wis. for educational use.

WLOS-TV Asheville has opened offices in Poinsett Hotel, Greenville, S.C. now that FCC has authorized the station to identify itself with Greenville & Spartanburg in addition to Asheville.

Baton Rouge's new Ch. 9 will be occupied temporarily by WAFB-TV, which was granted a shift from Ch. 28 last week. FCC rejected the opposition of radio WIBR Baton Rouge, which will compete with WAFB-TV for the channel.

Networks

'58-'59 YARDSTICK (cont.): Our exclusive report last week (Vol. 15:29) of CBS-TV's latest executive memo on audience standings at night among the major networks drew a quick dissent from ABC-TV, which felt that the season-long yardstick did not measure major audience gains made recently by ABC.

Concentrating on its strongest evening hours (7:30-10:30 p.m., as against the broader CBS view of 6-11 p.m.), ABC pointed out: "On a national basis, ABC-TV's 20.1 Nielsen average audience rating for April represents a 14% increase over the 17.6 rating recorded in Oct. On the other hand, CBS (23.9 vs. 23.1) and NBC (21.1 vs. 21.0) show no rating progress this past season."

(The implication that ABC made a continuous relative gain throughout the season, however, is not borne out by comparable CBS figures. ABC made a big gain between the last Nielsen report in Oct. & the first in Nov. After that, things stayed pretty much in balance throughout the season, with April levels resembling Nov.'s. CBS led ABC by anywhere from 14% to 21% average during the season, but had led ABC by 37% in Oct.)

ABC's sharpest competitive gain on the other 2 networks can be found in Nielsen's 24-market reports, which cover 3-station, competitive metropolitan TV areas (representing, roughly, some 40% of the nation's TV homes). The gain, said ABC in a memo from researcher Roy Graves, is "most significant," as the 24-market reports were the first real indication in the previous season that CBS was running noticeably ahead of NBC. Worth noting, however, is a qualifying point cited to us by researchers: The average coverage of ABC-TV shows is 90.5% of all U.S. homes, as against 95.0 for NBC & 96.6 for CBS. Coupled with the strong metropolitan appeal of most ABC shows in the 7:30-10:30 periods, the Nielsen 24-market digest that follows is therefore no direct indication of how ABC shows fare in fully national Nielsen measurements, although the trends are in ABC's favor:

All Commercial Programming
Sun.-Sat. 7:30-10:30 p.m.
Rating

	ABC	CBS	NBC
October 1958	16.6	21.3	19.2
April 1959	19.2	20.0	19.0
% Change	+16	-8	-

The season's "most dramatic change" is in the realm of night-of-the-week wins, in which network standings are compared for the evening on the basis of average audience ratings, the ABC memo pointed out. By this Nielsen yardstick ABC-TV claims that it "currently dominates 4 nights of the week—more than the other networks combined."

Wins By Night of Week
All Commercial Programs (Sun.-Sat. 7:30-10:30 p.m.)
Average Rating

	National			24 Market Report		
	ABC	CBS	NBC	ABC	CBS	NBC
October 1958	1	5	1	1	5	1
April 1959	4	2	1	4	2	1

ABC's choice of verbs, examination of Nielsen night-time figures on a 6-11 p.m. basis seem to indicate, may be a trifle enthusiastic. In the first of Nielsen's national reports for May 6, for example, the "domination" by ABC over its closest rival on Tues. night (one of ABC's strongest) looked like this: ABC—21.7 av. aud.; CBS—21.4 av. aud. Most of the all-night wins, even on ABC's yardstick of prime nighttime hours, continue to be in the area of one rating point, are often just a fraction of a point over CBS.

ABC Radio is reportedly entering AM radio syndication. Initially the new ABC arm will offer programs on tape & recordings, as well as programs & personalities otherwise unavailable to stations.

Net TV Rise Continues: Although topped by both newspapers & magazines in ad-volume percentage gains for May 1959 over May 1958, network TV scored with a solid 9% increase, reports *Printers' Ink's* latest index. Newspapers paced all gains with a 15% jump; magazines were up 11%. Network radio fell off its comeback trail, dropping 17% behind its showing of a month ago. On the year-to-year reckoning, it was the only category to show a decline—off 9%. Network TV also was off its April 1959 pace—by 2% but gained in May sufficiently to hold its year-to-year-date cumulative gain at 9% (compared with 6% for all advertising). The national ad index came down 2% in May from April, but rose 10% for May 1959 vs. May 1958.

Medium	Index		% Change from		% Cumulative Change
	May 1959	May 1958	1 month ago	1 year ago	
General Index	226	205	- 2	+10	+ 6
Total Magazines	165	148	+ 1	+11	+ 7
Weekly	178	165	- 4	+ 8	+ 5
Women's	123	111	+ 3	+11	+ 8
General Monthly..	213	175	+ 8	+ 8	+12
Farm	106	103	+ 7	+ 3	+ 1
Newspapers	206	179	- 7	+15	+11
Network TV	457	418	- 2	+ 9	+ 9
Network Radio	30	33	-17	- 9	-10
Business Papers	243	228	+ 5	+ 7	+ 2
Outdoor	165	153	+ 5	+ 8	- 6

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 May 1959.

Moscow Tiff on Tape: NBC-TV scored a real news beat in its coverage of Vice President Nixon's visit to Moscow when the July 24 visit of Soviet Premier Khrushchev to the U.S. Exposition flared up into a verbal duel between the 2 political leaders ranging from rockets to the origin of the cold war. RCA TV cameras & Ampex Videotape recorders captured approximately 16½-min. of the Nixon-Khrushchev exchange on color tape. Ampex v.p. Philip Gundy promptly hopped a plane from Moscow with the tape, which was scheduled to be aired for U.S. viewers at 2 p.m. July 25 on NBC-TV and then offered to the other 2 networks.

In another coup, film clips of Vice President Nixon's arrival in Moscow July 23 were telecast on NBC-TV's *11th Hour News* on the evening of the same day with the aid of BBC-TV and Canadian Bestg. Co. NBC cameraman Bradford Kress filmed the segment and placed it aboard a plane to Prague, where it was transferred to a London-bound aircraft. In London, BBC processed & edited the film & transmitted a segment to Canada via the new BBC-developed transatlantic telephone cable system (Vol. 15:25). A 30-sec. clip was re-assembled in Montreal by the CBC and fed to N.Y., where it was recorded on video tape, and broadcast as a network feature. Elapsed time: 15 hrs.

ABC and CBS also were well represented in Moscow coverage last week. News chief John Daly flew to Moscow July 22 and made a 3-min. first-hand TV-radio report (sound only) of Nixon's arrival which was broadcast the same evening on ABC's *John Daly & the News*, conducted in his absence by Don Goddard. Nixon will narrate a 30-min. CBS news special report on his trip after his return from Moscow.

CBS Radio's Program Consolidation Plan, after 6 months' operation, has "demonstrated its strength in assuring to audiences, affiliates and advertisers, the continuation of national network radio service," reported CBS Radio Affiliates Assn. chairman Charles C. Caley (WMBD Inc. Peoria pres.-treas.) during the 2-day meeting last week of CBS Radio executives & the affiliates board.

NETWORK SALES ACTIVITY

Breweries figured heavily in network sales last week, as well as in regional syndicated buys (see page x). List of network-happy beer firms for next season includes Miller, Carling, Ballantine, Natl. Brewing, Duquesne and Falstaff. Schlitz currently sponsors CBS-TV's *Markham*, which will probably return in the fall. Other series sponsors are Miller (ABC's *All-Star Golf*) and Hamm (ABC's *Sat. Night Pro Football*). Other brewers concentrate their network dollars in special sporting events & weekly football telecasts.

ABC-TV

Daytime programming, 15-min. segments in daily strip. Orders, by 4 advertisers, total approximately \$1 million in gross revenues.
Block Drug, 3 segments weekly starting in Sept. and 1 seg. starting in Aug. (Gumbinner; Gray, and Sullivan, Stauffer, Colwell & Bayles); *Ex-Lax*, one seg. weekly starting in Aug. (Warwick & Legler); *General Foods*, additional weekly seg. (Young & Rubicam) and *Toni Co.*, additional weekly seg. (North Adv).

The Gale Storm Show, Thursdays (7:30-8 p.m.)
Warner-Lambert (Lambert & Feasley)

Walt Disney Presents, Fridays (7:30-8 p.m.), alt. wk. half-hrs.
Canada Dry (J. M. Mathis)

CBS-TV

Special Tonight, series of 6 90-min. specials, first of which will be an adaptation of "The Bells of St. Mary's" set for Tues., Oct. 27, 8:30-10 p.m. David Susskind will produce the series.
General Mills and *Westclox* (both BBDO).

PGA Golf Tournament, live from Minneapolis Golf Club, Sun. Aug. 2 (5-6:30 p.m.)
Midas Muffler (Bozell & Jacobs)
Hamm Brewing (Campbell-Mithun)

NBC-TV

"Miracle on 34th St.," pre-Christmas adaptation of 1947 film, produced by David Susskind, Talent Associates. (Fri., Nov. 27, 8:30-9:30 p.m.)
Westclox (BBDO).

Our American Heritage, series of 6 dramatic 60-min. programs, to be produced by Milberg Enterprises in association with the editors of *American Heritage* magazine. First is Sun., Oct. 18, 8-9 p.m.
Equitable Life Assurance Society

Toast to Jerome Kern, 90-min., Sept. 22 (9-10:30 p.m.)
MCA producing, cast not set.
United States Brewers Foundation (J. Walter Thompson)

Second All-Star Game of 1959, originating at Los Angeles Coliseum Mon., Aug. 3, 6:45 p.m.
Gillette (Maxon Inc.)

World Series Special, (Tues., Sept. 29, 9:30-10:30 p.m.) All-Star baseball special on the eve of the World Series, featuring live and film reports of the season's highlights, originating in the city of the pennant winning American League team.
Natl. Carbon Co. (William Esty Co.)

FCC has turned down ABC's request for the extension from Aug. 3 to Sept. 15 of the deadline for filing of comments on the proposed option-time amendments (Vol. 15:29).

CBC—STILL SWINGING: Bloodied but still broadcasting, Canadian Bestg. Corp. will recall 1959 as the not-so-jolly year which brought layer on layer of problems—financial, internal, political—topped by a Parliamentary inquiry which has been giving the network a rum go these past few weeks.

Financially, CBC closed out its fiscal year ended March 31, 1959 with its budget overspent by some \$105,000. Moreover, on a total expenditure of \$87,314,553 it produced income of only \$33,194,522. Its cost-of-doing-business, \$54,120,031, was up slightly over last year, a CBC spokesman told us, mainly because of increased service. The big sting in CBC's operations was soothed by the govt. treasury, which anted up \$51,596,565 in Parliamentary grants & taxes. However, operating deficits are old hat to the govt.-supported CBC (Vol. 14:29).

CBC would be content if its problems were strictly financial. It started a snowball rolling downhill recently when it abruptly cancelled *Preview Commentary* (Vol. 15:26), a regularly scheduled—but obscure—political commentary radio program. In quick succession, 37 tight-lipped key staffers resigned, rumors of govt. interference swooped in, CBC reinstated the program, and the Parliamentary Committee on Broadcasting decided to see what all the fuss was about. It learned among other things that Canadian taxpayers pay heavily to view sponsored TV shows (Vol. 15:28): Of 102 TV broadcasts in 2 weeks of March, for example, only 17 made money for CBC. Indicative of CBC's good-natured operations, it got from sponsors only \$9678 for a program that cost \$30,132—the public paid the difference.

An observer close to the situation told us last week that CBC's ad policies came as a shock to Parliament. As a result, CBC v.p. & asst. gen. mgr. Ernest L. Bushnell, acting pres. in the illness-induced absence of pres. J. Alphonse Ouimet, was raked over the coals but good. The network gave him a 2-month vacation then passed control to a 7-man emergency committee of senior executives. The general feeling among people who should know, said our source, is that the storm will blow itself out and CBC will continue to be CBC: "The solid people are behind CBC; it's vital because it encourages native talent and develops a national consciousness."

However, it was pointed out, one thing the furor might do is give more weight to applications for commercial TV which will be up for consideration this fall. (The Canadian govt. has established Sept. 15 as the day it will accept applications for licenses for competitive stations.) Such stations, if established, would operate in competition with CBC. But whatever happens in this area, there'll always be a CBC. However, there'll no longer be a CBC for 51 employes in Montreal & 107 in Toronto who have been notified they're being sacked as of July 31 & Aug. 15 respectively. The 158 networkers are carpenters, stagehands and other technical-worker members of IATSE. CBC says the cutback was long planned & wasn't triggered by notice reportedly served on CBC by the House of Commons that it had better tidy up the operation or prepare for a subsidy cut.

California's first FM network is planned by Sherrill Corwin, Metropolitan Theatres pres., who says the web will be in operation by Jan. 1. Corwin, owner of KFMU Los Angeles, will build 4 more stations, for which construction permits have been received from FCC. The stations are KFMW San Bernardino, KFMX San Diego, KGUD Santa Barbara, KBAY San Francisco.

Stations

WJAR-TV Sale in Doubt: N.Y. real estate magnate William Zeckendorf & Denver telecaster John C. Mullins may give up their long fight to get WJAR-TV & WJAR Providence by buying the parent Outlet Co. department store Vol. 14:49-50, 15:4, 8, 10, 12, 20), as a result of an adverse decision last week by R.I. Supreme Court.

The high court upheld a temporary injunction blocking sale of controlling interest in the company by trustees for the heirs of the firm's founders. The decision was a victory for J. S. (Dody) Sinclair, gen. mgr. of the Providence stations and grandson of Outlet founder Col. Joseph Samuels. He had charged the trustees weren't acting in the best interest of the heirs, and that they "probably" failed to obtain a higher price. The case was sent back to the lower court for a full hearing.

The court decision came on July 21—the very day on which the prospective purchasers can terminate their offer to buy the stock, under the terms of the purchase proposal made to all Outlet stockholders. Although there was no direct word from Zeckendorf & Mullins, there were indications that they were reconsidering, with an eye to dropping the hot legal potato.

WSFA-TV (Ch. 12) Montgomery, Ala. has been sold for \$2,250,000 to operators of WIS-TV (Ch. 10) & WIS Columbia, S.C. and radio WIST Charlotte, N.C. Seller is WKY TV System, subsidiary of *The Daily Oklahoman* (E. K. Gaylord family), also owner of WKY-TV (Ch. 4) & WKY Oklahoma City and WTVT (Ch. 13) Tampa, Fla. WKY acquired the station in 1955 from founding group (which included D. F. Hudson, publisher of *Montgomery Advertiser & Journal*), paying \$562,598 plus obligations, for radio WSFA & WSFA-TV, shortly after latter went on the air (Vols. 10:50, 11:8). The following year, WKY sold radio WSFA for \$175,000 (Vol. 12:50). After FCC approves transfer, new owner of WSFA-TV will be Bestg. Co. of the South, whose exec. v.p. is G. Richard Shafto, chairman of the NAB TV Board.

Off-air uhf KBMT (Ch. 31) Beaumont, Tex. is due to get a CP for Ch. 12. Reversing examiner Charles J. French's recommendation of Aug. 11, 1958 that the grant be given to Brown Telecasters Inc. (Vol. 14:33), FCC directed its staff to draw up a document looking toward grant of KBMT. French had favored Brown because of wider business interests, more civic activity, program plans and preparation for TV. KBMT, which left the air Aug. 1, 1956, had proposed using its old studio site about 5 mi. from Beaumont, but the examiner held that the station had failed to show why it should be permitted to operate from the site again. The other loser was radio KJET.

License of KHOU-TV (Ch. 11) Houston was renewed by FCC last week over the dissents of Comrs. Bartley, Ford and Cross, who wanted more information about whether the station was serving Galveston adequately. Granted a move from Galveston last year, the station was accused by the Galveston Chamber of Commerce of neglecting the city's needs. Examination of the station's renewal form satisfied FCC majority; minority wanted to write KHOU-TV a letter.

Dr. W. R. G. Baker, retired GE v.p. and distinguished leader in the electronics industry, has filed incorporation papers looking toward applying for a proposed dropped-in Ch. 5 or 9 in Syracuse. He said that 6 local businessmen are backing him in W. R. G. Baker Radio & TV Corp.

Movie Firms Buy Stations: Two of Hollywood's film majors are in the process of closing deals for TV station properties. Columbia Pictures, having borrowed Screen Gems' station operations mgr. Norman Louvau (ex-KRON-TV San Francisco) to handle negotiations, is buying KTVT Salt Lake City (and KDYL radio) from Time Inc., 80% owner, and other stockholders for more than \$3 million. It will be the first station owned by the Columbia-Screen Gems operation. Natl. Telefilm Associates is disposing of KMSP-TV Minneapolis (which NTA acquired in late 1957 as an o&o outlet) to 20th Century-Fox, with which NTA has long had a contractual production-distribution arrangement. The purchase sum was not disclosed, although the deal was confirmed by both parties.

Haitian TV station, planned for Nov. start, will be operated under an exclusive 10-year franchise by Hemisphere TV Corp., a group comprising J. Elroy McCaw's Gotham Bestg. Co., Haiti industrialist Mike Rosenberg and Bartell Bestrs. The company is also negotiating for sites in Central and South America, including Buenos Aires, Curacao and Aruba. McCaw owns KTVW (Ch. 13) Tacoma-Seattle, KTVR (Ch. 2) Denver, radio WINS N.Y. and 50% of radio KELA Centralia, Wash. The Bartell group owns WOV N.Y., WOKY Milwaukee, WAKE Atlanta, KCBQ San Diego, WILD Boston, KYA San Francisco and WYDE Birmingham.

Purchase of KPTV (Ch. 12) Portland, Ore. for \$1,026,000 plus liquidation of \$2,734,924 in obligations (Vol. 15:23) was approved by FCC last week. Buyer is NAFI Corp., makers of automobile interiors. Bing Crosby and Kenyon Brown, stockholders of KCOP (Ch. 13) Los Angeles, are chairman & pres. respectively, of KPTV. George Haggarty, Detroit lawyer & industrialist, was the seller.

Control of WLAC-TV (Ch. 5) & WLAC Nashville, Tenn. went to wealthy Murchison Bros. of Texas last week. Approval of the sale by FCC was one of the final phases of a deal whereby the Murchisons purchased Life & Casualty Insurance Co. of Nashville, parent corp. of WLAC radio and 50% owner of WLAC-TV, for \$40,000,000. (Vol. 14:35).

Sale of 50% of WSVA-TV (Ch. 3) & WSVA Harrisonburg, Va. to WMAL-TV (Ch. 7) Washington for about \$750,000 "is in negotiation," according to the principals. Seller is Transcontinent TV Corp. Pres.-gen. mgr. Hamilton Shea would retain his 50%.

Split of a 15-year association between J. Elroy McCaw and John D. Keating became final recently when the FCC approved the transfer of control of radio KDAY Santa Monica from McCaw's Gotham Bestg. Corp. to Keating in a deal dividing their properties (Vol. 15:13).

Frederick A. Knorr, pres. of radio WKMh Dearborn, WKMF Flint and WSAM Saginaw, all Mich., acquires positive control of the stations as Harvey R. Hansen and W. H. McCoy sell their share for more than \$1 million each.

Ex-NBC Washington v.p. Frank M. Russell and Washington TelePrompTer mgr. Robert C. Doyle are buying radio WICO Salisbury, Md. for \$80,000 from Beacon Bestg. Corp., recent buyer of WKNB New Britain (Vol. 15:28).

Three applications for TV stations were filed with the FCC last week: For Talahassee, Fla., Ch. 11 educational, by Board of Control of Fla. & Fla. Educational TV Commission; for Baton Rouge, La., Ch. 9, by KLOU; for Clearwater, Fla., Ch. 32, by West Coast Telecasting Corp. (reinstatement). Applications pending total 107 (15 uhf).

TV Now a Quarter of Life: TV homes spend one hour of every 4 watching TV in a typical winter-season week, reports A. C. Nielsen. Viewing being an all-day affair, mornings account for 12% of all TV viewing hours, afternoons 27%, evenings (the largest segment) 57%, and post-midnight, 4%. During a winter week, the average TV home has its set (or sets) on for a total of 41.82 hours.

More than 9 out of 10 TV homes (95%) use their TV sets at least once during the 7-day period, and late-night viewing—which accounts for 3.23 hrs. per week in the average TV household in the hours after midnight—manages to attract a huge audience over a period of a week, with Nielsen reporting 21,120,000 homes engaging in some form of late-late dialing in a typical 7-day period. Here is the full day-night breakdown by segments:

U.S. WEEKLY TELEVISION AUDIENCE

March 1-7, 1959

By Day parts	% of Total	Weekly Cumulative Total		
		TV Homes %	'000	Avg. Hrs. Per Home Reached
Mon.-Fri. Morn.	9	62.3	27,412	5.74
Mon.-Fri. Aft.	19	83.1	36,564	9.33
Sunday Morn.	1	24.2	10,648	1.29
Sunday Aft.	4	62.5	27,500	2.49
Saturday Morn.	2	42.6	18,744	2.06
Saturday Aft.	4	57.2	25,168	2.45
All Evenings	57	95.5	42,020	24.00
12 Mdn.-6 A.M.	4	43.0	21,120	3.23
24 Hr. 7 Day Total	100	95.6	42,064	41.82

Only 2 Canadian TV outlets were approved by Board of Broadcast Governors during July 7-9 hearing. CKSA Television Ltd. got green light for 14.63-kw station in Lloydminster, Alta. (Ch. 2) and CFCY-TV Charlottetown, P. E. I. got approval for .175-kw satellite at New Glasgow, N.S. (Ch. 7). Turned down were CKPG Television Ltd. & Aurora TV Ltd., Ch. 3 applicants for Prince George, B.C., Board stating CBC is unable to provide network programs to area. It deferred action on Ch. 12 application for New Carlisle, Que. by La Television de la Baie des Chaleurs Inc., saying other applicants should have hearing also. Stating it wanted to determine whether arrangements could be made for microwave facilities into western & northern Manitoba, Board deferred action for 3 months on applications for satellites at Flin Flon, Moon Lake, Swan River & The Pas by CKX-TV Brandon, Man. Board also recommended following power boosts: CKWS-TV Kingston, Ont. to 130-kw, CJON-TV St. John's, Newfoundland, to 62-kw, CKTM-TV Three Rivers, Que. to 42.5-kw.

"Will the cash register ring for FM?" asks July U.S. Radio in a special report based on a questionnaire which drew replies from 169 stations. Highlights of the findings: The average FM station which doesn't duplicate AM programs has 31.3% of its commercial time sold, compared with 7.2% of commercial FM time sold for the average FM outlet which does duplicate AM. The average FM station which is operated in combination with an AM (whether programming is duplicated or not) accounts for 11.1% of the total combined billings. Business on the average FM station is 83.5% local & 16.5 national.

New NAB members include 6 radio stations in Hawaii and 31 TV & radio stations in the West—24 in Cal., 2 in Nev., 5 in Ariz. When Hawaii becomes a state officially, it will be added to NAB's District 15.

Site move of WEAR-TV (Ch. 13) Pensacola to a point 24 miles from Pensacola, 26 miles from Mobile (9 miles closer to Mobile than the present site), along with a height increase of 1210 ft., has been granted by FCC.

WTVT (Ch. 13) Tampa, Fla. was granted waiver last week to identify itself with St. Petersburg also.

Foreign

More about

GOLD IN FOREIGN TELEFILM MARKET: To U.S. stay-at-homes, the pricing of American-made telefilms in the overseas TV market often makes little sense. Gross revenues frequently have little relationship to the size or importance of the TV market involved. And there are a host of other problems to consider, notably currency restrictions, production quotas, government-vs.-commercial TV policies, and, of course, the language hurdle (see p. 2).

A 30-min. telefilm series that qualifies under the semi-official British quota system (as having been filmed somewhere in the British Commonwealth with a British unit) can earn as much as \$7,500 per weekly episode in England, for example. The same show in Japan—which isn't too far behind Britain as a TV market in terms of sets & stations—can only earn a ceiling price of \$300 because of government restrictions designed to encourage Japanese production. A sale to a TV network in Cuba will bring only a top rate of some \$230 weekly, but a sale to a network covering French-speaking Canada can pull \$2500 weekly, although the 2 markets are roughly comparable.

Here's the worldwide telefilm "top price" outlook today, for 30-min. telefilm shows, as compiled by ITC's globe-trotting dir. of intnatl. sales Abe Mandell, and shown to us in N.Y. last week:

European Area

Market	Episode Price	Market	Episode Price
Great Britain (excluding Ireland)	*7500	Luxembourg	100
Austria	100	Monaco	100
Belgium	120	Portugal	100
Denmark	145	Spain	50
Finland	50	Sweden	180
France	300	Switzerland	140
West Germany	1000	European total	\$10,135
Italy	250	* Quota sales only. Others \$2500-\$3000.	

Mid-East Area

Iran	\$80	Saudi Arabia	50
Iraq	130	Mid-East total	\$260

Far East Area

Australia	\$1000	Okinawa (starts Sept. 1, 1959)	30
Thailand	65	Philippines	200
Guam	25	Far East total	\$1365
Hong Kong (Closed Circuit)	45		

Latin America

Argentina	\$200	Mexico	*770
Brazil	450	Nicaragua	40
Chile	30	Panama	35
Colombia	100	Peru	30
Costa Rica	35	Puerto Rico	400
Cuba	230	Uruguay	40
Dominican Republic	50	Venezuela	400
El Salvador	30	Latin American total	\$2915
Guatemala	45	* Include Mexico City, \$535.	
Honduras	30		

North America

Bermuda	\$30	North American total	\$4030
Canada (CBC Network)	*4000	*French-Canadian sale only \$2500.	

Rounded out, the top weekly gross the telefilmer can expect on a half-hour film show overseas is thus about \$18,705 per episode, although few, if any, telefilms will have a sales batting average as strong. ("We'd consider \$17,500 weekly as being very, very good," comments ITC's Mandell whose firm predicts \$12 million gross revenue for its first year of operation ending in Oct.) Overseas reruns of the series will add another 40-50%.

What does it cost the distributor to get into this growing overseas market?

First, there's the matter of distribution costs, which syndicators generally figure will run less than comparable U.S. prices (about 15-20%, as against 35% in the U.S.). Second, there's the cost of language dubbing, where necessary to make a sale.

Spanish is the principal dubbed language, with the re-voicing usually done in Mexico City (some producers use Puerto Rican facilities; a few work in Madrid) at a per-show cost that ranges from \$900 to \$1200, depending on how fancy a job you want. These costs are borne by the distributor. Small distributors occasionally trade sales rights in a few areas in exchange for dubbing. Brazil usually takes an English sound track with Portuguese subtitles in preference to a Spanish-voiced show.

French & German, with which most of European TV can be covered, are the other 2 important dubbed languages. Oddly enough, France as a market (\$300 tops per episode) won't sustain dubbing costs in Paris (about \$1200 per episode). But Paris is the center for French telefilm Canada's TV market, worth \$2500 per episode—although it doesn't work the other way around. And Paris dubbing can be used in Belgium, Monaco, Switzerland & Luxembourg.

German dubbing is handled by German TV purchasers, with U.S. distributors delivering English-speaking versions at a net price.

A similar situation exists in Japan, whose government-pegged prices wouldn't begin to pay for full-scale Japanese dubbing. Other worldwide language barriers are nearly always handled with a soundtrack in one of the basic languages, plus subtitles.

As an example of the growing importance of the worldwide market in launching a new telefilm series, ITC's Mandell (who currently has 18 different series selling internationally) cites the firm's new co-production (with Britain's Sapphire Films) series, *4 Just Men*. The first major sale on the series, scored last week, was for a 40-station Canadian Bcstg. Corp. lineup, equalling in effect another 40 markets in the U.S.—where the series is in syndication.

* * *

In another significant overseas move last week, ITC hired Leslie T. Harris, former v.p. in charge of CBS Films, to head the new International TV Production div. of ITC now being established in London with Associated TV Ltd., which is the British partner of ITC's board chairman Jack Wrather. Harris will specialize in overseas co-production film series to be distributed on a worldwide basis by ITC. He will also maintain a relationship with CBS-TV in overseas program development & sales.

Argentine govt. confirmed 5 TV CPs to private interests—3 in Buenos Aires, one each in Mar del Plata and Mendoza—which had been authorized in April 1958 by the then provisional govt. Also being considered in the Argentine congress is a proposed law to confine foreign ownership in TV-radio stations to less than 40%. The same law would also return to private operation all stations formerly privately owned. At present there is one govt.-owned station in Buenos Aires—LR3-TV—which began operating in Sept. 1951, using Western European 625-line standards.

Japanese TV hurts movie-going, says the Japan Movie Producers Federation, reporting that attendance during first-quarter 1959 dropped 13 million from the first-quarter 1958 figure. Japan has 69 TV stations, 3 million TV sets.

Auxiliary Services

20th Century-Fox and Ciba, Swiss drug firm & parent of recently-established Eidophor Inc. (Vol. 15:22) have formed a company in Switzerland, Telepatent, to handle licensing & selling of Eidophor TV projectors. It will concentrate on development of a "new & larger unit" suitable for theater TV. Roderic L. O'Connor, pres. of Eidophor Inc., N.Y., intimated that negotiations to sublicense manufacture of Eidophor units in the U.S. were in progress with GE. He estimates that 40 to 50 Eidophor units, worth about \$800,000, will be shipped from Switzerland by next spring. Twentieth Century-Fox, which has been working on theatrical versions of the Eidophor projector for nearly a decade, will get a percentage on any Eidophor model sold, whether small or large screen.

The Pentagon will use closed-circuit TV to spur sales of surplus property. An 8-hour, 6-city simulcast will be staged Oct. 7 to show \$1.5 million in merchandise available at 3 widely separated military posts. Via projection TV, prospective buyers in N.Y., Boston, Philadelphia, Columbus, Chicago, and St. Louis, will be able to view & bid on merchandise at Philadelphia, Granite City, Ill., and Shelby, O. The telecast, by TelePrompTer, will cost \$81,000. TelePrompTer forecasts that TV sales can be expected to put more profit in govt. surplus auctions, since they mean considerably more buyers, bidding—and competition for merchandise that has previously been sold far under its actual value.

Microwaves serving CATV systems, to get their licenses renewed, will have to show FCC they are honest-to-goodness common carriers. Last week the Commission amended its rules to require that microwaves & CATV systems under common ownership must show that at least 50% of their time & facilities are used to serve subscribers other than the CATV systems—or that they've made an attempt to get such business. The amendment formalizes what the Commission has been telling microwave grantees individually. It also gives such microwaves the same treatment previously accorded microwaves serving the mobile communications field.

FCC has rescinded license renewal of translator K70BA Lewiston, Ida. to Orchards Community TV Assn. because of "unauthorized operation of another translator station on Ch. 76 after the Commission had deferred action on such an application until Orchards had certified that it had authority from KHQ-TV Spokane, Wash. to rebroadcast its signal." Orchards has 30 days to reply.

Translator application for Ch. 70 in Tucumcari, N.M. was turned down last week. FCC upheld examiner H. Gifford Irion's recommendation last March that it deny the application on grounds that the applicant had built the facility without a CP (Vol. 15:13).

Two translators proposed for Palm Springs, Cal. in an initial decision in Jan.—K70AL & K73AD—are due to be upheld. FCC has directed its staff to draw up a document looking toward affirmation.

N.Y. CATV Assn. elects: Jack Pryor, Hornell, pres.; Charles W. Fribley, Corning, v.p.; Albert E. Farone, Oneonta, secy-treas. New directors: Tony Ceracche, Ithaca; Hugh Sutphen, Saranac Lake; W. J. Calsam, Delhi.

CATV-station battlegrounds will be studied first-hand by FCC, following the recommendations of Congressmen. Broadcast bureau chief Harold G Cowgill & economist James B. Sheridan will tour the West in Aug.

Programming

Traffic Jam in Specials: Some form of industry-supported title & idea registration service (such as the movie industry's MPAA) might not be a bad idea in the TV industry, it began to appear this month. We have made this suggestion before, regarding film series—in Vol. 15:13—but now, with producers scrambling to create formats for this season's barrage of specials (270 this season; NBC alone has announced a 3-a-week schedule in addition to its 40 or more one-shot "special specials"), the confusion can be expected to worsen before it betters itself, and a TV title clearing house seems indicated.

CBS & NBC found themselves in a creative traffic jam over a pair of specials, both titled "The Fabulous Fifties," and both dealing with a musical review of the past decade. Originally, the project was announced by CBS (see "Specials for the Networks," Vol. 15:17) this spring, with Leland Hayward as producer of a package tentatively budgeted at \$500,000 for talent costs, and with General Electric named as sponsor. Hubbell Robinson, who is in charge of the Ford specials and who was at CBS when the Hayward project began, is planning virtually the same show as the premiere telecast of the Ford series in early Oct. (Robinson also has Ingrid Bergman signed up for the Ford series—a signing which was reportedly in the CBS works before Robinson left.) The title conflict, at least, has been resolved in CBS-TV's favor, with Robinson announcing last week through NBC-TV that he planned to change the look-alike title on his Ford special, although the subject matter of the 2 shows will still be similar. However, CBS is not completely happy because of the signing of Ingrid Bergman for the NBC series.

This month, another conflict developed between actor Tony Curtis & singer Johnny Desmond, when Curtis announced through his publicity firm he was planning an hour-long musical biography of ill-starred crooner Russ Columbo for January exposure in the Ford series. Desmond promptly challenged the project, saying that he had been working for 5 years on a similar project, and had already paid to have a script developed for either movie or TV use. The Curtis-Desmond dispute is still unresolved.

In a third current conflict, NBC & CBS found they were both planning to do TV versions of Stephen Vincent Benet's "The Devil and Daniel Webster." NBC-TV has scheduled a straight adaptation of MGM's old film version (the film, incidentally, has often been shown in local TV feature shows) for Feb. in the *Sunday Showcase* series with Talent Associates producing. CBS-TV is planning, oddly enough, a musical version of the Faustian story for fall presentation in the *Playhouse 90* series.

Such problems are by no means the only ones of this nature occurring this season to plague TV producers. Music Corp. of America has been offering a 90-min. adaptation of "Oh, Captain!" (a lukewarm Broadway success) to Ford, NBC-TV, and CBS-TV starring Jose Ferrer, Rosemary Clooney and Abbe Lane. Henry Jaffe has been offering the same property, this time with Tony Randall in the lead, as part of a package of *Comedy of the Month*.

Another conflict concerns public-domain "Don Quixote," which Desilu's Desi Arnaz has long wanted to develop into a 90-min. TV musical filmed special, and which is also being eyed by Talent Associates' David Susskind. MCA has plans for a 90-min. adaptation of "Mr. Wonderful" with Donald O'Connor, while, at the same time, William Morris is talking of a TV adaptation of the same property with its original star (and Morris client), Sammy Davis Jr.

Television Digest

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Personals: Robert G. Holben, ex-WTVH Peoria, named gen. mgr., WTTV Indianapolis-Bloomington, succeeding Herbert Nelson . . . George Kapel, ex-KXTV Sacramento gen. sales mgr., named gen. sales mgr., WTOL-TV Toledo, replacing Rus Stone, resigned . . . Ralph Hansen, ex-KYW-TV Cleveland, named program dir., WJBK-TV Detroit.

Frank Nowaczek, ex-National Security Agency, named PR asst. to Edward Whitney, exec. dir. of National Community TV Assn. . . . Fred Metcalf, operator of Guelph, Ont. CATV system, named Canadian rep. of Daniels & Associates, Denver CATV system brokers.

Frederick Pierce promoted from ABC-TV audience measurement mgr. to network research mgr. . . . Robert Schneider named research mgr., CBS-TV spot sales, Joseph Dowling appointed sales promotion mgr. . . . Marvin W. Baiman promoted to NBC research studies mgr.

Chet Wallack named engineering dir., KKTU Colorado Springs . . . James M. Henneberry, ex-KMOX-TV St. Louis, named promotion dir., KPLR-TV same city . . . David D. Kyuk, ex-*Television Age*, appointed local sales mgr., Mid-N.Y. Bestg. Co. (WKTV Utica-Rome) . . . Jerry Wichser promoted to promotion mgr., WFIE-TV Evansville.

Edwin C. Metcalfe promoted from v.p. in charge of Weed TV's West Coast offices to national sales mgr., a new post . . . Jack Hetherington, ex-Adam Young reps, named mgr. of new St. Louis office of Daren F. McGavren & Co. (317 N. 11 St.).

Hugh Carleton Greene, BBC news & current affairs dir., appointed to succeed Sir Ian Jacob, retiring as BBC dir. general. Greene is novelist Graham Greene's brother . . . John Kluge, pres. of Metropolitan Bestg. Corp., departed July 17 for a month's tour of Russia, accompanied by wife & daughter.

* * *

U.S. Information Agency TV service changes: Daniel Lawler named special asst. (for policy & programming) to TV dir. Rommey Wheeler. He is succeeded as USIA-TV production chief by Donald W. Duke who returns from Germany. Peter Barker becomes TV field officer for Europe & the Near East. Giles O'Connor transfers from Washington production staff to N.Y. special events production staff.

Obituary

Harold E. Janis, 53, v.p. & exec. producer, Shellrick Corp., producing organization for Sid Caesar's TV shows, died July 22 of a heart ailment in N.Y. He is survived by his wife, a son, a daughter, brother and sister.

Advertising

British TV Ad Spending Up: British advertisers had a bit of a go at TV last year and apparently concluded that it's their cup of tea. Much more significant than the 26% jump in total ad spending by Britain's top 20 advertisers in 1958 (\$110,600,000 vs. 1957's \$87,920,000) was the shift in ad emphasis: 54% to TV vs. only 43% in the preceding year. Figures are from Saward Baker & Co.

As went the top 20, so went British advertising in general. Total expenditures, at \$1.050 billion, were up handsomely from 1957's \$980 million. In a year which saw British TV homes increase from 4¼ million to 6¼ million, TV ad spending skyrocketed 54%, to \$142.8 million.

The big swing to TV in British ad spending noted by Saward Baker is exemplified by such major firms as Kraft Foods which in 1957 put 28% of its ad budget in TV, 72% in magazines & newspapers. Last year, it reversed almost exactly, placing 73% into TV, 27% in print media. Unilever, far & away Britain's top ad spender (\$25,121,000 in 1958), put 50% of ad budget into TV vs. 38% in 1957.

In Other Media: Some 83 periodicals gained a total of 1295 ad pages during first-half 1959 compared with the 1958 period, says *The Gallagher Report*. The top 5 magazines in ad pages are: *New Yorker*, *Business Week*, *Life*, *Newsweek*, and *Time*. *Reader's Digest* jumped from 47th to 25th place, reflecting a 61.8% page gain . . . The House has passed a bill which will require magazines to furnish the Post Office Dept. with sworn statements regarding the number of their paid subscribers, to maintain second-class mailing privileges . . . "Ladies Home Journal" will increase ad rates nearly 9% (Jan. issue) on a new circulation guarantee of 5.7 million . . . Continuing the magazine drive for regional business, *McCall's* in Nov. will begin a western edition with a circulation of 850,000 in the 11 states. Rates will be based on \$4369 per b&w page.

Advertising People: Ross Legler, account exec., and Maurice Sculfort, associate media dir., named Compton v.p.'s . . . Donald Carter, account exec., and Donald S. Devor, music dir., appointed William Esty v.p.'s . . . W. R. Wright resigns as PR dir., Canadian Natl. Railways to become McCann-Erickson (Canada) Ltd. pres. in October, succeeding the late Evan Walter Hayter (Vol. 15:29).

Myron Sanft, creative dir.; James C. Wickersham and Anthony C. Kupris, mktg. execs. elected v.p.'s Sales Communications Inc. (McCann-Erickson affiliate) . . . James K. Maloney, senior art dir., Doherty, Clifford, Steers & Shenfield, elected v.p. . . . Robert L. Taylor, ex-pres., Taylor, Harkins & Lee market research, named v.p.-mktg. dir., Doherty, Clifford, Steers & Shenfield.

* * *

New reps: WCHS-TV Charleston, W.Va. to Peters, Griffin, Woodward Aug. 1 (from Branham). WEAR-TV Pensacola to Blair TV Assoc. June 15 (from Hollingbery). WMUR-TV Manchester, N.H. to Weed (from Forjoe).

Station Rate Increases

Station	Base Hour	Minute	Date
¹ WLK Marinette-Green Bay	\$300 to \$600 ²	\$60 to \$120 ²	Aug. 1
¹ WTOK-TV Meridian, Miss.	275 to 325	55 to 65	Sept. 1

¹ Formerly WMBV-TV. ² New Class AA (6:30-10 p.m. daily), Class A hour raised to \$400.

Canadian Rate Increases

CKGN-TV North Bay, Ont. ..	180 to 193	45 (no change)	July 1
CHCA-TV Red Deer, Alta.	130 to 170	30 to 70	July 1

Brewers Hop On Film Buys: Fall regional buys of 4 new syndicated series were given a sudsy touch last week by a quartet of major breweries to establish, once again, that beer sponsors have a real thirst for heavy local TV campaigns. (TvB estimates that brewers spent a total of \$40,299,000 for national & regional spot TV last year, much of it in syndication.)

New Orleans' Jax Beer signed for regional spreads on 2 shows, buying Screen Gems' new *Manhunt* series for 20 markets, and MCA-TV's *Shotgun Slade* series for virtually the same number, 19, in its Gulf Coast sales territory. Drewry's Beer also became a *Manhunt* sponsor, signing the SG police-action series for a list of 15 TV markets in the midwest, and picked up ITC's *4 Just Men* for a similar market list.

In other brewery purchases, Schaefer Beer also signed *4 Just Men*, scheduling a 9-market spread in the east, and Weidemann Brewing picked up alternate-week sponsorship (with American Tobacco Co.) of Ziv's new *This Man Dawson* in 4 markets in Ohio & Indiana.

The same show lineup scored sales with some other top sponsors. Miles Labs bought *Manhunt* for an 11-city campaign for Alka-Seltzer on the Pacific Coast; Reynolds Tobacco signed for *Shotgun Slade* for a scattered list of major markets, with Holsum Bread & Donovan Coffee hopping on the Western series in 2 Southern states; American Tobacco's purchase of *This Man Dawson* added 7 major cities to the 4 shared with Weidemann Brewing; and Standard Oil of Texas bought an 11-market spread with *4 Just Men*.

The week's biggest regional film deal was scored by NTA, which earlier this month signed a king-sized beer syndication spread of its own with a 93-market, 2nd year renewal from Anheuser-Busch (Budweiser) for *U.S. Marshal*. This time, the NTA film show was *Grand Jury*, shown to D-X Sunray Oil Co. in a special 60-min. videotaped presentation that included episode trailers and a sales talk. D-X Sunray signed for 44 midwest markets.

Rare Minutes: There's been a 55.7% jump in 60-sec. spot usage in the nation's top 6 markets between the first quarter '57 and same period of this year, says Broadcast Advertisers Reports. At the same time, advertisers are using 10% fewer 20-sec. station breaks than they did 2 years ago and local advertisers are buying more 20-sec. breaks because of the lack of min. availabilities, BAR points out.

"It's a sellers' market for 60's right now" says BAR, with nighttime minute availabilities in the 6 markets "virtually sold out in July" and, from all indications, due to continue that way in Aug. "This might well mean that advertisers who want 60-sec. spots in which to tell their stories at efficient costs will have no alternative other than to make long-term commitments," BAR predicted. Other BAR findings: The price of 60's has been raised by many stations, but not so with 20-sec. spots, which are to be found more easily. Ten-sec. announcements seem to be next to 60's in advertiser preference.

IDs are up: More firms are pouring more dollars into TV IDs, said TvB last week in reporting a healthy rising curve reflected by a Rorabaugh study of spot TV expenditures. The total ID expenditure in 1958 was \$56,825,000, up 16.3% from 1957's \$48,856,000, which ran 4.4% ahead of 1956's \$46,806,000. A total of 189 different firms (vs. 1957's 159 & 1956's 155) spent \$50,000 or more in TV IDs last year.

Film & Tape

Republic's Future: Since Los Angeles financier Victor Carter acquired the controlling stock in Republic Pictures early this month, there has been a growing belief that he intends to get back into TV—and perhaps movie—production. Carter is unavailable for comment and his associates are understandably taciturn. The situation is delicate inasmuch as Republic—when owned by Herbert J. Yates—sold its post-1948 movies to TV without paying Hollywood talent guilds or negotiating any kind of a deal for such payment. Result: the guilds placed Republic on their "unfair" lists, which made it impossible for any actor, director or writer to work for Republic, and which, of course, meant the studio was automatically out of production.

This didn't deter Yates because Republic hadn't been in production for some time anyway. However, Republic is rapidly running out of old movies & TV films to sell to TV. One report has it that Carter may change the company's name and proceed on the assumption that what Yates may have done cannot apply to him. He has not yet contacted the Hollywood guilds.

In any event the guilds on the Coast are watching the situation closely. Screen Directors Guild exec. secy. Joe Youngerman told us he had heard the reports about Republic resuming production, but so far had received no word from Carter. "I plan to contact him when he returns to Hollywood," he said. "If a new company is formed, the situation becomes a legal problem." Screen Actors Guild spokesman Buck Harris told us flatly that such a corporate change would make no difference in SAG's attitude. "Vic Carter is Republic," he commented. "He has taken over the company." Michael Franklin, exec. dir. of Writers Guild of America West, which also has Republic on its "unfair" list, told us: "We'd have to look at their stock structure, but I can't see where a mere change in ownership & name would preclude us from seeking our rights. We don't purpose to sit out in the cold and do nothing about this, if it should come about. We would have to look at the legalities involved."

The Troubled Shooters: The peccadillos of the stars have always haunted TV sponsors & agencies, and when a Keenan Wynn squabble with his wife recently broke into the headlines, the sponsor winced. Accused by the lady of striking her, Wynn not only admitted it but remarked nonchalantly, "All women should be beaten regularly."

It was this comment, more than anything else, which prompted Marlboro, sponsoring Wynn's new TV series *The Trouble Shooters*, and agency Leo Burnett, to want out. But the series, scheduled to begin Sept. 11 on NBC, has 13 episodes ready.

How to find a way out? Last week they went to Hollywood for a look at the telefilms. Previously they had considered exercising a clause having to do with "personal dissatisfaction" with the star, but this would mean reimbursing Meridian Productions for \$600,000 already spent on the United Artists series. Next they considered a loophole about scripts not being delivered on time. But when the production company came up with a valid reason for the lateness, this, too, was rejected.

Marlboro & Burnett ultimately decided that despite Wynn's unwanted headlines, they would proceed with the venture. Remarkd Allen Rivkin, former producer of the series (Frank P. Rosenberg last week was named as the new producer): "Why, this sort of publicity will help Keenan. He comes off as a real man."

HOLLYWOOD ROUNDUP

Bing Crosby Productions is negotiating with NBC for its *Lincoln Jones* pilot, made for ABC, but for which the network couldn't find a time slot . . . ABC's Oldsmobile-sponsored Bing Crosby special (Sept. 29) has lost guest Dean Martin to Ford. A sponsor conflict arose when Martin, originally slated to appear on Timex specials, switched to the Ford series instead.

Filmaster Productions has begun production on 39 episodes of *Death Valley Days* at Republic. U.S. Borax & Chemical Corp. sponsors . . . American Television Productions, headed by Albert J. Cohen, is preparing pilots on 4 series: *25 Rue d'Americaine*, *On 5th Avenue*, *Girl About Town*, and *The Holy Terror* . . . Warner Bros. had a record production tempo in TV last week, with 11 telefilm companies shooting, and 12 shows in preparation.

Oral contract between NBC-MCA for *Whispering Smith* apparently was too quietly spoken, because MCA believes the network ordered 26 segments; NBC says 13. Result: the Revue Productions Western won't go on as planned in the fall. The outlook now is for a Jan. getaway, if the hassle is settled.

Filmaster Productions has acquired rights to the "Mrs. Candy" novels from Doubleday & Co. and the estate of author Robert Tallant, and plans a half-hour telefilm series . . . George Bilson will produce a series of 260 5-min. telefilms called *What's the Law?* He obtained the rights to "Law," a human interest-legal syndicated column, from N.Y. attorneys Jack & Michael Strauss . . . George Production's pilot telefilms of *Rube Goldberg Inventions* go into production at Gen. Service Studios in Aug.

A second VTR Mobile Productions Inc. mobile video tape unit goes into operation in Hollywood in Aug. The company is owned by Irvin Atkins, Bill Kayden, Dave Carson and Hank Gilbert. A new \$300,000 unit bought by the company will be used for John Guedel's *On the Go*. VTR's present mobile unit will become a rental unit after VTR completes its purchase from Guedel & Art Linkletter, who presently own it. Rental charges will range from \$1000 to \$2000 a day.

Muriel Davis, 18-year-old former Olympic gymnast, was signed last year for \$20,000 annually by producer Ken Murray and RKO Teleradio to star in *El Coyote*, an adventure teleseries. She collected her salary although RKO didn't produce the series, but turned it over to ABC instead. This year, ABC, although not making the series, is keeping Miss Davis on the payroll at \$25,000 just in case. That's \$45,000. Miss Davis is spending the year improving her mind at the U. of Ill.

Art Theatre of the Air Inc. is releasing 52 foreign, post-'54 movies, the titles are undisclosed. The package reportedly contains British, French and Italian films featuring such stars as Ingrid Bergman, Sophia Loren, Brigitte Bardot and Gina Lollobrigida. Video Artists Inc. is handling distribution.

"The Killers," produced as a feature film by Mark Hellinger in 1946, will be adapted for CBS's first 90-min. Hemingway special next season, with Anthony Franciosa as the most likely candidate for the starring role of "Swede."

CNP Canadian sales soared 65% during 1959's first-half compared with the same 1958 period, reports v.p. & gen. mgr. Jake Keever. Cal. Natl. Productions' Canadian distributor, Fremantle, attributes the half-year high to north-of-the-border TV expansion (55 stations, 3.5 million sets) and new practicability of dubbing film into French.

NEW YORK ROUNDUP

NBC is negotiating to buy CBS's ownership in Four Star's *Richard Diamond, Private Detective*. The series has been on CBS for the past 2 years, and NBC has an open spot for it but is reluctant to have CBS Film Sales syndicating the 52 *Diamond* episodes already shown.

Movie attendance continues to increase and is leading the film industry to its first major upturn in a decade, reports researchers Sindlinger & Co. Total movie attendance in May & June 1959 was up 17.3% & 6% respectively over the same 1958 months. Drive-in theatres, which pace the gains, were up 34.8% in May-over-May & 10.5% in June-over-June. Total June 1959 attendance for all theaters was 29% greater than for the previous month.

CBS is selling the Alvin Theater, 1319-seat legitimate house owned by the network since 1946, to Max & Stanley Stahl, owners of Mark Hellinger theater. Negotiations for the sale were handled with CBS by Stahl attorneys McLaughlin & Fougner.

MCA-TV's Paramount feature package has grossed close to \$60 million to date, nearing Paramount pres. Barney Balaban's projected figure of a "\$75 million gross by 1960" (Vol. 15:23), MCA tells us.

ABC Films' *The People's Choice* picked up 12 additional markets last week, while *The Adventures of Jim Bowie* added 17 stations in the past month.

Four Star Films' *Tales of the Plainsman* has been slotted for NBC-TV's Thurs., 7:30-8 p.m. spot next season. No sponsor as yet . . . Another Four Star series, *Richard Diamond*, is almost a sure thing in the network's Mon., 7:30-8 p.m. slot.

Old film series never die, they just go on & on in syndication. Ziv's *Economee TV*, oldest & biggest of the low-priced rerun offshoots of syndication majors, last week reported that sales for the first 6 months of 1959 were 62% higher than the same period last year. The gain was marked, *Economee's* gen. mgr. Pierre Weis noted, by "a growing trend to programming of action-adventure shows with strong appeal to women in daytime." Ziv oldies sold by *Economee* include *I Led 3 Lives*, *Boston Blackie*, *Martin Kane* and *Science Fiction Theatre*.

TV quiz-show grand jury presentment should be released, the N.Y. Citizens Union asserted last week, on the ground that "there was suspicion that the public had been 'hoaxed' by the shows." The union contends that suppression of the grand jury report would have an opposite effect of "persuading the public that everything is hunky-dory."

Marlene Dietrich, filmdom's durable glamor symbol, may join the ranks of TV salesladies like Betty Furness, Julia Meade, and Barbara Britton. William Morris Agency is currently arranging a \$2-million, 3 yr. deal for the actress in N.Y. to be "product spokeswoman" in the Revlon-sponsored series of 15 Goodman Ace specials this fall on NBC-TV.

Station group buying is emerging again in the telefilm field. Included in ITC's first round of sales on *4 Just Men*, now launched in syndication, is a group deal with Crosley stations in 5 markets.

MCA-TV has picked up 2 additional markets for its Paramount features package, with sales to KCMO-TV Kansas City, Mo., and WTRF-TV Wheeling, W. Va. The current total no. of stations airing MCA-sold features: 59.

United Artists Associated is moving its N.Y. office to the 11th floor of 247 Park Ave. July 27 (telephone Murray Hill 7-7800).

'TUNNEL DIODE' MADE TO ORDER FOR TV: Make way for the tunnel diode, latest of electronics' mighty mites. This wonder baby, due to mature and report for work in 2-4 years or sooner, is made to order for battery-operated portable TV, uhf sets, tiny FM sets and many military items.

Now being perfected by GE—and available in sample quantities for circuit-development purposes in couple of months—is latest “transistor replacement,” and it looks like real “major breakthrough,” to borrow much-overworked phrase from electronics press agents. Based on principle noted in Jan. 1958 by a Japanese scientist, tunnel diode can be made smaller than transistor and does many things a transistor does—but better. It works on entirely different principle. And GE promises it will be cheaper & easier to produce than transistor. Consider these advantages which will make it ideal for TV amplifier & oscillator uses:

(1) High oscillation frequencies. The high frequencies required for TV-FM have been among biggest obstacles to use of transistors in past. Tunnel diode, even at this developmental stage of game, will oscillate at frequencies as high as transistors have attained to date (higher than 2000 mc).

(2) Low noise. Tunnel diodes already have been built with noise level 10 to 30 times lower than transistors, 3 to 9 times lower than triode vacuum tube. Their only competition in low-noise amplification are the expensive parametric amplifiers & masers. This will mean far more sensitive TV sets, uhf circuits as sensitive or more sensitive than vhf is now—probably at no greater cost. If tunnel diode meets its advance billing, work being done by some TV manufacturers to adapt expensive & ticklish parametric amplifiers to TV circuits (Vol. 13:9) now may be discontinued.

(3) Low power requirements. Developmental tunnel diode requires one millionth of a watt for operation, as opposed to a thousandth for a transistor, about a tenth for triode tube—another advantage in portable TV-radio use.

Versatility of unit is amazing. GE explained in N.Y. last week, for example, that single tunnel diode can perform simultaneously all of these functions in an FM receiver: amplification, oscillation, conversion, limiting, detecting & AFC. This can make possible—and soon—the true wrist-watch radio transmitter or receiver, at a reasonable cost.

Because of wide variety of military, space & atomic energy uses, perfection of this new tiny semiconductor is expected to come rapidly. Consumer electronics will benefit more quickly as a result.

NEW PROPOSAL TO COMBAT IMPORTS: Don't expect any help from Govt. in combating inroads of Japanese imports. It's industry's lone fight, perhaps with an assist from organized labor. That's word from EIA leaders and component industry figures with whom we talked last week. One top EIA official has a plan—which he intends to propose at the trade association's fall meeting—to push “buy American” program as weapon against imports.

Most parts makers see automation as best solution to Japanese competition. Their business is booming now, however, and they've suffered very little as result of electronic items shipped in from overseas.

Due to be proposed at EIA's fall meeting by EIA treas. Leslie F. Muter, pres. of The Muter Co. (speakers & components) is this 2-part program: (1) Strong “buy American” campaign, with industry & labor backing, and (2) legislation to require any product containing foreign parts to clearly indicate this fact in legible fashion on the cabinet. (Muter specifies letters not less than one-eighth-inch high.)

“We can't do anything with the Commerce Dept. or OCDM [Office of Civil & Defense Mobilization],” Muter told us—referring to long-time EIA efforts to bring to attention of govt. authorities the necessity to preserve all U.S. electronic production & research capacity in case of mobilization emergency. A veteran of import wars, Muter saw Christmas-tree light business shot out from under his own company by Japanese products, has been tireless campaigner for action to fight imports. He holds no grudge against set makers who are dealing or contemplating dealing with Japanese, however. “They had to protect themselves,” he said.

He agrees with other parts makers that impact of imports on parts industry is concentrated in transistor radio field—the 2.5 million units imported last year meant fewer orders for U.S. radio parts. Imports are making inroads only in field of “high-labor-content” items—such as transistors & tiny loudspeakers (but not big ones).

Where labor isn't big percentage of cost of a part, Japanese are at a disadvantage. Muter points out, for example, that first U.S. speakers for transistorized miniature radios cost manufacturers \$1.06 each—then along came the Japanese with a unit for 53¢ (plus duty & shipping charge). "But they still can't compete in the field of large speakers, where materials represent most of the cost and shipping charges are high."

Not that components business is suffering—it isn't. Spurred by military orders plus brisk consumer demand for TV-radio-stereo, parts makers are enjoying healthy upsurge. But there is concern about future.

EIA parts div. v.p. Russell E. Cramer Jr., v.p.-secy. of Radio Condensor Co. (tuning capacitors, etc.), put it to us this way: "We are seriously alarmed about what can happen. The threat is there, and we are not going to get any help from our Govt. So we are fighting with our best possible tools—'buy American,' with service and engineering quality the Japanese can't touch, and with salesmanship."

His company is "loaded with orders" now, says Cramer, and aim is to get as close as possible to complete automation. Labor represents 30-35% of cost of a tuning capacitor—"but nevertheless our cost is only about 18% higher than the Japanese for equivalent capacitors."

Similar sentiments came from Ray F. Sparrow, exec. v.p. of big capacitor-maker P. R. Mallory & Co. "The Govt. in the long pull can't do anything about the situation. The competition now is primarily in the field of radios & transistors. Sooner or later, the manufacturers are going to have to mechanize as completely as possible. Then foreign competition will be less & less effective."

"We haven't felt the competition in our business," said Sparrow. "Labor isn't nearly the same percentage of cost in capacitors as in transistors. The only effect we've really felt is in finished products which are made in Japan and therefore don't use American parts."

"I don't see that any component makers have been suffering," said v.p. Jesse Marsten of International Resistance. "The radio manufacturers are hurting—they're first in line. But I haven't seen any Japanese resistors coming in—not like they did during the stratospheric rise of TV in the early '50's when U.S. industry didn't have the capacity to supply the parts. Of course the transistor situation is the worst, because of the high labor content . . . Automation is the answer."

OPTIMISM HIGH DESPITE STEEL STRIKE: If steel strike lasts more than 6-7 weeks, consumer electronics industry will feel its impact strongly—along with rest of economy. That's conclusion of TV-radio & parts manufacturers with whom we discussed situation last week. Barring long strike, however, general economic indicators point to continued consumer spending.

TV-radio-phono and electronic parts manufacturers, who don't depend heavily on steel anyway—using only about 100,000 tons of cold rolled sheet a year—have generally stocked up on their steel requirements into Oct. or later, in anticipation of the strike. "If it's a 3-month strike," one manufacturer put it, "we won't need any steel, because nobody will be buying anyway."

Business barometers are all to the good—again barring long strike. Gross National Product rose to record level during 2nd quarter, Govt. estimated. Personal income after taxes also set record, even after discounting reduced value of the dollar. Consumer spending increased sharply.

More people are in mood to buy, U. of Michigan's Survey Research Center reported. May-June study showed consumers' desire for new appliances was at least 10% greater than year earlier. It foresaw no buying spree, but reported that people generally feel they are better off than year ago, that many more are looking forward to "good times in the year ahead" and that increasing number believe now is "good time to buy."

TV-RADIO PRODUCTION: EIA statistics for the week ended July 17 (28th week of 1959):

	July 10-17	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	83,907	73,087	56,130	2,945,939	2,305,430
Total radio	198,703	198,096	161,756	7,507,557	4,915,651
auto radio	59,425	71,369	49,771	3,031,415	1,557,709

Average TV set price declined from May to June—one of few categories to show a drop as Labor Dept.'s Consumer Price Index climbed to all-time high in biggest monthly jump since March 1958. The index as a whole went up 0.4%, while consumer durables climbed 0.1%. In addition to TV, price declines were registered by new cars, fuel oil, plumbing & heating equipment, some apparel.

Many TV set owners think they're buying all-new picture tubes when they're getting rebuilt ones, Kimble Glass Co. v.p. J. P. Kearney says, citing a survey made for Kimble by National Family Opinion Inc. He said the survey showed that 79% of families interviewed thought they had bought "new" tubes, although only an estimated 20% of replacement picture tubes sold actually are all-new.

New Philips Combine: Formation of a new electronics-electrical-pharmaceutical firm with sales totaling more than \$90 million annually and a net worth of \$50 million—composed largely of Philips companies in the U.S.—was started last week (Vol. 15:15).

The new company would be called Consolidated Electronics Industries Corp., and would be made up of the present Consolidated Electronics, Philips Industries Inc., Central Public Utility Corp. and Advance Transformer Co. It would seek N.Y. Stock Exchange listing, replacing the old Consolidated Electronics stock. A subsidiary, Philips Electronics & Pharmaceutical Industries Inc., would be formed from Philips Electronics, Anchor Serum Co., Islands Gas & Electric Co. and Philips Roxane Inc. Listing for subsidiary would be sought on American Exchange.

Directors of Consolidated Electronics, Philips Industries and Central Public Utility approved the merger last week. Pieter van den Berg is expected to become pres. of the new combine—the same post he now occupies with the present Consolidated. The new company would be one of the 400 biggest in the U.S. and one of the 30 biggest firms in the electronics field. The Philips companies are virtually independent of Philips' Lamp Works (Netherlands).

Admiral vs. Russia: Display of a Russian TV set called "Admiral" at the current Soviet exhibition in the N.Y. Coliseum (Vol. 15:27) has resulted in a caustic protest by pres. Ross Siragusa of Admiral Corp.—U.S. Admiral Corp., that is. In a letter to exhibit gen. mgr. Alex N. Manzhulo, Siragusa claimed infringement of his firm's proprietary trade mark—registered at the U.S. Patent Office and in most countries. "We have no intention of starting an international incident," he wrote, "but we definitely want to safeguard our trademark." He asked the Russians to remove the set from the show and to refrain from selling any TV or radio set using the Admiral name.

Moving deeper into sound & hi-fi fields, CBS Electronics last week announced a licensing & distribution agreement with Ronette of Amsterdam, Holland. CBS will hold distribution & licensing rights in U.S. & territories for Ronette phono cartridges, microphones, pickup arms and other products. Ronette will be licensed to make & sell the Columbia CD phono cartridge in the European market. Ronette products have had wide distribution in the U.S. to phono makers & parts distributors by Ronette Acoustical Corp., N.Y., now succeeded by CBS Electronics. Another CBS department, Columbia Phonographs, is also in the import business, distributing transistor radios made by Columbia's Japanese affiliate.

Hazeltine has acquired Wheeler Labs, missile electronics engineering firm, as a wholly-owned subsidiary, Hazeltine chairman-pres. W. A. MacDonald & Wheeler pres. H. A. Wheeler announced last week. Wheeler will continue as pres. of the 12-year-old firm, which operates facilities in Great Neck & Smithtown, N.Y.

Sylvania Electro-Specialties is a new organization formed by Sylvania to market closed-circuit TV equipment. It will concentrate initially on Sylvania's new low-cost TV camera, now in pilot production. Bernard O. Holsinger, former Sylvania sales prom. dir., is dir. of marketing of the new department.

Two or more sets are owned by 25% of metropolitan Detroit families, according to a survey by U. of Michigan's Detroit Area Study. Other area TV facts: About 5% of homes have 3 or more sets, 2% have color sets. Nearly 30% of families with children have 2 or more sets.

FTC's Jangling Jungle: A short expedition into "the strange little world of FTC Chairman Earl W. Kintner" is undertaken by *NARDA News* in its July 13 issue. It returns with the conviction that FTC, in effect, is fair to unfair competition. In an analysis of "The FTC & the Jungle Theory of Marketing," the publication makes the points that FTC sees no unfair competition in manufacturers selling to their own retail outlets at prices lower than they charge wholesalers who supply independent dealers; that FTC is opposed to pending Congressional "territorial security" bills which would permit manufacturers to allot definite sales territories to franchised dealers; that FTC disapproves of proposed legislation that would give wholesalers a "functional discount" on prices given by manufacturers to chain retailers who buy directly. The discount would enable the wholesaler to supply small, independent retailers at prices which would permit them to compete with the chains.

Editorialized *NARDA News* to its dealer readers: "Somehow, you just don't fit into that strange little world of Mr. Kintner. You keep cutting paths through his jungle, disturbing its natural state and defying its lion-eat-deer natural laws."

Trade Personals: John L. Burns, RCA pres., left by air July 21 for Europe, where he'll visit U.S. Exhibition in Moscow as well as Rome, Berlin & Paris . . . Thompson H. Mitchell, RCA Communications pres., is serving as special communications advisor on the Vice Presidential party's tour of the Soviet Union.

Larry L. Malin promoted from Admiral regional sales mgr., Cleveland, to new post of field merchandising supervisor . . . Ben Goldner named mfg. v.p., Dynamic Electronics-N.Y. Inc. . . . Zeus Soucek, ex-Du Mont & Bendix, one-time pres. of Philharmonic Radio, promoted from General Mills mechanical div. general mgr. to v.p. & head of new Washington office (Solar Bldg., 16th & K Sts., N.W.).

Thomas E. McCarthy named PR mgr., Sylvania Electronic Systems, headquartering in Waltham, Mass.; Robert S. Mason, ex-sales engineer, eastern region, named entertainment equipment sales mgr. for eastern seaboard, headquartering in Teterboro, N.J.; Eugene M. Sorensen promoted from sales engineer to industrial equipment sales mgr., midwestern region . . . Sid Weiss, ex-American Electronics, named district mgr. of Orr Industries' new southern Cal. sales office (1715 E. Walnut St., Pasadena).

Emmet Cameron named exec. v.p., Varian Associates, continuing as gen.-mgr. . . . Richard L. Lawrence, ex-Gianini, named adv. & sales promotion mgr., Hughes semiconductor div.; Alexander F. Brewer promoted from head of missile electronics section to technical dir., Hughes products group . . . Fred E. Burnham named Litton Industries' Md. div. mgr. of antenna & Microwave section.

David D. Coffin promoted from v.p.-mgr. of Raytheon missile systems div. to group v.p.-govt., succeeded as mgr. by T. C. Wisenbaker, former asst. mgr.; Homer R. Oldfield elected v.p., continuing as govt. equipment div. mgr.; E. Nevin Kather promoted from asst. mgr. to mgr., microwave & power tube div.

Control of Cornell-Dubilier Electric Corp. has been acquired by 4 top officials of Federal Pacific Electric Co., Newark, N.J., producer of electrical distribution & control equipment. Federal Pacific pres. Thomas M. Cole, chairman Louis W. Cole, exec. v.p. Frank H. Roby, and sec.-treas. Edward Bierma obtained 25% of Cornell-Dubilier stock, were elected to the firm's 7-member board.

Telechrome Expansion Continues: Telechrome Mfg. Co., Amityville, N.Y., which started in 1950 as a developer & manufacturer of color telecasting equipment, continues to expand its activities. Following its absorption of Encapsor Products Inc., maker of solid-state encapsulated circuits, early this year (Vol. 15:6), it is now "working on a number of situations," according to pres. J. Raymond Popkin-Clurman.

Among the firms with which Telechrome is discussing possible acquisition is Hammarlund Mfg. Co., old-line maker of amateur radio & communications equipment. Popkin-Clurman says this "situation is now approaching some kind of disposition," but no agreement has been reached. Among the "many other" with which Telechrome is talking is a plastics firm.

Telechrome is also "taking over the general management, policy and planning" of Universal Transistor Products Corp., Westbury, N.Y., using funds obtained by independent financing. Universal has been operated by a court-appointed trustee since last February when it filed for reorganization under a Chapter X petition. Said Popkin-Clurman: "Telechrome receives from Universal and its major stockholders & creditors a substantial percentage of Universal stock and most of the outstanding notes against Universal. Although Telechrome will have an option to acquire over 80% of Universal stock over a period of time, initially Telechrome's interest in Universal will be substantially less than 50% and will be considered purely as an investment."

Universal's trade creditors will be paid 100% over a period of years, says Telechrome, and many other debts will be paid off in the first few months. The reorganization "will provide Universal with a balance sheet showing substantial net worth with sufficient cash to continue business in a normal manner." Universal makes transistorized power supplies and radiation detection equipment.

Despite this widespread diversification, broadcasting & test equipment for broadcasters still comprise a third of Telechrome's business, according to Popkin-Clurman. Among recent large orders signed by the company was \$250,000 worth of studio & test equipment (including color gear) sold during Popkin-Clurman's recent trip to Japan.

EIA appointments: Robert T. Borth, GE, was named chairman of EIA's new congressional information committee, which will function under the policy supervision of the legislative policy committee. August Diener, P. R. Malloy & Co., is the new chairman of the credit committee, with William F. Trace, Westinghouse, vice chairman of the committee's western group and Albert Wilkens, Clarostat, vice chairman of the eastern group. Robert F. Chambers, Hycon, was appointed chairman of the exec. comm. of the western branch, military relations dept. The military relations dept. also announced appointments of these committee chairmen: George Hogg Jr., Westinghouse, accounting & cost principles; A. David Russell, Sylvania, facilities & govt. property; Frank E. Greene, RCA, general contract provisions; Elmer J. Gorn, Raytheon, patents & copyrights; C. L. Covington, Texas Instruments, renegotiation; Edwin P. James, Collins Radio, termination.

Fair Trade Dies: Federal legislation permitting brand manufacturers to fix retail prices on their products—sought by NARDA & other trade organizations—was killed last week. Following June hearings, a special Senate Commerce subcommittee headed by Sen. Thurmond (D-S.C.) decided that "no action would be taken this year."

Finance

Time Inc. reports first-half revenues from its publishing, broadcasting & paper products activities set an all-time half-year record, and net income was 13.2% over the comparable 1958 period. (Time's stations: KLZ-TV & KLZ Denver, WOOD-TV & WOOD Grand Rapids, WFBM-TV & WFBM Indianapolis, WTCN-TV & WTCN Minneapolis, plus KTVT & radio KDYL Salt Lake City both of which are now subject of sale negotiations with Columbia Pictures.) For 6 months ended June 30:

	1959	1958
Revenues	\$131,802,400	\$124,410,000
Net income	6,043,800	5,340,000
Earned per share	3.09	2.73

Storer Bcstg. Co. reports net profit of \$2,714,549 (\$1.09 a share) for 6 months ended June 30, including \$582,417 net capital gain on the sale of radio WAGA Atlanta. Excluding this capital gain, 6-month earnings were \$2,132,132 (86¢ a share) vs. \$1,729,620 (70¢) in first-half 1958. Earnings for 2nd-quarter 1959 totaled \$1,690,366 (68¢) vs. \$1,107,949 (45¢) for the same 1958 period. Storer also reported last week that its purchase of radio KPOP Los Angeles (Vol. 15:15, 17) was consummated June 30.

Arvin Industries' earnings for first-half 1959 were more than triple those of the 1958 period, while sales were up about one-third. For 6 months ended June 30:

	1959	1958
Net sales	\$32,115,771	\$22,774,922
Net income	1,095,084	290,759
Earned per share	97¢	25¢

For 3 months ended June 30:

Net sales	\$16,177,346	\$11,586,850
Net income	582,851	253,261
Earned per share	51¢	22¢

General Bronze Corp. reports for the 6 months ended June 30:

	1959	1958
Net sales	\$18,891,593	\$12,193,062
Net income	531,105	261,182
Earned per share	1.39	69¢
Shares outstanding	382,317	380,377

International Resistance reports a sharp improvement in earnings for the 25 weeks ended June 21, and pres. Charles Weyl said "it appears likely that the profits for the full year will set a new record for the company." For 25 weeks ended June 21:

	1959	1958
Net sales	\$9,409,128	\$5,846,958
Net income (loss in '58) ..	927,601	(71,248)
Earned per share	68¢	—
Shares outstanding	1,370,198	1,354,298

Reports & comments available: Electronics stocks, special report by Bache & Co., 35 Wall St., N.Y. . . . Industro Transistor Corp., prospectus, Hardy & Co., 30 Broad St., N.Y. . . . Seeburg Corp., prospectus, White, Weld & Co., 20 Broad St., N. Y. . . . Fanon Electronic Industries, prospectus, L. D. Sherman & Co., 39 Broadway, N.Y. . . . CBS, report, Thompson & McKinnon, 11 Wall St., N.Y. . . . Sprague Electric, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. . . . Daystrom, analysis, Butcher & Sherrerd, 1500 Walnut St., Philadelphia.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Desilu Productions ..	—	\$0.15 Aug. 28	Aug. 14
Oak Mfg. Co.	Q	.25 Sep. 15	Sep. 1
Paramount Pictures ..	Q	.50 Sep. 11	Sep. 1
Speer Carbon (new) .	—	.17½ Sep. 15	Aug. 28
Sperry Rand	—	.20 Sep. 24	Aug. 13

RECORD SALES FOR RCA: Sales of RCA, it was announced last week, established a new first-half record of \$633.7 million, and profits were \$19.4 million, 44% higher than the \$13.5 million recorded in first-half 1958. Second-quarter profits were also up 44%, while sales increased 18%.

Pres. John L. Burns attributed the increases largely to "the steadily broadening base of RCA's activities; contributions to sales & profits by new divisions as well as expansion of others, and continuing results of the profit-improvement plan announced last year, which has brought about higher operating performance & lower costs."

RCA's report for 6 months ended June 30:

	1959	1958
Sales	\$633,700,000	\$542,600,000
Profit before taxes	38,800,000	27,000,000
Net profit	19,400,000	13,500,000
Earned per share	1.29	86¢
Shares outstanding	13,848,696	13,843,394
For 3 months ended June 30:		
Sales	\$311,900,000	\$264,200,000
Profit before taxes	13,000,000	9,000,000
Net profit	6,500,000	4,500,000
Earned per share	41¢	27¢

General Transistor stockholders last week approved a 2-for-1 stock split and voted to increase authorized stock from 750,000 to 2 million shares.

Desi & Lucy in Financeland: At Desilu Productions' first public stockholders meeting in Hollywood last week, pres. Desi Arnaz announced that first-fiscal-quarter (ending Aug. 1) profits will equal the total net profits of around \$249,500 (22¢ a share) for the entire fiscal year ended May 2. And, he added, second-quarter profits should exceed the first, bringing the first-6-months net to double the profit for all of last fiscal year. Arnaz said the quarterly increase was estimated on Desilu's current contracts, which will gross not less than \$23.5 million this season, a hike of \$3 million or 15% over the last fiscal year.

At times the gathering resembled an *I Love Lucy* version of a stockholders meeting, particularly in the Q-&A session. Asked one attractive blonde stockholder: "How do I get a job as a gangster's gal in *The Untouchables*?" Arnaz suggested she see producer Quinn Martin. Another stockholder asked if the pres. and v.p. (Desi & Lucy) would give autographs after the meeting. They obliged—as did board member George Murphy. Asked about oil prospects at Desilu Culver studios, Arnaz quipped: "I've got the vinegar and if we get the oil, we'll have a helluva salad in Culver City."

Arnaz told stockholders it would be necessary during the next 7-month production season to use about \$3 million of interim financing from the Bank of America. He also reported Desilu's new series, *The Untouchables*, as sold to the ATC group in Australia, although production won't begin until next month. Negotiations are also underway for the two 60-min. "Untouchable" shows seen on *Desilu Playhouse* to be released in England & other areas abroad. Stockholders unanimously approved a stock-option plan to offer up to 3000 shares to employes who agree to remain with Desilu for at least 13 months following granting of options. Maximum aggregate per employe would be 45,000 shares.

Loew's Inc. reports a strong recovery in the 12- & 40-week periods ended June 4. Included in the gross figures below, TV revenues for the 40-week period totaled \$12,050,000 compared with \$9,757,000 for the same 1958 period; records & music divs. raised their gross to \$9,225,000 from \$7,011,000; and film production-distribution operations brought in \$5,423,000 compared with a loss of \$7,114,000.

	1959	1958
Gross revenues	\$103,445,000	\$86,514,000
Net earnings (loss in '58)	6,157,000	(683,000)
Earned per share	2.31	—
For 12 weeks to June 4:		
Gross revenues	\$31,073,000	\$28,620,000
Net earnings (loss in '58)	1,359,000	(106,000)
Earned per share	51¢	—

RKO Teleradio (WNAC-TV & WNAC Boston, KHJ-TV & KHJ Los Angeles, WOR-TV & WOR N.Y., WHBQ-TV & WHBQ Memphis, radio stations KFRC San Francisco & WGMS Washington and 1/3 of CKLW-TV & CKLW Windsor-Detroit) had a net profit of more than \$3.6 million in the 6 months ended May 31 and should net \$6.5 million for the fiscal year. So said M. G. O'Neil, exec. asst. to the pres. of parent General Tire & Rubber Co. last week. RKO Teleradio had a net loss of \$237,377 last year as a result of liquidation of its motion picture operations.

Stanley Warner Corp. the diversifying theater chain which owns WAST Albany, reports improved sales & earnings for 39 weeks ended May 30:

	1959	1958
Sales, etc.	\$92,869,840	\$84,952,976
Net income	3,591,330	1,706,017
Earned per share	1.77	83¢
Shares outstanding	2,025,399	3,028,399

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

CANADIAN TV OPENS UP with long-awaited decision to grant licenses to competitive stations in heretofore one-station cities. U.S. broadcasters seen watching situation for opportunities to invest in new outlets (pp. 1 & 10).

Congress

SENATE OVERRULES LAR DALY—with Sec. 315 reservations about trusting broadcasters to be fair in political newcasts. House action due next (pp. 2 & 6).

BASEBALL BLACKOUT SPECTRES for TV raised again at Senate hearings on sports anti-trust exemption bills. But chances of passage this session are slim (p. 4).

FCC

INDUSTRY EVALUATES OPTION-TIME PROPOSALS, affiliates opposing reduction in hours. KTTV says FCC must follow Justice Dept. SRA urges "reserved time" (pp. 2 & 5).

FOUR VHF DROP-INS PLANNED AS SPECTRUM CHURNS. FCC issues progress report on channel-swap dickering with OCDM. Harris's controversial spectrum bill (pp. 3 & 7).

Film & Tape

RCA'S TAPE SHOWCASE will be an 8-recorder independent rental studio in N.Y. operated by Reeves Sound Studios. Selling point: simplified editing (p. 15).

Networks

TV's MATURITY AS NEWS MEDIUM underscored by coup on Nixon-Khrushchev taped debate and industry's insistence on news freedom despite govt. pressure (p. 3).

NETWORK TV BILLINGS are still on the rise as first half closes 9.3% ahead of 1958 period & June runs 10.7% ahead of June 1958 (p. 9).

Advertising

FOREIGN AUTOS—LOCAL BUSINESS so far as TV is concerned. Despite small car threat from Detroit, foreign automakers eschew network TV for local spots, print media (p. 13).

ALL-TIME HIGH AD VOLUME of \$10.9 billion predicted for 1959 by Printers' Ink, which sees network & spot TV up 11%, radio up 1%. Final 1958 estimates compiled (p. 13).

Manufacturing & Distribution

AVERAGE TV PRICE HIGHER this year than last on basis of factory figures. First-half average is \$133 vs. \$131 last year, continuing upward trend (p. 18).

NEW WESTINGHOUSE "IMAGE" includes stress on independent service, quick parts availability, 4 complete furniture-designed TV-stereo lines (p. 18).

GENERAL DYNAMICS HOLDS LEAD among electronics firms in Defense Dept. list of top 100 contractors. Electronics about 10% of all awards (p. 20).

CANADA GIRDS FOR TV COMPETITION: Canada's long-awaited decision to open its TV cities to competitive commercial stations come Sept. 15 (Vol. 15:30)—thus ending much-criticized "open city" monopoly long enjoyed by CBC and some private interests—is still too fresh to be fully clear in all its ramifications. But this much you can bank on:

As soon as Canada's choice TV markets go up for grabs, action will be fast & furious, and U.S. broadcast interests—networks, station chains, independents with near-border locations & Canadian contacts—may well be substantially involved. Of course, U.S. hopefuls will get a real run for their investment money from native Canadians and from other "alien" TV enterprisers trying to get into Canadian TV. British commercial program contractors, flushed with success of their first few years of operation—and with plenty of investment money to spend—are known to be interested in helping their Canadian cousins with financing & programming—perhaps even to extent of participating in formation of a new Canadian network.

Among welter of rules & regulations giving boot to obsolete one-station-per-city policy is one governing ownership content of a new competitive station: Its presiding officer & two-thirds of its directors must be Canadian citizens; three-quarters of its voting stock must be owned by Canadian citizens. Conversely, of course, this means that non-citizens can own up to 25% of a given station. (FCC is less generous, limiting alien ownership of U.S. stations to 20%). Surprisingly, our talks with American broadcasters reveal that not too many are aware that the Canadian 25% alien-ownership clause actually came into being last year, as Sec. 14 of Canada's Broadcasting Act.

Some U.S. broadcasters, from all indications, are biding time until sound of Sept. 15 gun, although others may be already making arrangements with Canadian interests to stake 25% claims when "open season" is declared on choice locations. All 3 networks express interest in the situation.

Prime areas for new stations undoubtedly will be 6 major markets now exclusive domain of CBC: Montreal, Toronto, Ottawa, Winnipeg, Vancouver and Halifax—which represent a total of 11 allocated but presently unassigned channels. However, by no stretch of imagination is Canadian competitive TV a juicy plum ripe for picking. Far from it. Any U.S.-British designs on Canadian TV—in all areas ranging from station ownership to programming—must first reckon with Canada's Board of Broadcast Governors (BBG), new licensing & regulatory guardian of Canadian broadcasting

Canadian telecasting will continue to be Canadian in content & character, BBG secy. W. D. Mills told us. Supporting regulations already in existence toward this end are various new BBG proposals restricting Canadian-U.S. TV fraternization. Proposals will be subject of public hearings in Ottawa Nov. 2-3, become policy around July 1960 as modified & approved if they survive hearings. Among proposals of particular interest to American broadcasters: No Canadian station will be permitted to form a direct programming connection with U.S. broadcasters without BBG approval; programming must be 55% Canadian content.

U.S., British & other foreign invasion of Canadian TV is facilitated, on other hand, by absence of restrictive Canada-for-Canadians legislation. As rulings now read, for example, there is no limit to number of stations non-citizens can buy into, so long as share per station is limited to 25%. Also, there is no legislation preventing U.S. network, for example, from forming Canadian subsidiary and going after Canadian licenses wholesale instead of in piecemeal 25% bites. However, ultimate decision as to who gets what channel rests with BBG—which can be expected to be protective of Canadian interests. (For more on the meaning & operation of competitive Canadian TV, see p. 10.)

INDUSTRY EVALUATES OPTION-TIME PROPOSALS: Early returns are in on FCC's proposed changes affecting option time rules (Vol. 15:17), and, as expected, the majority of those commenting strongly urge rejection of the major change proposed—reduction of option time from 3 to 2½ hours for each of the day's 4 segments. Comments aren't due until Aug. 3, and networks themselves haven't filed yet, but most of others have filed or made advance copies available to us.

Network affiliates like the status quo on amount of option time permitted, but most of them go for the minor proposed changes which tend to give them a little more elbow room in dealing with networks. In the latter, they see their own positions improved at no detriment to networks.

Station Representatives Assn. said it would go along with the 2½-hour proposal but its main pitch was for "station reserved time"—at least one hour in each segment from which networks are excluded.

KTTV Los Angeles, prime anti-option-time force, based its entire case on Justice Dept.'s opinion that option time is a violation of anti-trust laws. It asserted that FCC is duty bound to enforce Justice's ruling. (For digests of comments filed to date, see p. 5.)

SENATE OVERRULES LAR DALY—WITH RESERVATIONS: Broadcasters have won half their fight in Congress to overturn FCC's Lar Daly political equal-time newscast ruling. As expected, Senate voted last week to exempt most news-type shows from Communications Act's Sec. 315—and House is lining up now for similar action (see p. 6).

But TV & radio are long way from winning Congressional vote of confidence and trust in fairness of broadcasters' political news judgments. Mistrust of station owners, misgivings about their professed public-service motives in seeking redress from Lar Daly, were sour themes which ran all through Senate debate.

Afternoon-long wrangle over Sec. 315 amendments brought no floor arguments that FCC's newscast interpretation of law was sound. On other hand, nobody on Republican or Democratic sides of aisle stood up as champion of broadcasters' integrity as newsmen, either. And nobody even suggested that Sec. 315 isn't needed at all to protect candidates from discrimination—and public from political deceptions.

Senate suspicions of broadcasters were demonstrated by vote to cut panel shows from Sec. 315 exemptions recommended by Commerce Committee. It was argued that this format can easily be used by TV & radio operators to promote their own candidates. Documentaries were left in exemption list, but much fear was expressed that they'd be subject to political perversion, too. Senate also wrote its own gratuitous admonition that in all exempted news programs "all sides of public controversies" must be handled fairly.

So long as such suspicious-looking images of industry—however distorted—are seen in Congress, TV & radio won't get out from under Sec. 315 entirely. There'll be good-conduct testing period for broadcasters if amended Senate bill—or something like it—becomes law. Broadcasters could make good use of it to prove—once & for all—their right to practice electronic journalism unhampered by equal-time rules.

TV's MATURITY AS NEWS MEDIUM: Americans again witnessed TV's unparalleled ability to dramatize and humanize current history last week—in the celebrated video-tape debate between Vice President Nixon and Soviet Premier Khrushchev from the U.S. Exhibition in Moscow (Vol. 15:30). Unlike the newspaper accounts, in the taped version both characters in tense international drama stood out as human beings. It was TV's best news fare of year.

Decision by all 3 networks to go ahead with telecast despite hold-up request from U.S. Embassy in Moscow and State Dept. reflects TV's growing maturity and self-respect as a news medium. After some hesitation, networks unanimously decided request was unwarranted abridgement of news freedom and televised the tapes anyhow. Not a peep came out of State Dept., which apparently realized it stood on marshy ground.

U.S. TV thus acquitted itself nobly, helping to refute those who argue the medium is too timid & irresponsible to be considered the equal of other news media. Responsibility and maturity shown by networks & stations in this incident should add more weight to their arguments for House passage of amendment to Sec. 315—which in FCC's current interpretation appears to be unreasonable infringement on public's right to free access to news.

One of heroes of the video-tape coup was Ampex v.p. Philip Gundy, whose 5000-mile dash from Moscow to N.Y. with the tape made possible the U.S. telecasts. (For details, see p. 8.)

CBS transferred 16½-min. taped debate to kinescope recording for the promised playback on Russian TV—and it was in Moscow Sun. July 26, two days after the action took place. Russians will probably see a well-censored version of incident on their TV screens. But fortunate Moscovites need only proceed to the scene of the original action—U.S. Exhibition in Sokolniki Park—to view continuous performances of full unexpurgated debate (in color), courtesy of 2 U.S. exhibitors, Ampex & RCA.

4 VHF DROP-INS PLANNED AS SPECTRUM CHURNS: There were 3 major TV allocations developments last week: (1) FCC moved another step, it's understood, toward implementing its "interim" plan—instructing staff to prepare mileage-cut drop-ins of vhf channels in Providence, Louisville, Grand Rapids & Syracuse. (2) FCC issued a "progress report" on its dickering with Office of Civil & Defense Mobilization (OCDM) toward getting more vhf channels. (3) Rep. Harris (D-Ark.) introduced a very controversial bill which would set up a Frequency Allocation Board to divide spectrum between governmental and non-governmental users.

FCC isn't definite about its plans for the 4 vhf drop-ins, we're told. Its attitude isn't merely "let's see what it looks like," yet it isn't a "let's really do it" decision. Staff is due to report back after Aug. recess. Then, there's serious question about final action, because only 5 Commissioners will be on hand for most of fall & winter—Comrs. Craven & Hyde attending international conferences in Geneva much of the time. We understand that the 4 proposals involve co-channel or adjacent-channel cuts or both.

Unusual angle of FCC's allocation session this week, we're told, was presentation by allocations engineer McIvor Parker, summarizing the technical case for a move of all TV to uhf. We've yet to find a Commission engineer who doesn't lean toward all-uhf. They all acknowledge that the problem is more than "technical" but they argue addition of new vhf channels would present the same non-technical problems.

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Commission's work with OCDM, aimed at swapping uhf channels for vhf, is a mighty slow process, as can be seen from full text of FCC's report (see p. 7). OCDM didn't think there was enough progress to justify a report, because no joint announcement was issued nor did OCDM put out its own. One OCDM source tells us: "Maybe there will be something to report in a year or so—maybe not. I see no progress. The report's premature. FCC talks about an allocation 'which could be implemented within the next 10 to 15 years?' What will anyone do? Who knows?"

FCC negotiator Comr. Ford is more hopeful: "I think we've got our teeth into the job. It's a bigger job than I thought it was in January."

Harris' spectrum bill (HR-8426) would set up 3-man civilian Frequency Allocation Board with power

to parcel spectrum between govt. & non-govt. users "on its own initiative," if it chooses—and none of the provisions of the Administrative Procedure Act are applicable to its actions. Board would have to transmit its decisions to the President, who would have power to accept, reject, modify or reverse Board's decisions—if national security or foreign relations are involved. Bill also would establish a Government Frequency Administrator to allocate spectrum among govt. frequency users.

Assn. of Maximum Service Telecasters' exec. dir. Lester Lindow is aghast at the bill, despite Harris' record of "showing appreciation of the problems of non-govt. spectrum users." "This bill," Lindow said, "would put unprecedented authority in the hands of the President, out of the hands of Congress. It would make allocations almost a star chamber proceeding. No public notice. No hearings. No Administrative Procedure Act. It would affect far more than TV—AM, FM, all radio users. It even has implications beyond communications." NAB offered no reaction, but it's understood to lean same way.

Among networks, CBS & ABC spokesmen said they weren't prepared to comment. But one informed NBC source likes the bill. He said that the civilian composition of proposed Board is better safeguard against arbitrary govt. action than present setup—in which spectrum is divided between govt. & non-govt. users through negotiation between FCC and all other govt. agencies. He also pointed to "legislative intent" behind the bill, as expressed by Harris in this paragraph of a press release:

"The Frequency Allocation Board and the President would be given authority to modify or cancel allocations of radio frequencies presently allocated for non-federal govt. uses or for federal govt. uses, respectively. However, where such frequencies have been used regularly, and extensively for the purposes for which they were allocated, and large sums have been invested in equipment especially designed for use of such frequencies, the Board or the President would not be expected to modify or cancel such allocations, unless such action was determined to be necessary in the interest of national security."

Harris has thrown in the towel on a spectrum study on his own, even though Congress gave him \$150,000 for it. His spectrum panel discussion (Vol. 15:24), he said, convinced him that proper organization is needed, not more studies. Furthermore, he said, he couldn't get the people he needed for a study, nor could he get cooperation from the military.

Bill won't get any hearings this session but it will be an inflammable document next year if Harris chooses to stoke it.

Congress

BASEBALL BLACKOUT SPECTRES: Professional club owners & enthusiasts last week made their annual pitch in Congress for sports anti-trust exemption legislation permitting them to control telecasts of games—but it looked like they'd lose again.

The Senate Judiciary anti-trust & monopoly subcommittee headed by Sen. Kefauver (D-Tenn.), which last year blocked such legislation after it had passed the House (Vol. 14:31), went through hearings on the subject again. But the counterpart House Judiciary subcommittee chaired by Rep. Celler (D-N.Y.) hadn't yet found room for sports on its hearings agenda. And time at this Congressional session was growing late.

Up for the Senate hearings were a baseball TV blackout bill (S-616) by Sens. Hennings (D-Mo.), Dirksen (R-Ill.) & Keating (R-N.Y.) and a brownout bill (S-886) introduced by Kefauver himself. The first would permit clubs to forbid telecasts of major league games within 75 miles of minor club communities. The second would permit telecasting restrictions "reasonably necessary" to protect minor club gates—if approved by FCC.

The pro sports lineup for the anti-trust exemption legislation was led by Baseball Comr. Ford C. Frick. He heartily endorsed TV restrictions as necessary to save baseball from falling attendance by paying customers. Frick said TV was about 60% responsible for the plight of minor clubs which have been forced to fold.

Principal Congressional spokesman for the blackout bill was Sen. Keating, who said pro sports must be freed from anti-trust threats—or "we court disaster for the pastimes so many Americans love so well." He denounced the milder Kefauver bill and its "reasonably necessary" TV brownout provisions as leading to govt. interference.

FCC took a dim view of both bills, as it did when similar legislation was up last year. In a letter to Kefauver, Chairman Doerfer said the Commission doesn't want to make judgments on particular programming policies.

NAB pres. Harold E. Fellows, whose testimony last year helped stop similar legislation, didn't make a personal appearance at the Senate hearings this time. But he spoke for broadcasters in a statement filed with Kefauver, centering his fire on the Hennings-Dirksen-Keating measure.

Fellows said that if the 75-mile blackout bill is passed, only 35 of 183 TV stations which now carry major league games would be unaffected, 90 stations would be blacked out all the time, 58 would be blacked out at least half the time. He estimated 44 million viewers would be deprived of a chance to watch major games as a result—and this "would force the cessation of major league telecasts" by the stations. And it wouldn't be economically feasible for advertisers to sponsor games, he pointed out.

Meanwhile, the Portland (Ore.) baseball club of the Pacific Coast league sued the major leagues for \$1.8 million in triple anti-trust damages, charging—among other things—that the majors' TV & player acquisition practices were responsible for Portland's "loss of income and general reputation & goodwill." The suit asked the court to enjoin "unfair competition" by TV.

Congress Gets in Quiz Act: Long-dormant plans by Congressional committees to have an investigative look at last year's TV quiz show scandals were revived last week.

Senate Commerce Committee Chairman Magnuson (D-Wash.) started the revival by asking N.Y. District Attorney Frank Hogan for a copy of an impounded grand jury presentment on operation of the quizzes (Vol. 15:30).

Chairman Harris (D-Ark.) of the House Commerce legislative oversight subcommittee followed suit by announcing his group was mapping a probe of the shows. A formal motion requesting the grand jury's minutes was filed with the N. Y. Court of General Sessions by a subcommittee staffer.

Senate committee staffers said they already had basic information on some of the publicized quiz cases and would be able to go ahead on an inquiry without help from Hogan—but that the jury's report would save some time.

Harris reported his subcommittee had been watching quiz show developments with "great interest." He said it's now ready to "investigate these programs in order to insure that effective enforcement measures, designed to prevent the recurrence of any fraud, will be taken by the regulatory agencies of Govt. which are subject to our legislative jurisdiction."

Chances that there'll be competing probes in Senate & House were discounted by Magnuson, who said he had been unaware Harris had any such inquiry in mind. Magnuson added that his committee had no firm plans for a formal inquiry, but that if one is started, he & Harris "might do it together."

Tenure of FCC members would be extended until successors are installed in office under terms of a bill (S-1965) passed last week by the Senate to insure continuity of the agency's work when vacancies occur. Existing law provides that members of the ICC, FTC & CAB stay on the job after their terms run out if successors aren't ready to take their places, but no such provision applies to the FCC & FPC. Introduced by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee, the bill originally would have permitted the President to dismiss members of FCC & FPC for "inefficiency, neglect of duty, or malfeasance in office" (Vol. 15:21)—grounds which may be used now to fire members of the other 3 agencies. But this section was cut from the bill by the Commerce Committee, Magnuson explaining there are "some serious legal matters which we want to look into in much more detail." He said that agency investigations by the Senate Judiciary administrative practice & procedure subcommittee headed by Sen. Carroll (D-Colo.) "will be of help to us on this matter." However, no hearings on the subject have been scheduled by Carroll, whose initial hearings on agency practices 2 weeks ago ran into objections by other Senators to proposed "influence" legislation (Vol. 15:30).

TV-radio reciprocity: The Soviet Union would own & operate TV & radio stations in the U.S. under a proposal by Sen. Bush (R-Conn.) providing that "we were permitted to do the same thing in Russia." He said "audio-visual exchanging of viewpoints & environments would inspire a truly wholesome competitive race for an increasingly better way of life for people everywhere."

Foreign films & recordings "imported for public exhibition or broadcasting" would be "clearly marked" to indicate their origin under a Tariff Act amendment (HR-8474) introduced by Rep. Roosevelt (D-Cal.) He said "viewers & listeners as well as importers & exhibitors" should know what they're getting in movies & sound.

The FCC

More about

OPTION TIME PROS & CONS: Heart of networking remains option time, according to network affiliates' committees which were unanimous in their plea to the FCC that the present 3-hours-per-time-segment be retained, not cut to 2½ hours (see p. 2). The only opponent of option time which filed comments with FCC so far, KTTV Los Angeles, insists that option time is illegal and must be done away with. Herewith is a summary of comments filed last week (networks expected on the Aug. 3 deadline):

ABC-TV Affiliates' Committee (Alex Keese, WFAA-TV Dallas, chairman) likes all of FCC's proposed changes except the reduction of option time. The 3-hour provision should be retained, it said, since a reduction would produce "an interruption of continuous income to the affiliates with possible damaging effects at least upon the operations of smaller-market stations" and "seriously affect the programming function of the network with corresponding detrimental effects upon the affiliates' ability to program in the public interest."

The ABC group endorsed the proposal that "straddle programs" (partly in option time, partly out) be considered as falling entirely within option time "provided that the amount of time that can be optioned under the present rules is not reduced." It also supported the proposed change in length of notice given by networks of plans to enforce an option from 8 weeks to a sliding 4-17-week scale, and the proposals to broaden affiliates' right to reject specific network programs.

CBS-TV Affiliates' Committee (John Hayes, WTOP-TV Washington, chairman) asserted that a cut of 30 minutes from evening time alone "would seriously threaten successful network operations, would consequently have an adverse impact upon affiliated stations, would reduce the amount of high-quality programming available to the public and, hence, would be contrary to the public interest." The group also: (1) Supported the proposal on option time. (2) Endorsed the change "which would lengthen the period of advance notice required before a network may exercise its option rights" but opposed the proposal to shorten it. (3) Supported the idea of giving affiliates more latitude in accepting and rejecting network programs, though it asked that rules be limited so they won't "pose a serious threat to effective operation of option time."

NBC-TV Affiliates' Committee (Jack Harris, KPRC-TV Houston, chairman) stated that a cut in option time would produce "a quantitative and qualitative loss in network programs available to the affiliates and to the public which could not be made good from any non-network program source." FCC's "straddle" objective was endorsed but changes were suggested to eliminate the possibility that the Commission's language might prohibit straddle programs altogether. The group opposed the "length of notice" change on the grounds that it would be "cumbersome to administer" and remedy "no existing evil," and it endorsed the proposals on program acceptance & rejection.

Station Representatives Assn. said that it has been persuaded that option time is necessary. But, it said, something needs to be done to "alleviate the deterrent effects of option time on creation of competitive program sources." The answer it said, is "station reserved time." SRA proposed that at least one hour per segment of the broad-

cast day be denied to networks 6 days weekly. The hour may be 60 consecutive minutes or 2 half-hour periods. FCC could cut reserved time to 30 minutes in 2-station markets, none in single-station markets, "upon a showing that effective network competition would be adversely affected." Also, stations would be permitted to let networks run into reserved time with unusually long programs of "national importance." SRA also endorsed FCC's proposals on straddle programs, option-time notice period and program rejection, stating that they're "designed to strengthen licensee responsibility." Turning to option time on radio, SRA urged its elimination because "there is no longer any basis for assuming that option time in radio is even reasonably necessary as a business convenience."

KTTV Los Angeles asserted that FCC must throw option time out because Justice Dept. says it's illegal and the Commission is required to enforce the anti-trust laws. The station quoted the 1954 U.S. Supreme Court decision on broadcast lotteries: "There cannot be one construction for the FCC and another for the Dept. of Justice." FCC shouldn't encourage the industry to violate the law, KTTV said. "The industry might well decide," it stated, "that the short-term gains from illegal option time, in effect licensed by the Commission, outweigh the distant retribution threatened by the Dept. of Justice opinion." The station suggested that the Commission adopt a rule prohibiting option time but keep the rule on ice while networks litigate; this, it said, would be fair to networks. It also asserted that FCC is "duty bound to recheck" its current option time proposals with Justice Dept. if it has any doubt about their legality.

Orlando Ch. 9 "influence" case, remanded to FCC by the Court of Appeals (Vol. 15:21), was reopened last week for an evidentiary hearing "at a date to be subsequently announced," FCC giving all parties until Aug. 10 to request participation. Following terms of the court order, which called for a special hearing examiner, FCC said these questions in the Ch. 9 grant to WLOF-TV will be explored: (1) Should any Commissioner be disqualified from the reopened proceedings? (2) Did anybody influence or attempt to influence any FCC member in the award? (3) Did "misconduct or improprieties" figure in the grant? (4) Should WLOF-TV or any other applicant be disqualified?

Actor Bob Hope, in the formal form of "Leslie Towns Hope," turns up as a stockholder in WIP Bestg. Inc., the 4th applicant for Wilmington's Ch. 12. He will hold 33.9% of Class A stock, which votes for 3 directors. Pres. Benedict Gimbel (radio WIP Philadelphia) remains the major stockholder, with 51% of Class B, which elects 4 directors. The other principal Class B holders are Ralph S. Brent, v.p., 21.25%; Clifford C. Harris, treas., 3.4%; A. Arthur Miller, secy., 2.125%. Another substantial Class A holder is director John P. Crisconi. It was the only application filed last week, brings the total pending to 108 (15 uhf).

Sale of WNBC (Ch. 30) Hartford by NBC to Conn. TV Inc. (Vol. 15:26) has been held up by FCC which last week sent the parties a MacFarland letter indicating that a hearing is necessary to examine "overlap of interest and concentration of control." The company buying the station is owned by WWLP (Ch. 22) Springfield, Mass. and WICS (Ch. 20) Springfield, Ill.

Bakersfield, Cal. uhf grants—KICU (Ch. 17) & KFBL (Ch. 39)—were affirmed by the FCC, which denied protests filed by KBAK-TV (Ch. 29).

More about

LAR DALY REVERSAL: The Senate voted last week to add language to equal-time Sec. 315 of the Communications Act so that it means approximately what it did for 25 years prior to last Feb. 19, when FCC decided that newscast appearances by candidates—like campaign speeches—are political "use" of broadcasting stations.

Approving by voice vote an amended Commerce Committee bill (S-2424) to exclude most TV & radio news shows from FCC-imposed Sec. 315 requirements (Vol. 15: 29-30), the Senators used such words as "stupid" and "silly" to describe the Commission's Lar Daly dictum. But in more than 2 hours of wide-swinging debate on equal-time issues they also said, over & over again: "You can't trust broadcasters" (see p. 2).

No defense of the Lar Daly newscast decision was offered on the Senate floor—but the nullifying measure sponsored & floor-managed by Sen. Pastore (D-R.I.) didn't have clear sailing either.

The Senate had to beat down an amendment by Sen. Long (D-La.) to cancel the Sec. 315 news program exemptions on June 30, 1960, and another proposal by Sen. McCarthy (D-Minn.) & others making documentary shows subject to equal-time demands by candidates.

In final actions, the Senate: (1) Eliminated panel news shows from exemptions specified by the Pastore bill. (2) Inserted a clause sternly warning broadcasters to watch "the public interest" in news programming. (3) Wrapped up the altered measure and sent it along to the House with a hope for quick concurrence in its major provisions.

No immediate floor action on Lar Daly was in sight in the House, however. A similar Sec. 315 bill (HR-7985) by Rep. Harris (D-Ark.) was approved by his Commerce Committee a week earlier (Vol. 15:30). But the slow-moving House committee will have to meet again—possibly early this week—to go over its formal report on the Harris measure, a draft of which was written last week by its communications counsel Kurt Borchardt.

After the House committee adopts a report, the bill must be cleared to the floor by the Rules Committee headed by Rep. Smith (D-Va.)—and that may take several weeks or longer. In no hurry, Harris himself said he agreed with other House leaders that a "normal course" should be followed in processing his bill through the Rules Committee.

In its revised form, the Senate bill exempts "any newscast, news interview, news documentary, on-the-spot coverage of news events" from equal-time requirements. The pending House bill gives exemptions to any "bona fide newscast (including news interviews) or on-the-spot coverage of news events (including political conventions & activities incidental thereto)."

A Senate floor amendment offered by Sen. Engle (D-Cal.) and accepted without much argument by Pastore struck "panel discussion" from the news show category approved by the Senate committee. Engle & others pointed out that subject matter of panel programs can stray far away from spot news, giving a politician-participant a field day on the air. A move by Sen. McCarthy to remove documentaries from the list on similar grounds was defeated, although he had vocal floor support.

The Senate's watch-your-step admonition to broadcasters was written into Sec. 315 in an amendment by Sen. Proxmire (D-Wis.). It was described by Pastore as "surplusage" in view of the intent of the language of the rest of the law, but carried easily.

The Proxmire amendment says: (1) "TV & radio frequencies are in the public domain." (2) Station licenses require "operation in the public interest." (3) In all equal-time-exempted show, "all sides of public controversies shall be given as fair an opportunity to be heard as is practically possible."

Retained unchanged in the Pastore bill were provisions for Congressional reviews of Sec. 315 operations within 3 years and for annual equal-time reports by FCC.

Meanwhile the FCC itself did some equal-time amending. It revised its political broadcast rules, which were collected last year in a long Q-&-A guidebook (Vol. 14:41), to add stipulations that: (1) Candidates must apply for station equal time within a week after opponents have appeared. (2) It's up to candidates themselves—not FCC—to prove that they are "legally qualified" under Sec. 315.

Passage of the Senate bill was hailed by CBS Inc. Stanton. He wired all CBS affiliates that it gives TV & radio "a greater opportunity to serve the public during political campaigns." The Senate vote was preceded July 26 by a special CBS-TV documentary on the Lar Daly case, in which Stanton editorialized that the industry doesn't "ask for the right to discriminate—only to distinguish" between major & minor candidates. Minor party spokesmen were scheduled for an equal time rebuttal on CBS-TV 7:30-8 P.M. Aug. 2.

But CBS & NBC weren't resting on the Senate's Sec. 315 vote. They went to the Court of Appeals in Washington last week to ask it to reject FCC's Lar Daly interpretation and reverse the decision.

"Political candidates & Sec. 315" will be debated at a special panel session of the Federal Bar Assn. Sept. 25 in Washington's Statler Hilton Hotel. FBA communications law committee vice chairman Harry Plotkin, ex-FCC assoc. gen. counsel, will be moderator. Participants: CBS v.p. Richard S. Salant, NBC commentator Martin Agronsky, acting Asst. Attorney General Robert A. Bicks, ADA vice chairman Joseph L. Rauh Jr.

Final TV allocations actions: (1) Shift of Ch. 6 from Whitefish Bay to Milwaukee, permitting WITI-TV to identify itself with the latter. (2) Denial of WTTV's petition for reconsideration of earlier action denying a shift of its Ch. 4 from Bloomington to Indianapolis. (3) Denial of petitions by Fla. Educational TV Commission and Joint Council on Educational TV for reservation of Ch. 13 instead of Ch. 30 in Panama City, Fla.

Proposed TV allocations changes: (1) Swap of Ch. 2, Denton, Tex. and Ch. 11, Ft. Worth, reserving Ch. 11 for educational use and permitting KFJZ-TV to shift to Ch. 2. This is a reversal of a previous ruling denying KFJZ-TV's petition for the switch. (2) Shift of educational reservation in Muncie, Ind. from Ch. 71 to Ch. 55.

New TV CPs granted by FCC: (1) Ch. 11, Fargo, N.D., to North Dakota Bestg. Co.; (2) Ch. 23, Yakima, Wash., to Yakima Valley TV Co.; (3) Ch. 3, Escanaba, Mich., to Norbertine Fathers, Green Bay, Wis.; (4) Ch. 22, Walla Walla, Wash., to Northwest Bestg. System.

Translator CPs granted: Ch. 70 & 79, Hood River, Ore., to Columbia Gorge TV Inc.

Shift from Ch. 45 to Ch. 33, plus move of station & studio location to Youngstown, has been granted to WKST-TV New Castle, Pa. Grantee WXTV Youngstown has been given a modification of CP from Ch. 73 to Ch. 45.

More about

FCC-OCDM STATUS REPORT: The FCC's progress report on negotiations for more vhf TV channels, being conducted with the Office of Civil & Defense Mobilization (see p. 3), is worth quoting in full to show exact approach being made. Here it is:

FCC announced today that it and OCDM have proceeded in the manner set forth in the Commission's public notice of April 30, 1959, looking toward an improved overall pattern of frequency allocations which could be implemented within the next 10 to 15 years. Public interest in this subject indicates the desirability of a report of the progress made to date.

The technical group engaged in this program, consisting of FCC staff personnel and representatives of the member agencies of the Interdepartment Radio Advisory Committee (IRAC), has held a number of meetings. Having reached agreement on the terms of reference, the technical group has taken actions which include:

1. Invited the Central Radio Propagation Laboratory [CRPL] of the National Bureau of Standards to name a representative to participate in the work of the technical group, in view of the necessity for basing future allocation planning on the most accurate propagation data currently available.

2. Requested the CRPL to prepare graphical presentations of necessary power versus distance for various emissions, data rates, antenna heights and megacycle orders of frequency.

3. Agreed as a first step in the over-all program to deal with the band 50-1000 mc on the ground that it represented the knottiest problems.

4. Requested the CRPL to concentrate its efforts initially on the band 50-1000 mc, setting August 1, 1959 as the target date for a report thereon.

5. Agreed to treat at least the broadcasting, land mobile, aeronautical mobile, maritime mobile, radiopositioning, radionavigation, and earth-space services in its consideration of the band 50-1000 mc.

6. Requested the govt. agencies to present to the technical group their present or foreseeably unfulfilled frequency requirements for the band 50-1000 mc, of which they were aware, not later than August 1, 1959. Having but recently completed taking testimony in its docket No. 11997 dealing with the band 25-890 mc, the Commission is in a particularly good position to supply such information with respect to non-government requirements.

It is anticipated that the further progress of the technical group will be delayed somewhat during the next several months inasmuch as many of its members will be attending the forthcoming International Radio Conference in Geneva. Nonetheless, it is the intention of the Commission to continue with the joint study as rapidly as possible, and also to issue periodic reports of the progress being made in this important program.

Protest against renewal of NBC's licenses for WRCV-TV & WRCV Philadelphia, filed with the FCC by Philco, has been set for oral argument Oct. 1. The argument, the FCC said, will be on the questions "whether, if the facts alleged in the protest were proven, grounds have been presented for setting aside the conditional grant of such applications and, if an evidentiary hearing is required, the scope thereof." Philco charged that the stations were used unfairly to promote RCA.

Networks

More about

MOSCOW TAPED DEBATE: The extensive coverage by U.S. networks of the Nixon-Khrushchev taped hassle in Moscow (see p. 3) had more than its share of cloak-and-dagger melodrama, little suspected by viewers who watched the high-level debate in their living rooms during the July 25-26 weekend.

First, there was the spur-of-the-moment 5000-mile dash by Ampex v.p. Philip Gundy from Moscow to N.Y. with the original tape reel. Business rivalries were submerged as Gundy rushed to Moscow's airport in a limousine borrowed from RCA pres. John L. Burns, also in Russia for the U.S. Exhibition (the tape, in color, had been recorded by Ampex from RCA color cameras at the U.S. display). With SAS holding planes for him at connecting points, Gundy made the Moscow-Stockholm-Copenhagen-New York flight overnight, leaving the Soviet capital at 5:30 p.m. (Moscow time) on July 24, arriving in N.Y. at 8:30 a.m. (N.Y. time) the next day. He immediately delivered the precious tape to NBC-TV, and later to CBS-TV, which functioned as a pool facility to make b&w network copies.

A delicate situation developed, meanwhile. At 6:45 a.m. July 25, Edward Freers of the U.S. Embassy in Moscow phoned NBC to ask that network (which planned to air the tape that day at 2 p.m.) to hold off pending "simultaneous" TV exposure in Moscow. A violation, Freers pleaded, "might endanger" the Nixon visit to other Russian cities. The State Dept. confirmed the plea.

NBC-TV had a tough decision to make, as did the other networks, now equipped with duplicates of the 16½-min. tape. Getting a kinescope version of the tape to Moscow was certain to take at least another 24 hours (which it did)—and the Russians apparently had decided on no schedule to put it on the air. Newspapers & radio, meanwhile, had received transcripts.

NBC made up its mind. "After viewing the tape, we decided the American people were entitled to see it as soon as possible," said an official spokesman. CBS took a similar stand, news v.p. & gen. mgr. Sig Mickelson stating that to deprive U.S. viewers of the tape would be "unconscionable, and an abridgement of the American concept of a free press." ABC joined in a united front.

All 3 networks aired the Nixon-Khrushchev tapes as special news shows in monochrome at 11 p.m. July 25 (NBC had dropped its plans for a 2 p.m. show). Each TV network provided its own commentary and framework, and the tapes were uncut. The next day, ABC repeated the tape at 3 p.m., CBS at 5 p.m. (pre-empting *The Last Word*), and NBC (in color) at 7 p.m. CBS gave the tape a partial 3rd exposure on its *Sunday News Special* with Walter Cronkite at 11 p.m., completing the coverage.

Ampex's Gundy, who whisked the tape past Moscow guards at one end and U.S. Customs at the other wrapped in what he described to us as "an old dirty shirt," provided still another highlight of the "Kitchen Conference." Following the taping session, Soviet Premier Khrushchev himself pushed the playback button on the color-equipped Ampex recorder in Moscow and stared in delight at his bald, barrel-chested electronic image. "Ooh!" said Khrushchev (as reported to us by Gundy), "like real!"

* * *

Networks presented united front when Khrushchev withdrew Russia-to-N.Y. broadcasting facilities from ABC correspondents John Daly and Edward P. Morgan July 30.

Khrushchev complained of what he termed "indecent treatment," by ABC-TV of his video-taped conversation with Nixon. According to CBS correspondent Paul Niven, "this was an open Soviet attempt to punish one network by giving the other 2 a competitive advantage." CBS and NBC correspondents refused to accept the offer of a direct radio circuit and all 3 networks reported by telephone by way of London. The broadcast circuit was denied ABC an hour before broadcast time in Sverdlovsk, Siberia.

At week's end, the ABC-Khrushchev feud was still smouldering. NBC and CBS radio networks announced plans on Friday for Aug. 1 afternoon airings of the audio portion of Nixon's "farewell" address scheduled to be made Saturday on Moscow TV. ABC's John Daly, however, told ABC in N.Y. that he had requested permission on Friday to obtain live transmission or a recording of the Nixon speech, but had received "no indication that either would be granted." Inquiries by ABC at the Soviet Embassy in Washington brought no clarification, ABC said.

Network Television Billings

June 1959 and January-June 1959

(For May report, see TELEVISION DIGEST, Vol. 15:27)

Six-Month Rise: Network TV gross time billings soared to \$309,380,932 during first-half 1959, up 9.3% over the same 1958 period. On a June-to-June comparison, the gross increased 10.7% to \$48,472,139 in billings. ABC continued to show the biggest gain, up 20.9% in June-to-June business and 19% in period-to-period billings.

NETWORK TELEVISION

	June 1959	June 1958	% change	Jan.-June 1959	Jan.-June 1958	% change
ABC	\$ 8,930,114	\$ 7,387,586	+20.9	\$ 61,422,516	\$ 51,617,801	+19.0
CBS	21,630,941	19,733,057	+ 9.6	132,537,670	124,047,416	+ 6.8
NBC	17,911,084	16,648,462	+ 7.6	115,420,746	107,406,232	+ 7.5
Total.....	\$48,472,139	\$43,769,105	+10.7	\$309,380,932	\$283,071,449	+ 9.3

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	23,265,395	20,728,315	55,558,741
April	10,309,263	22,093,785	19,753,172	52,156,220
May	9,946,570	22,612,081	19,674,494	52,233,145
June	8,930,114	21,630,941	17,911,084	48,472,139

Note: Figures revised as of July 24, 1959. 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 SALES ACTIVITY

NBC-TV

Chet Huntley Reporting (Sun., 5:30-6 p.m.), produced by Reuven Frank.
Kemper Insurance Co. (John W. Shaw Adv.)

Daytime segments, 9 alt.-wk. 15-min. segments on 8 different programs.
Miles Labs (Wade Adv.)

Give My Regards to Broadway, Jimmy Durante special, Sun., Dec. 6, 8-9 p.m.
W. A. Schaeffer Pen Co. (BBDO).

World Championship Golf, eff. Oct. 11, 4:30-5:30 p.m. on film, with Bob Crosby as host and commentator. Alt.-wk. order.
A.S.R. Products (Kenyon & Eckhardt).

ABC's AFTERNOON GAINS: After a faltering start last October, ABC-TV's invasion of daytime TV is now paying some real audience-share dividends, an examination of the rating track record during the season indicates. The first of Nielsen's national reports for July gives ABC a 21.1% daytime audience share (representing about 1.4 million homes), or about twice the level of the 13.3% share (700,000 homes) scored by ABC back in October in the 1-4 p.m. period.

ABC's daytime growth hasn't been easy. Backed optimistically by Young & Rubicam (on behalf of several Y&R clients, including General Foods) ABC took the plunge last fall with an afternoon participation lineup broadly titled "Operation Daybreak," and talked hopefully of a 25% audience share before the end of the first year. Rating levels in the winter and spring months, however, fell notably short of this. Cancellations began showing on the network's sales department, despite attempts to meet agency cost-per-1000 demands by giving extra minute participations in late-p.m. *American Bandstand*.

Valiantly, ABC rode out the programming storm, with daytime program v.p. Giraud Chester revamping the lineup to build a 1-4 p.m. (except for the station-option 1:30-2 p.m. period) program roster that now includes *Music Bingo*, *Day in Court*, *Gale Storm Show* (reruns), *Beat The Clock*, and *Who Do You Trust?* Here's what happened, meanwhile, to ABC's daytime shares:

ABC-TV Daytime Monthly Share					
Mon.-Fri., 1-4 p.m., Nielsen TV Index					
Oct. '58	Nov. '48	Dec. '58	Jan. '59	Feb. '59	Mar. '59
13.3%	14.8%	15.5%	16.1%	15.3%	15.9%
Apr. '59	May '59	June '59	June '59	July '59	July '59
16.4%	15.8%	17.6%	20.6%	21.1%	

Twice, in February and May, ABC slid back, at times when new shows were being launched. But the trend was upward through the season and later in the summer months. The Oct.-July share improvement is therefore just under 60%. From an advertising standpoint, clients have also given ABC-TV a daytime vote of confidence, with the 2-4 p.m. segment currently 75% sold out.

On a straight rating basis, or even on the basis of audience shares, ABC-TV still lags behind CBS-TV and NBC-TV in afternoon TV, and freely admits it. ABC, however, has tailored its prices to the kind of audience share it delivers; the 15-min. price of \$7200 now delivers each 1000 homes at a cost of about \$1.50 (highly competitive with the other 2 networks), and ABC research executives predict that a gain in daytime audience share will drop this CPM figure to about \$1.30 this fall.

ABC Seeks Station Ballyhoo: Promotional support of ABC-TV's \$75-million programming investment for next season by primary affiliates was urged last week by AB-PT pres. Leonard H. Goldenson, and ABC-TV pres. Oliver Treyz, who spoke before 175 station and network executives attending the 2-day ABC affiliates meeting in N.Y.

Stating that the new season "is a critical one for ABC-TV and our affiliates", Treyz pointed out that 64% of ABC-TV's nighttime will be devoted to new programming. CBS will have 33% new programming, NBC 54%.

Other speakers at the 2-day sessions were: Tom Moore, v.p. in chg. of programming; Julius Barnathan, v.p. for affiliates; Giraud Chester, v.p. in chg. of daytime programming; Dean Linger, dir. of advertising & promotion; Mike Foster, v.p. in chg. of press information and Sid Mesibov, dir. of special exploitation projects.

Programming

"Stunning" film drama produced by the Army's Walter Reed Medical Center is described by *N.Y. Times* TV editor Jack Gould as a "towering theatrical accomplishment" that can show commercial TV "what can be accomplished within the dramatic form." The film, "Strike," produced by the Center's TV unit, is a documentary on civil defense preparation produced for showing, so far, to interested medical & educational groups. "Incredible as it may seem by commercial TV standards," reports Gould, "'Strike,' which runs approximately 90-min., had a production budget of something like \$6000 and was staged in an incredibly small single studio. Yet 'Strike' need not take second place, for instance, to *Playhouse 90* at its best." A Walter Reed spokesman told us that a number of requests for copies had been received from broadcasters but that no provision has been made as yet for public release of the film.

TV matches newspapers in public choice of medium for political news, a U. of Michigan political science survey has established. Prof. Samuel Eldersveld said that a random sampling of Wayne County, Mich., found 38% of the residents get most of their political data via TV, an equal amount from newspapers. The survey also established that nearly 50% of those surveyed followed the 1956 Presidential campaign via TV at least once a week, and that TV delivers messages across party lines. In Detroit, 48% reported viewing both parties—just 12% viewed only Republican programs, 14% only Democratic.

NBC-TV's 80-inch lens, which was called out by Baseball Commissioner Ford C. Frick for stealing signals (Vol. 15:29), is on the pry again. Frick had asked NBC-TV not to use the lens for its *Game of the Week* telecast because it clearly revealed the signs flashed by the catcher to the pitcher. However, the long-look showed up again at a recent Yankee-Tiger game. NBC-TV announcer Lindsay Nelson said: "The only restriction on it [the 80-inch lens] concerns the catcher's signs and we purposely kept the lens off those."

TV's largest all-female cast, 25 women, will appear in a *GE Theatre* adaptation of Katherine Brush's short story, "Night Club," next season. The 25 femmes will do their entering, exiting and emoting in a ladies lounge, where all the action takes place. Included are Barbara Hale (*Perry Mason*), Amanda Blake (*Gunsmoke*) and Rosemary De Camp (*Bob Cummings Show*).

Libel actions for "shameful abuse of national TV time" by Senate Rackets Committee counsel Robert F. Kennedy on NBC-TV's *Jack Paar Show* were threatened last week by Teamsters Union pres. James R. Hoffa. He notified NBC pres. Robert Sarnoff that he'd sue the network, Paar, Kennedy "and all others" responsible for statements Kennedy made about him on the July 22 show. The Rackets Committee investigator repeated some of his statements about the Teamsters' boss on NBC-TV's *Meet the Press* July 26, said Hoffa "sold out" his union, challenged Hoffa to sue "immediately."

Jurisdictional picketing by IATSE's N.Y. stagehands Local 1 against CBS-TV in a 1958 job-assignment dispute was illegal, the NLRB ruled last week. The stagehands threw a picket line around the liner *United States*, forcing the network to cancel a scheduled *Let's Take a Trip* show, after CBS-TV had assigned lighting work for the program to IBEW Local 1212. The NLRB didn't decide which union should have had the assignment, but said the IATSE members had no right to try force to get it.

Stations

More about

COMPETITION IN CANADA: This time next year, the Canadian Bestg. Corp. will find its choicest strongholds invaded by competitors battling for its ad dollars & viewers. It'll take until then, Canada's Board of Broadcast Governors (BBG) tells us, to process into reality the recent death-sentence given the "exclusive domain" policy long enjoyed by CBC in some cities & private interests in others (see p. 2).

Come Sept. 15 & thereafter, applications for competitive TV stations will be received by the Dept. of Transport, reviewed for technical feasibility, then referred to BBG for public hearings & final recommendation to the Govt. BBG secy. W. D. Mills told us that public hearings for Winnipeg-Vancouver applications have been scheduled for Jan. 11, and applicants for these areas have from Sept. 15 until the cutoff date of Oct. 30 to submit their applications. Other hearings will follow (hearing & cutoff dates still to be established) for Toronto-Montreal, Calgary-Edmonton, and Halifax-Ottawa.

Mills said no estimate could be made of the number of applications that will deluge the Dept. of Transport next Sept. 15, but unquestionably the volume will be heavy—and the competition will be intense. First, Canadian and foreign TV & investment interests have long eyed Canada's TV potential. Secondly, the bars have come down, of course, but not low enough to please all customers. There just won't be enough competitive stations to go around.

The BBG has proposed that only one additional license be allowed in present TV locations. In short, there will be no more than 2 stations in any area, except in cases involving bilingual locations. Presently, CBC services 51 TV stations & 10 satellites. Its 6 largest areas (Montreal, Toronto, Ottawa, Winnipeg, Vancouver, Halifax) represent a total of 17 channel allocations, 8 of which are now in use (Montreal & Ottawa each having one English & one French-language CBC-owned station). Of the remaining 9, only 6 will be up for grabs—and so on throughout the Canada TV domain.

Of inviting interest to U.S. broadcasters is the fact that these new competitive stations can be alien-owned up to 25%, and there is no legal restriction on the number of stations in which non-citizens can buy up to 25% interest. U.S. broadcasters we spoke with put it in different ways, but all agreed that the opening of competitive TV in Canada would benefit Canadian broadcasting & viewers, and tempt U.S. interests with interesting prospects.

As NBC put it: "We're following the situation with genuine interest. However, NBC has made no specific arrangements or commitments regarding ownership of any stations in Canada."

ABC told us it is on record as being interested in foreign TV investments. If the Canadian situation offers favorable opportunities, ABC certainly will explore them.

Merle Jones, CBS TV stations div. pres., viewed the Canadian activity as benefiting U.S. as well as Canadian interests, by increasing markets for U.S. TV program material. Regarding possible CBS participation in Canadian station ownership, he told us: "If somebody up there were to invite us, we would study the matter with considerable interest."

At least one U.S. firm already has a transmitter inside the Canadian TV door: RKO Teleradio whose subsidiary RKO Distributing Corp. of Canada owns one-third of

casting remains basically Canadian in both content & character. Proposals to that effect are among 5 BBG has scheduled for public hearings Nov. 2-3 before making final recommendations. The 5 proposals: (1) A limit of one additional license in present TV areas. (2) Program content must be 55% Canadian (presently, CBC operates at about 50%). (3) No Canadian station will be permitted to form a direct programming connection with American stations without BBG approval. (4) A maximum of 2 hours daily between 8-11 p.m. must be reserved for purposes to be prescribed by BBG, and 55% of the 2-hour period must be devoted to Canadian-content programs. (5) Blackout of telecasting before noon, except for religious, school, children's (Sat.), special events and ad-only programs. The last 2 require BBG approval.

Mills pointed out that the proposals so far as they affect foreign interests can be considered protective rather than invitational. Although, for example, there is no ruling restricting the number of stations aliens may buy into, BBG certainly will keep its eye on the situation to assure that such ownerships remain wholesome rather than wholesale. Legally, too, the new competitive stations could affiliate with U.S. networks, so long as they abide by the ruling against a direct programming connection. However, such affiliation would require BBG's blessing, and this quite likely would be hard to come by. More likely, a new Canadian network will be born—possibly with some U.S. or British participation.

Stations' Disaster Role: NAB pres. Harold E. Fellows last week called on all TV & radio stations to warn listeners to stay away from disasters—or potential disasters—which are reported on the air.

As an aftermath of the recent landing of a crippled jet airliner at N.Y.'s Idlewild airport, where authorities blamed TV & radio coverage for crowds which hampered safety operations, Fellows met with Federal Aviation Agency administrator E. R. Quesada, then announced a special mailing to U.S. stations:

"We will ask, and I am sure they will cooperate, that in broadcasting news of an emergency nature they specifically request their audiences to stay away from the area involved and to refrain from doing anything that would hamper the efforts of authorities whose responsibility it is to cope with the emergency."

Fellows said he & Quesada agreed that "widest possible freedom in the reporting of news" should be maintained by broadcasters. He added: "However, we both recognize the tremendous impact of radio & TV news because the media often report events which are actually occurring. Time & time again, this immediacy has saved lives in disasters. We also recognize that this same capability can help cause the inquisitive portions of the listening & viewing public to rush to the scene of the impending emergency, and thereby add to the confusion & congestion that may already exist."

New towers: Baltimore's 3-antenna candelabra tower will be placed in operation Aug. 9, carrying signals of WBAL-TV (Ch. 11), WJZ-TV (Ch. 13) & WMAR-TV (Ch. 2). KTVI (Ch. 2) St. Louis began transmission, July 26 from new 1049-ft. tower at Gravois & Emil Aves., Sappington, Mo.

National TV Week will be observed Nov. 15-21.

Salt Lake & Minneapolis Sales: It's presumed that Time Inc. has plans of "trading up" into larger markets, now that it has sold KTVT & KDYL Salt Lake City to Columbia Pictures for \$3 million-plus (Vol. 15:30). Time Inc.'s last major upward move was when it acquired Bitner group in 1956 for \$16,785,000 (WFBM-TV & WFBM Indianapolis, WOOD-TV & WOOD Grand Rapids, WTCN-TV & WTCN Minneapolis) and disposed of KOB-TV & KOB Albuquerque (Vol. 12:51). To pave way for the KTVT-KDYL sale, Time Inc. recently bought up the 20% owned by mgr. G. Bennett Larson.

Meanwhile, there's been no official announcement of the sale of KMSP-TV Minneapolis by National Theatres to 20th Century-Fox, but it's understood that a deal for more than \$4 million is wrapped up. It would mean a good capital gains for National Theatres, whose National Telefilm Assoc. bought the station for \$788,411 in 1957 (Vol. 13:34,47; 14:7).

We can find no disposition at FCC to look askance at this entry into station ownership by the 2 movie producers. Justice Dept. has an anti-trust suit pending against Columbia Pictures' subsidiary Screen Gems (and others), on charges of "block-booking" its film sales to stations, but it has been FCC's practice to approve such station sales—conditioned on the outcome of the suits.

TV's Community Impact: NAB has released a special UP-Movietone-produced 30-minute documentary film, "In Focus," for public relations use by its members to show how TV enriches lives of viewers in "a typical American city"—Binghamton. Narrated by NAB pres. Harold E. Fellows, the film uses clips from network & local programs shown on Gannett's WINR-TV and Triangle's WNBK-TV to demonstrate their wide-ranging services to viewers.

Interspersed with these show samplings are shots of representative Binghamton citizens, all of whom attest to TV's values. Included are mayor John Burns, library director Marcus Wright, Roberson Memorial Center director Keith Martin, housewife Shirley Walford, farmer Steve Juriga, factory worker Bucky Harris, art teacher Emily Forsythe. Production of "In Focus" was supervised by Donald N. Martin, formerly public relations asst. to Fellows, and NAB public relations staffer Stan Raiff. NAB TV members may buy the film for \$55 plus shipping costs, rent it for 10 days for \$17.50 plus shipping.

Alabama's New Uhf Outlet: WAFG-TV (Ch. 31) Huntsville began operation Aug. 1, planning to affiliate with ABC-TV as soon as line charges are settled. It's the 3rd uhf in northern Ala., others being WMSL-TV (Ch. 23) Decatur, about 25 mi. away, and WOWL-TV (Ch. 15) Florence, approx. 60 mi. west. New starter changes operating total to 556 (86 uhf).

WAFG-TV has 1-kw GPL Continental transmitter and 172-ft. U. S. Tower on Monte Sano Mt. Operating as Rocket City Television Inc., its principal owners are attorney James R. Cleary, chairman & 18.28% owner; John S. Gregory, pres. & 18.28%; cafeteria-operator Wharton K. Burgeen, 18.28%; farmer James E. Beasley Jr., 15.62%; realtor Robert M. Darby, 10.39%. John Higdon, ex-district operations mgr. for Capitol Air Lines, is gen. mgr. & 2.3% owner; pres. John S. Gregory also is program director; Ralph Robinson, ex-WBRC-TV Birmingham, operations mgr.; Lloyd W. Root, ex-WHIO-TV Dayton, chief engineer. Base hour is \$165. Rep is Weed.

Foreign

U.S. Networks Down Under: Australia's "open door" policy toward U.S. financial investment in its thriving TV industry has placed it at the head of countries with overseas TV investments by major U.S. broadcasters. All 3 U.S. networks now have some degree of TV interest in the "down-under" Commonwealth.

The latest indication of Australian interest is in the forthcoming "vacation" there of AB-PT pres. Leonard H. Goldenson, and ABC-TV pres. Oliver Treyz, who will be visiting The News Ltd. of Australia this month "with a possible eye to further investment." ABC now owns a minority interest (50,000 shares bought several months ago for approximately \$120,000) in The News Ltd., which owns NWS-TV Adelaide.

NBC's only known foreign station investment is a 10% interest in a station in Brisbane, Australia. However, the network is "involved with other stations in other countries," but "for legal and governmental reasons," will not disclose the locations, Al Stern, NBC dir. of international operations told us.

CBS, which has no known overseas station investments, is currently negotiating in Australia and South America, according to Howard L. Kany, dir. of international business relations for CBS-TV.

* * *

Australian TV will resemble the U.S. variety to a large extent this fall. Working through Charles Michelson, N.Y.-based buying agent, the Australian TV Inc. has purchased a total of 48 telefilm series—ranging from NBC's brand-new *Bonanza* to ABC Films' rerun *Wire Service* package—for telecasting this season—plus feature, cartoon, and news packages long familiar to U.S. viewers. The total number of U.S. programs destined for Australia approximates the seasonal output of any of the 3 U.S. networks (excluding specials).

Russians have "bested" U.S. in field of color TV, Khrushchev claimed in the celebrated debate with Nixon—much of which was devoted to discussion of use of TV in U.S. & Russia for free interchange of ideas. Color-TV issue came up when Nixon told the Soviet Premier:

"There are some instances where you may be ahead of us—for example, in the development of the thrust of your rockets for the investigation of outer space. There may be some instances in which we are ahead of you—in color TV, for instance."

Khrushchev shot back: "No, we are up with you on this too. We have bested you in one technique and also in the other." Replied Nixon: "You see, you never concede anything."

Just before the rather heated exchange between the 2 statesmen, Khrushchev & Nixon briefly discussed the marvel of tape-recorded TV, Nixon specifically paying tribute to Ampex Corp. Khrushchev didn't even claim the Russians were ahead in this field.

Offering of 75,000 shares of British Industries Corp. (Garrard changers, Wharfedale speakers, other hi-fi equipment) common stock at \$30 a share is being made through a group of underwriters headed by Emanuel, Deetjen & Co.

With more than 26,500 spots transmitted in June 1959, British TV advertising for that month totaled over \$12 million. Commercial programmer Associated Television reported profits for year ending April 30, 1959 with earnings of \$14,886,180; \$10,264,545 for the preceding year.

Television Digest

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Personals: Vincent Francis promoted from regional sales mgr. of ABC-TV western TV regional network sales to sales mgr., western div. and moved from San Francisco to Hollywood ABC-TV Center Aug. 1 . . . John P. Frankensfield, WBAL-TV Baltimore production mgr., named program dir. Stanley J. Cole appointed to new post of operations mgr. . . . Rolland Reichert named night mgr., WNBQ & radio WMAQ Chicago, continuing some of his present duties as TV operations mgr., WNBQ . . . Douglas Rodgers, ex-NBC producer-dir., named WNTA-TV program dir.

Ray Schwarz, producer-dir., WJRT Flint, Mich., named production mgr. . . . Dr. Armand L. Hunter named director, div. of bestg. services of Michigan State U.'s WMSB Onondaga-Lansing; Brice H. Howard, ex-NBC-TV producer, succeeds Dr. Hunter as program mgr. of WMSB . . . James Gerity Jr., Gerity Bestg. Co. & WNEM-TV Bay City, Mich., pres., will resume his position of WNEM-TV gen. mgr.; Tom Matthews, WNEM-TV operations dir., named station mgr.; Russell A. Gohring resigns as v.p.-gen. mgr., WNEM-TV; Harold Stone named operations administrator & production dir., Vincent Collins appointed program administrator & film dir. . . . C. L. (Chuck) Hinkle named station mgr. of KXII Ardmore, Okla., now that Texoma Bestrs. Inc. (controlled by KWTX-TV Waco, Tex.) has taken over operation (Vol. 15:25) . . . Ron Scott promoted from chief announcer & sales service mgr. to promotion supervisor, WOI-TV Ames, Iowa . . . Fitz Hooton resigns as program dir. of WPSD-TV Paducah, Ky. . . . Paul S. Karr named production dir. of KLOR-TV Provo, Utah.

Chuck King, ex-NTA, rejoins MBS as station relations dir.; Ray Diaz, former station relations mgr., named station services & co-operative programs dir.; Frank W. Erwin named to new post of asst. to the pres. . . . Steve McCormick, MBS news dir., named dir. of network's Washington operation . . . Wendell B. Campbell, ex-v.p. of RKO Teleradio Pictures, named managing dir. of Storer's radio KPOP Los Angeles . . . Thomas J. Swafford, ex-WCBS radio sales mgr., named to succeed Joseph T. Connolly as v.p.-gen. mgr. of CBS-owned radio WCAU Philadelphia. After recuperating from recent surgery, Connolly will assume new duties with CBS radio.

Frank L. Marx, ABC engineering v.p., elected a dir. of Foto-Video Labs . . . Jerome A. Barnes, program dir. of Springfield TV Bestg. Corp., appointed to Springfield Mayor's Commission on Alcoholism . . . R. R. Macgillivray named counsel, W. D. Mills, sec., Canada's Board of Best. Governors (BBG).

Social center for TV-radio executives in N.Y. has been proposed by RTES, now preparing a \$500,000 fund drive for the purpose. "Our aim," says RTES pres. Frank Pellegrin, "is an attractive broadcast executives club with all the facilities to provide services of the highest standards—dining rooms, bars, conference rooms, and viewing rooms." Proposed as the means of fund raising is a bond issue to be offered to companies in the broadcasting field.

Virginia Payne, *Ma Perkins* heroine, elected pres. of AFTRA; Art Gilmore, Los Angeles, 1st v.p.; Eleanor Engle, Chicago, 2nd v.p.; Walt Williams, St. Louis, 3d v.p.; Evelyn Freyman, Washington, 4th v.p.; Hal Newell, Minneapolis-St. Paul, 5th v.p.; Jack Chase, Boston, 6th v.p.; Willard Waterman, Los Angeles, 7th v.p.

Richard N. Beaty leaves Washington office of Cahill, Gordon, Reindel & Ohl, dropping practice of law to become partner in Carl M. Loeb, Rhoades & Co. (investments).

A. D. Ring & Associates, consulting radio engineers, have moved to 1710 H St., N.W., Washington 6.

Obituary

William Theodore Ditcham, 78, former asst. to the engineer-in-chief, Marconi's Wireless Telegraph Co., England, died recently. His voice was the first to be transmitted across the Atlantic by radio when in 1919 he helped to establish wireless contact between Ballybunnion, Northern Ireland and Louisburg, Nova Scotia. The following year, Ditcham and Captain H. J. Round established the world's first radio news service.

William C. Gittinger, 62, former CBS v.p. and special asst. to CBS Inc. pres. Frank Stanton, died July 27 in Southold, L.I. He had retired in 1955 but continued to serve as a consultant. He is survived by his wife, 2 daughters, a son, a sister and 4 grandchildren.

Robert H. Dellar, 46, FCC engineer, died July 26 at Alexandria Hospital, Alexandria, Va. He was a member of the National Capital Astronomers and an organizer of Washington area "moonwatch" satellite tracking stations. He is survived by his wife and son.

Edward C. Horstman, 51, engineering dir. & business mgr. of educational WQED (Ch. 13) Pittsburgh, drowned July 31 while swimming in the Allegheny river.

TIO Progress Reports: A director of the TV industry's new TV Information Organization (TIO), scheduled to begin full public relations "image" operations Oct. 1 in N.Y. (Vol. 15:29), may be nominated this week.

Three subcommittees (personnel, structure, program) of the NAB's TV information committee will meet separately Aug. 4 in N.Y. to go over applications for the director's job and recommendations on programs & finances. The full committee will meet at the Waldorf Astoria.

"No announcements will be made of the subcommittee actions," said committee chairman Clair R. McCullough (Steinman stations). "But since every member of the full committee is also a member of a subcommittee, it may be possible to hold a committee meeting at the end of the day and take action on subcommittee recommendations.

Target date for appointment of the TIO dir. is Sept. 15. He will be named by NAB pres. Harold E. Fellows on the recommendation of Steinman's committee—subject to approval by NAB's TV board.

Advertising

AD VOLUME—1958 AND 1959: National advertising volume is headed for an all-time high of \$10.9 billion this year, *Printers' Ink* predicts on the basis of first-quarter figures. The just-released 1959 projections show TV (network & spot) as the medium showing biggest increase over 1958, although it predicts rises in all media except outdoor.

Its final estimates of 1958 ad volume pictures a better advertising year than previously assumed—very close to 1957's record total—thanks to a 4th-quarter spurt. In 1958, TV showed an over-all increase of 7% from 1957, second only to direct mail (8%) in rate of increase. Newspapers, magazines, business papers and outdoor were down from 1957, with radio also down slightly. The new tables, which represent *total* expenditures by advertisers, not merely receipts by media:

ESTIMATE OF 1959 ADVERTISING VOLUME

Medium	Expected 1959 total advertising revenue (millions)	1958 final estimate (millions)	% change 1959 vs. 1958
Newspapers (national)	\$ 790.0	\$ 768.7	+ 3%
Magazines	820.0	766.8	+ 7
Television (network & spot) ..	1,225.0	1,106.1	+11
Radio (network & spot)	250.0	247.5	+ 1
Business papers	570.0	540.0	+ 6
Outdoor (national)	125.0	129.4	- 3
Other investments by national advertisers	2,920.0	2,772.5	+ 5
Estimated total investments by national advertisers	6,700.0	6,331.0	+ 6
Estimated total investments by local advertisers	4,200.0	3,970.8	+ 6
GRAND TOTAL	\$10,900.0	\$10,301.8	+ 6

FINAL ESTIMATES OF 1958 ADVERTISING VOLUME

	1958		1957		% change 1958 vs. 1957
	Millions	% of Total	Millions	% of Total	
Newspapers					
total	\$ 3,192.8	31.0	\$ 3,283.3	31.8	+ 2.8
national	768.7	7.5	809.7	7.8	- 5.1
local	2,424.1	23.5	2,473.6	24.0	- 2.0
Magazines					
total	766.8	7.4	814.3	7.9	- 5.8
weeklies	425.4	4.1	451.4	4.4	- 5.8
women's	150.5	1.5	164.4	1.6	- 8.5
monthlies	157.7	1.5	160.9	1.5	- 2.0
farm, national ..	33.2	0.3	37.6	0.4	-11.7
Television					
total	1,354.2	13.2	1,265.3	12.3	+ 7.0
network	709.1	6.9	670.1	6.5	+ 5.8
spot	397.0	3.9	351.6	3.4	+12.9
local	248.1	2.4	243.6	2.4	+ 1.8
Radio					
total	615.7	6.0	617.9	6.0	- 0.4
network	57.9	0.6	63.5	0.6	- 8.8
spot	189.6	1.8	186.9	1.8	+ 1.4
local	368.2	3.6	367.5	3.6	+ 0.2
Farm Publications					
regional	34.2	0.3	33.7	0.3	+ 1.5
Total Farm publications*	(67.4)	0.6	(71.3)	0.7	- 5.5
Direct mail	1,588.6	15.4	1,470.9	14.3	+ 8.0
Business papers	540.0	5.2	567.6	5.5	- 4.9
Outdoor					
total	191.7	1.9	199.1	1.9	- 3.7
national	129.4	1.3	134.4	1.3	- 3.7
local	62.3	0.6	64.7	0.6	- 3.7
Miscellaneous					
total	2,017.8	19.6	2,058.5	20.0	- 2.0
national	1,183.9	11.5	1,184.2	11.5	—
local	833.9	8.1	874.3	8.5	- 4.6
Total national	6,331.0	61.5	6,253.2	60.6	+ 1.2
Total local	3,970.8	38.5	4,057.4	39.4	- 2.1
GRAND TOTAL ..	\$10,301.8	100.0	\$10,310.6	100.0	- 0.1

* Bracketed figures identify advertising directed to farm markets through national, regional and state farm publications. These figures are already contained in the other media totals and are not to be added into national or local totals.

FOREIGN AUTOS—LOCAL BUSINESS: Most of the advertising money TV is getting out of the foreign car boom is local, and there's not much of that. With few exceptions, the manufacturers are passing along most ad expense to dealers on a "spend if you like" basis.

The romance between American motorists and little foreign cars has been thriving since World War II. It hit a peak last year when registrations of new import models in the U.S.—paced by Volkswagen, Renault and English Ford—jumped 82.5% over 1957 levels for a total of 378,256 units, or 8% of all new cars registered in 1958 (1959's figure is expected to be 10%). This gasoline-scented love affair, however, is about to face a real domestic threat when Detroit's Big 3 enter the small-car market this fall with all out network and spot TV campaigns.

Surprisingly enough, there is practically no concern at all in the foreign-car field about the TV barrage that's being zeroed-in on them for fall. We spoke to auto importers & distributors in N.Y. during the past month, and found TV plans, with few exceptions, to be minor, or simply non-existent.

Not that TV hasn't tried to crack foreign-car ad budgets, which are frequently sizable although print-oriented. As NBC-TV's mgr. of sales development Robert McFadyen put it to us: "We've pitched network TV to almost every foreign car. Some feel they're so successful they don't have to advertise. Others say their budgets are too small for network shows . . . or that they get their best results from print media. Only a few are willing to take any kind of TV plunge." Other networks, and the TvB, have made similar efforts, usually with little success.

Biggest use of TV in foreign-car advertising seems to be at the local level—by wide-awake dealers, many of whom have used and are using TV.

* * *

Here's the company-by-company TV outlook we found among the leading import brands, listed in approximate order of their importance in the U.S. market. Agencies are listed after the brand names:

Volkswagen (Doyle Dane Bernbach): With a minimum of advertising, German-made VW has grabbed the top U.S. spot among foreign-made autos, with 1958 registrations of over 77,000. Ad spending this year has been greatly increased and may pass the \$1 million mark, primarily in newspapers & magazines. TV, however, has a minor role in VW media schedules. "We've developed a series of 60-sec. TV commercials which we send to dealers who buy TV time themselves," Scott Stewart, P.R. dir. of Volkswagen Corp. of America, told us. "The campaign is about 6 months old. We have no figures on how many dealers use these TV spots. We have no network TV plans." VW's aloofness from network TV, however, isn't always duplicated at the local level. In the Los Angeles area, Volkswagen dealers have been sharing part-sponsorship of Los Angeles Rams' football road games, and pulling as much as 3500 requests for copies of a pro football book giveaway within a 2-week period.

Renault (Needham, Louis & Brorby): French-made Renault is not only the most advertising-minded of the import cars, with a 1959 budget of some \$4 million—it is the most TV-minded, with virtually 50% of its budget in TV. Currently in 2nd place among foreign models in the U.S. (1958 registrations: nearly 60,000), Renault is aiming at a 100,000-car figure this year, and takes pride in being the only foreign car that's a regular user of network TV. Renault took its first network plunge with a 13-week part-sponsorship of *Small World* on CBS-TV last fall, then

RTES's 6th annual time buying & selling seminar luncheons will begin Nov. 10, at N.Y.'s Hotel Lexington. The 16 weekly sessions will be guided by Grey Advertising's R. David Kimble.

shifted into the sponsor lineup on *Playhouse 90*, and punched hard this spring with a May 22 "Kovacs on Music" special on NBC-TV. Anxious to consolidate its sales & dealer gains (it has 800 dealers, about twice as many as Volkswagen), Renault is currently looking for a suitable program for the balance of the fall when the 90-min. CBS drama show drops to an alternate-week slot on Thursdays. Renault is also a spot TV buyer, with TvB reporting a \$47,930 expenditure in spot last year.

English Ford (J. Walter Thompson): Although currently ranked in third place in U.S. imports of foreign autos and handled by one of the most TV-minded of agencies, the British-built Ford models receive small advertising support in print, and almost none in TV. Last year, national TV spot spending for this line amounted to a mere \$680. JWT officials tell us there are no TV plans for English Ford this year.

Fiat (St. Georges & Keyes): This Italian-made car is being advertised with a budget of about \$1 million, but the only TV activity is confined to a few scattered local dealer buys.

Hillman (Erwin Wasey, Ruthrauff & Ryan): "Network TV is too expensive for this line," said an agency spokesman of Hillman, leader of the Rootes Group cars imported from Britain, although he added that Hillman used spot TV last winter in the N.Y. area and will use it this winter on both East and West coasts. "Dealers in N.Y.," added the EWR&R account man we contacted, "were exceptionally happy with the TV spot support."

Simca (Meltzer): A Chrysler import from France, Simca recently finished a series of live-and-tape participations in NBC-TV's *Today* show, and plans local sponsorship of sports events in TV this fall. There is also some minor selling of Simcas on Chrysler-sponsored network shows, but this may be dropped with the advent of Chrysler's own small cars. "In most major markets, Simca dealers, most of which are Chrysler dealers, do their own TV spot advertising," Jeremy Barkann of the Meltzer agency told us.

Standard-Triumph (Doherty, Clifford, Steers & Shenfield): The sporty Triumph TR-3, backed in TV spot to the tune of some \$60,380 last year in a few key metropolitan markets, is now "definitely considering" more spot TV for the next fiscal year, says acct. exec. Bob Doherty of DCSS. Most ad dollars still go to print media.

Volvo (Adv. Agencies Inc.): "We've thought about network TV, but it's too expensive," an AAI agencyman stated, adding that "supplying dealers with TV-radio commercials and letting them buy the time seems to be the best arrangement for our broadcast advertising." Swedish-built Volvo otherwise has a \$1 million budget concentrated in national magazines, and some spot TV.

Saab (Gotham-Vladimir): Another Swedish-built auto, Saab is "considering a spot TV campaign in the East in the not-too-distant future," acct. exec. Duncan Sutphen told us. Otherwise, no TV has been used, and advertising is confined to print.

Vauxhall (MacManus, John & Adams): A Pontiac import from Britain, the Vauxhall was TV-sold with "a limited number of spots in Sept. 1957 preceding its entry into the U.S. market," an MJA agency spokesman told us. "Since then, we haven't used TV, even on Pontiac-sponsored network shows. We have sent TV spots to dealers, although there's no report of dealer usage."

Citroen (Shevlo): Last year, local dealer TV campaigns for this French import were used in New England, District of Columbia, and Chicago areas, an official of Citroen Cars Corp. (N.Y.) told us. All contracts are being renewed and

strengthened, and a part-sponsorship of *Open End* on WNTA N.Y. is being considered.

Isetta and BMW (Gore, Smith & Greenland): This line of German-made midget imports has a limited print campaign, and a somewhat unusual TV activity; cars are regularly traded in exchange for network TV plugs on such shows as *Price Is Right*, *Garry Moore Show*, etc., we were informed by an adv. dept. official of Fadex Commercial Corp., the N.Y. importer.

Others-at-a-glance: We checked, and found no TV activity reported for Mercedes-Benz, Jaguar, Peugeot, Alfa-Romeo, Borgward, Austin, MG, Lancia, Porsche, Opel, Moretti and the Japanese-built Datsun. All, however, have U.S. newspaper and/or magazine advertising campaigns to some degree.

Advertising People: William D. Watson promoted from senior v.p. to exec. v.p., Erwin Wasey, Ruthrauff & Ryan . . . Anthony C. Chevins, Cunningham & Walsh creative dept. dir., elected senior v.p. . . . John O. Roche named creative dir. & v.p., Gardner Adv.

Alfred L. Hollender promoted from v.p. in charge of TV to exec. v.p., Grey Adv. In addition to TV, he will head mktg. services, production, finance & branch office operations . . . Dr. Clark L. Wilson named BBDO research v.p. . . . Frank Clayton, ex-Gardner Adv., named media dir., Kenyon & Eckhardt Chicago office . . . Roddy Rogers named head of N. W. Ayer's Hollywood office, replacing Glenhall Taylor, resigned.

Hugh M. Redhead, Fuller & Smith & Ross Pittsburgh office v.p. in charge of creative services, named mgr. of that office, succeeding John A. McKinven, named to special mktg. assignments, N.Y. office; David H. Echols moves from N.Y. office to become v.p.-mgr., Chicago office; John Leahy, San Francisco v.p. & group supervisor, will head that office, succeeding William P. Dumont, named West Coast co-ordinator; Edward J. Lauesen, named corporate mktg. programs v.p.; Kirk C. Tuttle, v.p.-mgr., Cleveland office, elected a dir.

TV is going to the dogs to the tune of \$15 million worth of dog-food billings this year, a 30% increase over 1958, TvB estimated last week. During Jan.-May of this year, 9 pet-product advertisers spent \$2,858,593 for gross time on network TV, while spot advertising for the first quarter '59 totalled \$2,441,000. Leading network users are General Foods' Gaines Dog Meal, Ralston-Purina's Dog Chow, and Quaker Oats' Ken-L Dog Foods. Largest spot spender this year is Gaines—with Rival, Kasco, Cadillac Dog Food, Archer-Daniels Midland, and Calo Dog Foods also on TvB's list.

Procter & Gamble has been accused of illegal restraint of trade in an FTC complaint citing exclusive contracts with manufacturers of automatic washing & dishwashing machines to provide free samples of Tide, Dash & Cascade detergents. The FTC also accused Procter & Gamble of making false claims in advertising that the manufacturers endorse the 3 products and recommend their exclusive use.

"Sponsor's" 13th annual *Air Media Basics*, is a 220-page compilation of latest TV-radio, film & tape, time-buying & marketing facts, figures and charts covering such basics as what-it-is & how-it's-doing. Included in the new edition are a special glossary on tape language, a 5-city directory of addresses important to advertisers.

Film & Tape

RCA's TAPE SHOWCASE: RCA made its first major move in the TV tape recorder field since its demonstration of production-model recorders last March (Vol. 15:12) in a joint announcement with New York's Reeves Sound Studios that the two firms were going to set up an 8-recorder independent TV recording studio, involving \$1 million worth of recorders, cameras and associated equipment. Two of the recorders will be color-equipped.

The new rental studio, designed to provide a TV service comparable to Reeves' long-established recording facilities for movie & record firms, is due to be opened "early in the fall," reported RSS pres. Hazard Reeves. RCA is "shooting for an August start on deliveries." The Reeves tape studio can, presumably, furnish the same kind of working showcase for RCA recorders that Ampex has through its part-ownership link with Videotape Productions of N.Y.

Chief selling point in the Reeves-RCA setup will be the simplified editing made possible by the multi-recorder installation. Splicing, with its attendant problems of roll-over and necessity for great exactness, will be virtually eliminated, executives of both companies stated at a July 30 press conference. Instead, by using cued-up, pre-recorded tapes and a monitor system, a TV director can "electronically edit desired sequences into a master monitor and recorder" with the aid of RCA-designed synchronized and transistorized switching facilities "capable of a one-millionth of a second changeover."

The resulting tapes, of course, are actually "second generation" rather than spliced originals, but RCA executives stated that there would be no drop-off in picture sharpness and stability. Reeves will also be able to handle studio tape production, with RCA due to deliver color and b&w cameras, film chains, film and slide projectors, and master control equipment to the New York site.

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More Features from NTA: One of the last packages of major pre-'48 pictures will go into TV distribution early this fall from NTA. Under its long-range distribution agreement with 20th Century-Fox, NTA will shortly receive a 160-picture group for syndication. Ultimate TV gross earnings by 20th-Fox on the deal are expected to top \$11 million, plus a participation in NTA profits on the sale of the features to TV stations.

The features represent approximately half (and the best half at that) of the 300-odd pre-'48 pictures in the 20th-Fox vaults still uncommitted to video distribution. Titles include: "The Razor's Edge," "Seventh Heaven" (The James Stewart-Simone Simone remake), "Grapes of Wrath," "Wilson," "Blood & Sand," "Jesse James," "A Tree Grows in Brooklyn," "Mark of Zorro," "Stormy Weather," "Give My Regards to Broadway."

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Charging AFTRA rerun fees on taped shows are "unfair," KTLA Los Angeles is removing 2 taped series from its station. In taking *Youth Court* and *Municipal Court* off the Paramount-owned channel, station v.p.-gen.-mgr. Jim Schulke says KTLA may produce fewer tape series than originally planned due to what he considers "exorbitant" AFTRA residuals. He says rerun fees on the 2 series run as high as 50% of the original budget of each show, and claims he can't telecast telefilm programming for less than the cost of the tape repeat.

Even the Yacht Goes: When the U.S. Internal Revenue Bureau slapped a tax lien on the Hal Roach studios in Hollywood last week it was the last straw for the once-prosperous lot which is now in bankruptcy. (Among items attached by the receivers was the 120-foot yacht of Hal Roach Jr., former pres. of the studio).

When we visited the 23-acre Culver City studio last week, it was to find the once busy 6-stage studio had only 1 show shooting on its 6 stages (*The Dennis O'Keefe Show*). A skeleton staff is operating the lot to serve the O'Keefe show and any other rentals which may move in. When the studio, sold by Roach to Alexander Guterma's Scranton Corp., went into bankruptcy last April 3, the receivers fired the studio fire dept. and cut the number of security guards in half—to 4. Ironically, there are 2 receiver-appointed guards patrolling young Roach's yacht.

The modest office once occupied by young Roach is empty today. The ornate office once the headquarters of his father, Hal Roach Sr., who founded the studio, is occupied by an attorney for receivers J. Julius Levy and John F. Murphy of Scranton, Pa. Roach Sr. has his lavish home up for sale, asking \$225,000.

When we asked a spokesman for the attorneys representing the receivers the present status of the studio, he replied: "Our auditors are now going over the books. This is a complex job since [Alexander] Guterma had a number of companies, and there were inter-company guarantees so involved none of them knows just how much each owes. In many cases, documents which would help us are missing. I don't know when the auditing will be completed. I have never seen such a mess."

When we asked if the trustees were considering selling the Roach studio, he replied. "The trustees are not in a position to do anything with it. They probably wouldn't allow a sale until they know where they stand, and this depends on the audit we're now making."

Asked if young Roach has anything to do with the studio now, he answered emphatically, "No." As for young Roach, whose deal with Guterma cost him the studio, we checked him and he told us he's working on "something," that he would soon have some news of his project.

When Roach sold his studio to Guterma's Scranton Corp., he was so confident this would give him the needed financial shot in the arm that he turned away rentals even though the lot had empty stages. And although he announced at a press conference there would be \$20 million in production as a result of the Guterma link, there was no money forthcoming from the Eastern financier, and the auditors today are busy trying to find where the Roach assets went after Guterma bought the studio.

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Film over tape: Only 20% of stations buying ITC's syndicated version of *Ding Dong School* (14 out of a total of 70) want the show on tape, although tape is used as its basic production medium, ITC officials in N.Y. tell us. The remaining stations have indicated a preference for a film copy (actually, a high-grade kinescope). The problem, explains pres. Walter Kingsley, is that many outlets equipped with only one video tape recorder use it almost constantly during the day for the production of commercials, news shows and delayed broadcasts, and can't spare the playback facilities to air the show.

ABC Films has sold 545 half-hours to 6 foreign countries during July, 1959. Properties include *Wyatt Earp*, *The 3 Musketeers*, *Ozzie & Harriet*, *The People's Choice*, and *26 Men*. Countries are United Kingdom, Switzerland, Finland, Australia, Japan, Mexico—plus Puerto Rico.

READYING THE REPLACEMENTS: Virtually every Hollywood telefilm production company is currently busy on projects to present to sponsors & agencies for Nov. & Dec. While it's not unusual for them to have some pilots or presentations available for the winter, there's an unprecedented rate of activity now going on in Hollywood in this area. Producers & executives we've talked to make it clear they expect a sizable number of cancellations of telefilm shows at year's end—and they want to be ready with potential replacements—instead of being caught short as in past seasons.

Part & parcel of this picture is the comparatively new thinking expressed by most top executives that "There is no selling season; you can sell all year around." Network executives, who too vividly recall being caught short with a sudden mid-season cancellation and the necessity of having to substitute a mediocre last-minute program, share this attitude.

Aside from the vast number of unsold pilots (last spring's TV hangover), there'll be many new projects—some presentations, some pilots, some with multiple episodes ready (like Chertok-MCA's *Johnny Midnight* series).

While some projects are well known, there's considerable secrecy regarding others—to avoid stirring up action by competitors.

Revue Productions will have a minimum of 4 properties to offer any sponsor caught short with a low-rated series next winter: *Roadblock*, *Johnny Guitar*, *The Miss & the Missile* and *Johnny Midnight*. Revue pres. Taft Schreiber tells us his company is working on various other projects, but declines to go into detail now.

Four Star Films will have available almost 10 unsold pilots plus a new 60-min. pilot, *Michael Shayne*, which it will produce with NBC financing.

Screen Gems will have a number of unsold pilots available as replacements.

MGM-TV, with its 7 pilots remaining from last spring, is working on several new properties for year's end, we're told by production chief Richard Maibaum.

Desilu Productions v.p. Martin Leeds informs our Hollywood bureau that his company will have several pilots available from last spring, and that 3 of these are already close to deals for year-end production starts. Leeds expects *Laffite & You're Only Young Twice* to sell to networks, and *The Man Nobody Knows* to go into syndication for NTA.

A merger of **Screen Directors Guild of America** and the **Radio & TV Directors Guild** appears imminent, following adoption of a merger proposal by boards of directors of the 2 groups. Membership of each guild must ratify the board recommendations. There are 1155 members in SDG and 889 in RTDG. The new organization, which would be known as **Directors Guild of America**, would have jurisdiction over directors in movies, TV film, live TV, video tape and radio. The new guild would be a national organization, with offices in Hollywood and N.Y., headquartering on the Coast. SDG pres. Frank Capra would be pres. of DGA; RTDG pres. Mike Kane would be exec. v.p.

Screen Actors Guild collected a record total of \$499,211.25 in telefilm residuals for members during June. Total amount collected by SAG since December 1953 exceeds \$10 million, according to Guild exec. secy. John L. Dales. The figures do not include residuals for telefilm commercials or payments for post-1948 movies sold to TV.

Early 'Casualty' Season: Although the new TV season doesn't begin until the fall, it's an early casualty year for producers of telefilm series, with at least 4 already either taken off shows or quitting series.

Latest to go is Warner Bros.' Roy Huggins, assigned to produce low-budget exploitation movies after having produced *Maverick*, *Cheyenne* and the first *77 Sunset Strip*. Huggins is on "layoff" at WB, which means he won't be paid any salary until he's back in favor.

Huggins told us "I've been trying to get out of my contract for some time. They came up with this idea of my doing feature films. However, when my first feature was postponed, they wanted to put me on *Maverick* and several other shows. I told them I would do it only if it could be done the way I wanted, and I didn't even want any screen credit for my work. The studio still didn't see it, and put me on layoff. Meanwhile, I've received offers from other companies to produce movies and/or TV."

In another producer hassle, Stanley Roberts left the Betty Hutton series, *Goldie*, on which he was producer, after a dispute with Miss Hutton over the content of the series. Roberts tells us "we had a difference of opinion regarding the approach and concept of the series." The producer, who turned out the pilot, retains a 25% interest.

Goodson-Todman replaced William Froug as producer of its *Philip Marlow* series, naming Gene Wang the new producer. Wang is changing the format so that the series will be more a whodunit than a private eye show.

United Artists TV & Meridian productions took Allen Rivkin off as producer of its *Trouble Shooters* series (Keenan Wynn), naming Frank P. Rosenberg.

Tape Warning Sounded: Taking what he termed "a calm look at tape" in an open letter mailed last week to 2000 top TV executives, pres. Robert L. Lawrence of the N.Y. film commercial firm that bears his name predicted that a wholesale agency plunge into video tape now would produce a "torrent of dull & insipid commercials."

Tape, he feels, "cannot match film's unlimited technological capacities" with its "top directors, cameramen, scenic designers and editors." The real place for tape, he added, is in the realm of "the simple, unsophisticated, ordinary, 'stand-up' type" of commercial, usually live & constituting "less than 20% of all commercials on the air."

Lawrence challenged tape's much-heralded cost savings over film, saying that economies in taped spots come "only if they can be shot and completed in a few hours" and by "surrendering film's absolute control." As for tape's rapidity of production and playback, he asked pointedly: "Who needs instant commercials, any more than we need instant ideas?"

Although he feels that tape may overthrow the "fairly promising stability" of the commercial film field, Lawrence stated that "when tape becomes the thoroughly plastic medium that film is, we will use tape." The *en-masse* production of taped commercials, he added, will be practicable "probably within a year."

Latest executive talent hunt in the telefilm field is being made by CBS Films to find a replacement for production v.p. Les Harris, who's leaving to join ITC. Merle S. Jones, pres. of CBS stations div., and Sam Cook Digges, administrative v.p. of CBS Films, are heading the search, and will be in Hollywood this week talking to "several top production executives," CBS tells us.

NEW YORK ROUNDUP

Ziv's 117-man sales staff has arranged "565 co-sponsorship marriages" between 1130 non-competing advertisers in national and syndicated sales during Jan.-June of this year. Ziv co-sponsorship deals have increased 62% in the past 3 years, reports sales v.p. Bud Rifkin.

European stars who will guest in the upcoming series of Ford TV specials (apart from a few that will be taped in Europe) will perform in N.Y., not in Hollywood.

ABC Films will release *Meet McGraw* for syndication, effective Oct. 1. Series contains 42 half-hours and has been seen on NBC-TV and ABC-TV.

Sterling TV's *Famous Story Cartoons* package of 65 children's films has been sold in 9 markets. Sixty-five more films are currently in production.

WPIX N.Y. has placed its syndicated hour-long documentary, "Secret Life of Adolf Hitler," in 13 new markets.

U.S. Time Corp. has announced it is trying to arrange through the State Dept. to record the Moscow State Circus on video tape in Russia . . . Comedian Jim Backus, star of the \$100,000, General Foods-backed, MGM-produced pilot of *Father of the Bride* now on the shelf, gave a back-handed slap to his efforts in Marie Torre's syndicated TV column last week. Said Backus, "I made the pilot for MGM—and you know their lion? Well, instead of roaring, it yawned. It was terrible. But if they sell the series, which I doubt, I guess I'll have to make other episodes."

Lloyd Burns, head of Screen Gems' Canadian operation, has been named dir. of International Operations, replacing William Fineshriber, who has announced no future plans . . . Frank Granville has been appointed story editor for Ziv's *Lock-Up* syndication series . . . Jack Herzberg, ex-Ziv *Highway Patrol* producer, named co-producer of *Lock-Up* with Henry Kessler . . . Morton Nathanson has been promoted to dir. of internatl. adv. and publicity, United Artists Corp. . . . Joseph Dunkelman, dir. of Telepix Movies, Canada and a v.p. and dir. of Screen Gems Ltd., Canada, has resigned both positions . . . Fred Jackman named a director on Screen Gems' *Manhunt* series.

Jerry Franken, ex-Gross-Krasne-Sillerman named PR dir. of NTA. Harry Albus continues as press dir. . . . Eli Blum, United Artists Associated chief accountant, appointed asst. treas. . . . Ziv has named 6 new regional sales mgrs.: John Davidson, southeastern div.; Jerry Kirby, northeastern div.; Stuart Halliday, Chicago; Allen Martini, western div.; John Louis, north central spot sales; Harry Littler, southeastern spot sales . . . John Auer has been signed as producer of Desilu's syndicated *U.S. Marshall* . . . Stuart Jerome signed to a 5-year non-exclusive writing contract at Revue Productions . . . Milt Meyers, a TV unit mgr. for NBC, and John Walsh, special projects publicist for CBS, are being moved by their respective networks into new jobs to coordinate talent on network specials.

John (Bud) Palmer, sports commentator and former N.Y. Knickerbocker basketball player, named Globe-Video newsreel sports dept. dir. . . . Arthur (Skip) Steloff, div. sales mgr. for Television Industries, RKO feature films distributors, resigns to form Heritage Productions for programming production & distribution . . . Peter Packer has been named producer of *Tales of the Plainsman*, new Four Star-Essex telefilm series starring Michael Ansara.

HOLLYWOOD ROUNDUP

Peter Lawford tells us he's offering his *Head of the Family* comedy pilot for sale in December, following an unsuccessful attempt to sell the series for the coming season. Carl Reiner produced the pilot for Lawford's Kenelaw company.

Production has begun on the sixth season of *The Millionaire*, series produced by Don Fedderson . . . Parry Films Ltd. of Canada is producing a half-hour telefilm series, *North of 53*, with Don Megowan starring. All filming will be done in Canada.

Ida Lupino, who's appeared in an extensive list of feature movies & telefilms, has TV to thank for a new personal milestone. She's due to appear in "The Saga of Annie O'Toole," an episode in the new *Bonanza* series due on NBC-TV as a house package this fall. It will mark her color film debut, as all her previous cinemoting has been before b&w cameras.

La Mesa Productions owner Al Scalpone is recasting *Man on the Beach*, for which he had produced a pilot for CBS. The network didn't care for some of the original cast and asked Scalpone to reshoot. Scalpone has created a new action-adventure series, *Man From Beverly Hills*, and is also working on an as yet untitled series about organized crime. Ex-CBS west coast program v.p. Scalpone's pilots are financed by CBS.

"Johnny Midnight," the Jack Chertok series starring Edmond O'Brien, is going into production although it won't be on TV next fall. Uniquely, the show has been sold twice, but still hasn't a sponsor. First Chesterfield saw the pilot, bought the series, but couldn't find a time slot. Then American Tobacco bought it, also couldn't find a time slot. The reaction, however, encouraged owners Chertok, MCA and O'Brien to proceed with 13 episodes on the supposition that there will be cancellations in December, and *Johnny Midnight* will be in a good spot to fill one of these periods.

Bill Bendix will play a detective in a new pilot telefilm, by his own Bilben Productions. He had teamed with Alan Ladd in a pilot called *The Ivy Leaguer*—but it hasn't sold . . . Hans Conried is starring in a new pilot of *Mr. Belvedere* being produced at 20th-Fox TV. The first *Belvedere* pilot, starring Reginald Gardner, did not sell.

Filmaster Productions has acquired TV rights to *Foreign Service Officer*, by James M. Fox, and plans a 60-min. series.

Hermes Pan, choreographer, and Ed Stephenson, set designer, have been signed for NBC-TV's upcoming "Another Evening with Fred Astaire," Chrysler Corp. special set for Nov. 4 . . . Leo Brody, asst. to the v.p. of Trans-Lux TV Corp., has been named eastern division sales manager . . . Marshall Jamison named production chief of CBS-TV's 90-min. special "The Fabulous Fifties" . . . Herbert Richman, ex-Screen Gems, appointed international booker, ABC Films . . . Alfred Markin, NTA Telestudios Inc. asst. dir., elected v.p. in charge of operations. Fred Miano has been appointed comptroller.

Anthony Muto named head of research for movies & TV at 20th Fox . . . Ralph Levy, ex-CBS producer-dir., will produce-direct the Cyd Charisse special in the Ford series on NBC . . . Stan Margulies named exec. producer of Bryna productions' *Tales of the Vikings* telefilm series . . . Sam White has left CBS's *Perry Mason* series, on which he was associate producer for 69 telefilms . . .

Trade Report

AUGUST 3, 1959

AVERAGE TV PRICE HEADING UPWARD: Price of average TV set at factory level this year appears to be continuing the upswing which began in 1957.

Despite heavier-than-ever sales of 14- & 17-in. models so far this year (35% of all TV set sales for first 6 months), factory sales price of average TV set (before excise tax) was \$133 in first-half 1959, as opposed to \$131 for the same period last year. Even though TV set prices have not actually been raised, popularity of such extras as remote tuning and of more deluxe models has accounted for general—if slight—upgrading in unit price, according to industry sources.

Average set price first half of year usually is lower than last half, when fall-winter buying occurs. For example, full-year 1958 average factory price of TV set was \$136 (up from \$131 for first 6 months).

TV price's lowest ebb came in 1956, the year of the no-profit portable, when average set dropped to \$127 at factory from high of \$280 in 1947, TV's first big year. Drop from 1947 to 1956 was uninterrupted—and then prices began to rise, going up \$3 in 1957 and \$6 in recession-year 1958. Here's recapitulation of average factory TV set price year-by-year from 1947 through 1958:

1947	\$280	1950	\$180	1953	\$170	1956	\$127
1948	\$235	1951	\$177	1954	\$140	1957	\$130
1949	\$193	1952	\$172	1955	\$138	1958	\$136

THE NEW WESTINGHOUSE 'IMAGE': "Complete break with the past" in policies and product will be keynote of Westinghouse's 1960 drive for leadership position in TV-stereo industry. You may have heard that tune before—but some of the changes, now being outlined at distributor meetings across the country, mark a sufficiently new approach to TV-radio-phono merchandising to be worth watching closely.

Belatedly showing its new TV-stereo lines—delayed by 13-week strike at its Metuchen, N.J., plant—Westinghouse is making first announcements of series of departures in its way of doing business which will be implemented during coming year. One highlight will be new approach to problem of warranty service.

Having dropped all factory-service operations, Westinghouse will work in close cooperation with independent service technicians exclusively. Says TV-radio marketing mgr. C. J. Urban: "We're not satisfied with the way the industry is handling its warranty obligation." Although details of warranty plans haven't yet been outlined, one objective will be quick & complete service on all warranty repairs.

To implement this plan, one important step by Westinghouse will be the franchising of independent parts jobbers to supply in-warranty parts in areas far from regular company parts suppliers.

Its new approach to product lines is unique adaptation of approach used by some other manufacturers: Quality furniture. But Westinghouse has gone big step further. Four separate lines—early American, imperial provincial, custom traditional and American contemporary—are completely distinct, from top to bottom. Gone is the practice of offering the same cabinet, with variations, in mahogany, walnut & blonde.

"Nothing in the line has any remote resemblance to anything we've had before," says Urban. "From low end to high, all cabinets are being produced by furniture manufacturers specializing in styling for the 4 period lines." Thus a customer may be able to match decor of his home at any price level. Long line has 31 consoles, 6 table models with matching bases, 3 "attache-case" portables. Westinghouse plans 23-in. drop-in models in October.

Average price is higher this year than last, in both TV & stereo, although there's little change on a model-for-model comparison, says Urban. Portables range \$160-\$190, tables \$189-\$249, consoles \$249-\$509.

Is this Westinghouse's supreme effort to capture bigger share-of-market? we asked Urban. "We're shooting for a corporate image," he replied—"highly-styled furniture with high quality. If we sell only 2% of the industry, but establish that corporate image, we'll be satisfied. We want to put this potentially profitable business on a firm foundation."

Straws in the Wind: Like Westinghouse's renewed efforts to build itself a TV-stereo "personality" through far-reaching changes, these other current activities may hold significance for future in TV industry:

NEW 23-in. TUBE: Zenith's tube-making subsidiary Rauland is developing new version of 23-in. tube. While Zenith tests current "twin-panel" type (with built-in safety glass), Rauland is understood to be turning out experimental quantities of 23-in. model built along conventional lines—without safety panel—for use with external safety glass. We know of no firm plans—yet—to use this model.

TRANSISTOR PORTABLE TV: Philco is delighted with dealer response to its Safari battery-operated set. A spokesman told us: "The set is still on allocation. Distributors ordered way over and beyond what we thought they'd want." Realistic Philco officials, however, are still pondering this question: Is this type of set a one-shot novelty which will have its day this year and then die out, or will there be a real day-to-day demand from other than Cadillac-class or novelty-seeking buyers?

JAPANESE COLOR TV: What's behind Japanese broadcasting's headlong rush into color TV? One knowledgeable U.S. equipment maker, just returned from business trip there, during which he conferred with many govt. & manufacturing officials, puts it this way: "They want to build up a domestic color set manufacturing business with an eye eventually on exports. The Japanese feel they can produce the major price breakthrough in color which American manufacturers haven't been able to come up with." Far-fetched as this may sound—remember, the principle of the tunnel diode (Vol. 15:30) was a theoretical breakthrough by a scientist of Japan's Sony Co.

TV-RADIO PRODUCTION: EIA statistics for week ended July 24 (29th week of 1959):

	July 18-24	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	98,447	83,907	60,165	3,038,156	2,374,180
Total radio	240,644	198,703	173,079	7,745,029	5,063,895
auto radio	77,827	59,425	54,653	3,108,817	1,604,304

Trade Personals: Rayford E. Nugent promoted to new post of Philco sales v.p., consumer products div. William J. Nagy promoted from gen. sales mgr., parts & accessories div., to succeed Nugent as merchandise mgr. of that div. . . . Walter Mucher, Clarostat manufacturing dir., resigns Sept. 1 to become v.p. of a home-building firm with plans for residential developments in Puerto Rico . . . Wayne Beaverson promoted from chief engineer to v.p. in charge of engineering, Electro-Voice, Buchanan, Mich.

Martin Codel, founder and associate publisher of TELEVISION DIGEST, elected a v.p. & director of Star Valley Electronics Inc., Salt Lake City manufacturer of electronic musical instruments and test equipment headed by C. Richard Evans, ex-gen. mgr. & chief engineer of KSL-TV & KSL Salt Lake City and former exec. v.p. of Hawaiian Bestg. System. Among incorporators of new firm are Mrs. Elbert D. Thomas, widow of the Utah Senator; CBS-TV chief engineer Howard A. Chinn; U. of Utah music professor Dr. William L. Fowler; J. W. Wright, pres. of KSL-TV & KSL.

Albert Finkel elected pres. & treas., JFD Electronics, succeeding the late Julius Finkel; Edward Finkel, promoted from secy. & treas. in charge of sales to exec. v.p. & secy.; Isadore Finkel, from contract & military div. mgr. to v.p., contract & military div.; Jack Goodman, from mgr., electronic components div. to v.p., of div.; Harvey Finkel, from production mgr. to production v.p.

William E. Seaman, ex-Ampex, named chief engineer, Midwestern Instruments . . . Thomas J. Moore, North American Philips treas., also elected a v.p. . . . John D. Stout Jr., elected Consolidated Electronics v.p. & financial dir. . . . James H. Binger, Minneapolis-Honeywell v.p., elected a dir.

Robert L. Ford, ex-Sperry Gyroscope, named technical personnel mgr., Stromberg-Carlson, succeeding Fred E. Lee, appointed asst. personnel mgr. . . . William C. Buck promoted from sales rep to northeastern district sales mgr., Sylvania parts div., headquartering at Woburn, Mass.

Brig. Gen. Earle F. Cook named U.S. Army deputy chief signal officer . . . Capt. Gilbert L. Countryman (USN, Ret.), ex-Navy asst. chief of Bureau of Ships for Electronics, joins Page Communications Engineers, Washington . . . Joseph T. Zuravleff named regional sales mgr., new midwestern regional sales district, Erie Resistor Corp. electronics div.

Dr. Ragnar Thorensen promoted from research dir. to gen. mgr., Magnavox research labs . . . John L. Ganley, ex-office of Secy. of Defense, named dir. of contract administration for Avco Corp.'s Crosley div., with headquarters in Washington . . . Neil M. Blair, ex-Panellit, elected v.p. & asst. to pres., ITT subsidiary Intellex Systems . . . E. O. Vetter elected v.p., Texas Instruments.

Dynamic Electronics' new agency is Smith & Dorian, N.Y. & Hartford, Conn. Dynamic is allotting additional dollars to its ad budget to promote its line of stereo & monaural components and console units.

Television Distribution Systems Assn. Inc. is new trade association, formed by makers & installers of master TV systems, at 552 W. 53 St., N.Y., 19. Martin Sugar is secy.

Obituary

Dr. Russell H. Varian, 61, a founder and board chairman of Varian Associates, died July 28 of a heart attack aboard a cruise ship near Juneau, Alaska. With his brother Sigurd, Varian received a Wetherill medal from the Franklin Institute for his part in the invention of the klystron tube. In 1930, he worked on the development of TV with Farnsworth TV Corp. He is survived by his widow, 2 sons and a daughter.

Edward F. Watson, 66, former asst. dir. of telegraph signaling & special systems development, Bell Labs, died of a heart attack July 23 in Haworth, N.J. Credited with about 65 telegraph & telephoto patents, he is survived by his widow, 2 sons and 2 daughters.

TOP 100 DEFENSE FIRMS: General Dynamics continued its lead among firms heavily engaged in electronics, according to the list of 100 leading defense contractors issued by the Defense Dept. last week for calendar year 1958. The firm continued to trail leader Boeing in total defense contracts, but by only 1.5%. GE continued to hold 3rd place.

Among the "top 100," aircraft and missile contracts accounted for about 60% of all awards of \$500,000 or more, while electronics contracts accounted for 10%, of the \$23.8 billion in awards. According to the Defense Dept., aircraft and missile awards accounted for 39% of the total in fiscal and calendar years 1957, increasing to 50% of the total in fiscal and calendar 1958.

Below, we've prepared a table showing the standing of electronics firms in the top 100 for calendar 1958 compared with fiscal 1958. (All dollar figures are in millions. Dash indicates company was not among first 100 prime contractors for the period.)

	Jan. 1958- Dec. 1958		July 1957- July 1958	
	Contracts	Rank	Contracts	Rank
General Dynamics	\$1,542.3	2	\$1,382.2	2
GE	952.4	3	783.4	3
AT&T	792.0	6	659.8	6
Hughes Aircraft	565.7	8	472.6	9
Sperry Rand	423.7	10	361.9	11
IBM	417.6	11	316.4	14
RCA	365.1	15	288.1	15
Raytheon	274.1	18	237.0	22
Westinghouse	271.6	19	268.9	18
Bendix Aviation	243.7	21	207.4	24
ITT	135.8	25	96.7	30
Burroughs	107.0	29	71.6	35
Avco	102.0	31	86.5	31
Minneapolis-Honeywell	86.1	34	47.0	55
American Bosch Arma	85.4	35	70.9	36
Collins Radio	84.4	36	61.3	44
Philco	71.5	46	66.2	38
Mass. Inst. of Technology ...	60.1	52	56.1	52
Cal. Inst. of Technology ...	50.4	58	45.4	57
Rand Corp.	50.1	59	—	—
Lear	44.3	66	38.4	61
General Precision Equip.	44.2	67	52.9	54
Sylvania	41.2	69	37.0	62
Motorola	33.2	84	29.8	77
Hoffman	30.1	94	—	—
Laboratory for Electronics ..	27.9	97	—	—

Sylvania is aiming at large market for its \$545 closed-circuit TV camera, now in pilot production at Batavia, N.Y., and due soon for heavy merchandising effort by newly formed Sylvania Electro-Specialties (Vol. 15:30). Designed for operation by the layman, the low-priced vidicon unit is aimed particularly at the educational field, but Sylvania says it's also suited to industrial, institutional, merchandising and military uses. It's designed to be serviced by TV receiver technicians. Although a regular home-type TV set can be used with the camera, a 17-in. monitor will be available at \$175.

Automation in transistor production is near, says Westinghouse, as the result of development of a technique for constructing long ribbons of semiconductor devices directly on the surface of continuous strips of thin germanium crystal (dendrites), thereby eliminating costly & lengthy processing steps. The development of working devices from germanium dendrites is being carried out under a \$2 million "molecular electronics" contract recently awarded Westinghouse by the Air Force.

Philco transistor portable TV—the Safari—is the subject of a technical description, with complete circuit diagrams, in Aug. *Radio-Electronics*.

"Electronics business is on the verge of another revolution at least as sweeping as the one which began a decade ago when the transistor cut in on the vacuum tube," declared July 25 *Business Week* in a review of activity in molecular electronics. The magazine foresees military applications of molecular devices by 1961, civilian uses (hearing aids, miniature radios) by 1965. "What's involved is a technique of manipulating thin films of material into forms in which each individual molecule of the material behaves like some electronic component—like a resistor, a condenser, a vacuum tube, or whatever," explains *Business Week*. "With this technique it is possible to build a piece of electronic apparatus such as an amplifier or an oscillator or a switching or computing device and build it so tiny that you literally have to look through a microscope to see it at all."

Color-TV sales today are substantially ahead of last summer's at the same time, RCA distribution v.p. Martin F. Bennett announced during the recent 2-day color promotion co-produced by the San Francisco Fashion Industries Manufacturers & Wholesalers Assn., KRON-TV San Francisco and RCA distributor Leo J. Meyberg Co. This first live colorcast of the city fashion industry's Annual Fall Fashion Festival was called the biggest color promotion in a single market in the past 2 years. Describing color-TV's improved sales picture, Bennett said: "This is even better than it sounds because last year this time dealers were selling for the most part discontinued models at lower prices. This year they are selling new models at list prices."

TV home saturation has reached 86% vs. 83% in 1958—and the number of multiple-set households is growing steadily, according to a new Census Bureau survey. The bureau pointed out that in 1950 the ratio of homes to sets was only 12%. As of May, 8 of each 100 U.S. households had 2 or more sets vs. 7 in Jan. 1958 & 5 in April 1957. But only one household in 100 reported it had 3 sets or more. As in earlier Census Bureau counts, the northeast led the country in set ownership with a 92% figure, the south was lowest with 79%.

Electronic equipment smuggler Walter Blum of Zurich, Switzerland, was fined \$1500 last week after U.S. Bureau of Foreign Commerce export control investigators and Customs officials caught him attempting to leave U.S. with highly strategic electronic equipment. Valued at \$7500, the equipment included miniature silicon rectifiers, silicon cartridge rectifiers, and crystal diodes. These are under strict security export control and require individual validated licenses for shipment outside the U.S. He pleaded guilty in U.S. District Court.

Admiral Corp.'s protest of a Russian-built "Admiral" TV set on display at the Soviet exhibition in N.Y. (Vol. 15:30) has resulted in removal of the set by the Russians. Admiral objected last week that the set's name was an infringement of trademark, though the Soviet Union is not a signatory to the International Trademark Agreement. Pres. Ross D. Siragusa said "we are satisfied with the results of our protest and now consider the matter closed."

Midwest Electronics Corp., St. Louis distributor of TV & radio tube-testing machines, has been hit by a federal mail-fraud indictment and by FTC charges that it misled customers with false earnings claims in advertising. Named in the indictment were Midwest Electronics pres. Harold W. Finke & treas. Sol Cutler. The FTC complaint said the firm falsely claimed that purchasers of its devices would earn \$650 per month on a \$2923 investment.

Conley Electronics Corp. is new name for merged Waters Conley Co. and Stereophonic Automation Corp., headed by Chicago financial consultant Edgar N. Greenebaum Jr. & John M. Rau (Vol. 15:19). Greenebaum has been named chairman and Rau president. Chicago attorney Robert S. Fiffer is secy.; Philip B. Stewart, of Stewart, Miller & Co., Chicago, is treas. The firm now has 3 divisions—phono manufacturer Waters Conley Co., Rochester, Minn., Fidelivox div., Skokie, Ill., and Fidelipac div., Toledo. Fidelivox makes automatic tape reproducers, Fidelipac single-reel tape magazines (Vol. 15:26). Parent company's offices are at 8225 N. Christiana Ave., Skokie.

Hoffman TV receivers are now in production in Argentina, with Industrias Plasticas y Electronicas de Cordoba expecting to have 2 consoles and 2 table models on the market in August. Hoffman and the Argentine firm signed a technical assistance agreement under which IPEC will manufacture Hoffman TV and solar-powered radios on a royalty basis for sale in Argentina and Uruguay (Vol. 15:16). Harold C. E. Mortstedt is pres. of IPEC which is publicly held and capitalized at about \$540,000.

Electronic wristwatch will be placed on the market next year by the Bulova Watch Co. Inc., chairman Omar N. Bradley told the annual meeting last week. The firm is now in pre-production tooling for the watch which has long been undergoing field tests. The transistorized, battery-operated device will approximate the weight of conventional timepieces. A transistorized watch worn by Bradley operated 17 months before battery change was required, lost only one second in that time. The electronic watch is expected to cost at least as much as Hamilton's \$89.95 electric (but non-electronic) wristwatch.

New creative uses for tape recorders will be explored by Boston U. radio prof. Sidney A. Diamond who has taken a year's leave of absence to undertake research on recording techniques and to lecture extensively on uses of tape recorders. Diamond also is pres. of Creative Associates Inc. which produces & distributes taped radio programs. "There are an estimated 3 million tape recorders in this country," he points out, "and they have tremendous potential for creation & distribution of educational materials on tape for home use."

"Stereo Seven," new 7-in. 33 1/3-rpm stereo discs playing up to 3½ min. and retailing for 98¢, will be marketed by Columbia Records. Columbia believes that this size of 33 1/3-rpm record may help "revitalize the singles market that has tended to lag in recent years." Stereo selections by many manufacturers are also available on 45-rpm 7-in. discs.

Russia will produce 5 million TV sets annually by 1965, deputy trade minister Sergei A. Trifonov told an audience in N.Y. He said the 1958 TV output was 1.5 million, and predicted that radio production would grow from 1958's 4 million to 7 million in 1965.

Trade Directory of Canadian TV, radio and electronic components manufacturers & representatives is being distributed by the components div. of EIA of Canada, 200 St. Clair Ave. West, Toronto 7, Ontario.

"Transistors in Radio, TV & Electronics," Milton S. Kiver's latest book (McGraw-Hill, 424 pp., \$7.95) is an updating of the first edition brought out in 1956. It covers electron theory, transistor development & design.

Involuntary bankruptcy petition was filed in Brooklyn Federal Court last week against Claremont Tube Corp., Long Island City TV picture-tube mfr., by 3 creditors.

Finance

Wometco Earnings Up: Wometco Enterprises Inc. (WTVJ Miami, WLOS-TV & WLOS Asheville, N.C., 20% of WFGA-TV Jacksonville), in its first report to stockholders since public offering of its stock (Vol. 15:14, 18), notes a 17.6% increase in earnings and 11.8% in sales for 24 weeks ended June 20, vs. the same 1958 period.

The report notes that 73.4% of earnings for the period was retained in the business. The 1959 period figures (below) include operations of WLOS-TV & WLOS, while the comparable 1958 figures do not. The Asheville stations continued to operate at a loss during the 1959 period, the statement notes, but "as a result of increased ratings, more favorable position in the market, new programming and higher advertising rates, as well as the absence of unusual promotional expense, management expects that [WLOS-TV & WLOS] will not have any operating loss for the remainder of 1959."

In addition to its broadcasting activities, Wometco owns a Florida theater chain and a food & cigaret vending business. The report for 24 weeks ended June 20:

	1959	1958
Gross income	\$4,740,379	\$4,239,334
Net income before tax ..	769,479	595,444
Net income	371,287	315,709

* * *

Taft Bestg. Co., in its first quarterly statement since its public stock offering earlier this month (Vol. 15:24, 27), reports a 32% increase in net income on 16% higher sales for the first fiscal quarter ended June 30, as compared to the pro forma figure for the same 1958 period. The statement for the fiscal quarter (per-share earnings in both periods based on the 1,449,972 common shares presently outstanding):

	1959	1958
Net revenues	\$2,510,556	\$2,164,255
Operating profit	1,076,132	887,430
Net income	395,324	299,637
Earned per share	27¢	21¢

Packard-Bell reports a 63% increase in net profits on 32% higher sales for 9 months ended June 30, as compared with the same period in the last fiscal year. Pres. Robert S. Bell announced that increases in sales & earnings were registered in home products, technical products & Bellwood divs., with the service div. remaining profitable but showing little change. He said the recent public offering of 100,000 common shares had increased the book value of the company's stock by \$4,062,000 or 37.3% while diluting the equity interest by only 12.6%. For 9 months ended June 30:

	1959	1958
Net sales	\$34,808,470	\$26,401,343
Net income	1,035,780	633,949
Earned per share	1.31	92¢
Shares outstanding	792,100	688,000

Admiral's first-half sales & earnings ran well ahead of those for first-half 1958, pres. Ross Siragusa announced last week. He reported that the firm's 1960 TV line has been "exceptionally well received" and that a substantial percentage of current TV orders are for 23-inch models. Orders for stereo & radio sets also are on the increase. For 6 months to June 30:

	1959	1958
Sales	\$90,894,700	\$77,038,648
Net income (loss in '58) ..	1,361,418	(407,180)
Earned per share	57¢	—

Dynamic Electronics-N.Y. Inc. reports a net income of \$225,834 on sales of \$3,132,653 for the year to March 31, compared with \$83,606 on \$1,389,683 in the 1958 period.

AB-PT Profits Rise: American Broadcasting-Paramount's ABC-TV network & station operations weren't the only activities contributing to its 28% increase in first-half-1959 profits. Like most of the movie industry, its theater div. showed an upsurge. According to pres. Leonard H. Goldenson's report to shareholders, its 2nd quarter was the best since 1955. Its theatrical operation, said the AB-PT chief, "more than made up what it had been behind in the first quarter to show over-all 6 months improvement over last year."

As to broadcasting, he said ABC-TV "continued to improve its competitive position." Am-Par Records "continued to show improved results." AB-PT's report for 6 months ended June 30 (sales figures not released):

	1959	1958
Consolidated earnings ...	\$3,885,000	\$3,265,000
Earned per share	90¢	75¢
Shares outstanding	4,149,362	4,149,363
For 3 months ended June 30:		
Consolidated earnings ...	1,618,000	1,307,000
Earned per share	37¢	30¢

* * *

AB-PT purchased 240,768 shares of its 5% preferred stock from the estate of Edward J. Noble, chairman of ABC prior to its merger with Paramount Theaters, and from the Edward John Noble Foundation. AB-PT will maintain until Sept. 30 a bid to purchase at the same price all or any of the remaining 78,531 shares of its outstanding 5% preferred, in a move to simplify capital structure and eliminate dividend requirements on the stock.

P. R. Mallory's 2nd-quarter net sales (\$22,002,989) were the highest for any quarter in the company's history, pres. J. E. Cain said last week. For the first half, net earnings were more than double the comparable 1958 figures. For 6 months ended June 30 (per-share earnings based on 1,411,774 shares now outstanding):

	1959	1958
Net sales	\$42,514,460	\$32,093,920
Net earnings	1,976,686	923,645
Earned per share	1.33	58¢

Electronic Associates reports increased sales but decreased earnings for 6 months ended June 30:

	1959	1958
Sales	\$3,051,945	\$2,612,508
Net income	274,834	285,380
Earned per share	39¢	46¢
Shares outstanding	701,362	615,396
For quarter to June 30:		
Sales	2,023,292	1,913,305
Net income	137,035	201,628
Earned per share	20¢	33¢

Trav-Ler Radio Corp. reported net income of \$309,419 for the year ended April 30, its highest full-year profit since 1954. Pres. Joe Friedman attributed the improvement to cost reduction and improvement of operating practices, particularly the consolidation of all production & warehouse facilities under one roof in Orleans, Ind. He predicted that first-half sales in the current fiscal year will be 40% higher than for the same period last year and sales should continue to show "a substantial increase for the remainder of the year." He said the order backlog for the 2nd fiscal quarter is at a record high for all products.

	1959	1958
For 12 months ended April 30:		
Net sales	\$14,806,013	\$15,126,697
Net profit	304,419	10,617
Earned per share	40¢	1¢

Trading in Barnes Engineering Co. common stock began July 22 on the American Stock Exchange. Symbol: BIR.

Record-setting 2nd quarter earnings were scored by Westinghouse on sales slightly under those recorded in the same 1958 period, pres. Mark W. Cresap Jr. & chairman Gwilym A. Price reported last week. April-June 1959 income ran 15.5% ahead of 2nd-quarter 1958 earnings, and new orders booked increased by 16%. Increases in both billings & new orders were predicted during the 2nd half "unless a prolonged steel strike slows the accelerating pace of business." For the quarter ended June 30:

	1959	1958
Sales	\$474,132,000	\$474,632,000
Net income	19,741,000	17,070,000
Earned per share	1.12	97¢
Shares outstanding	17,299,836	17,066,753
Six months ended June 30:		
Sales	\$914,204,000	\$923,961,000
Net income	34,150,000	29,973,000
Earned per share	1.92	1.70

General Telephone & Electronics announced that its first-half revenues topped \$500 million for the first time in any 6-month period and that its profits for the period were nearly 30% higher than in the first half of 1958. Including operations of Sylvania in all figures, chairman Donald C. Power said total revenues for 12 months ended June 30 rose to \$976 million, up \$128.6 million, net income to \$66,166,000 (\$3.11 a share) compared with \$55,936,000 (\$2.90 on fewer shares) for a year earlier. Again including Sylvania operations for both periods, GT&E made this report for 6 months to June 30:

	1959	1958
Revenues	\$506,600,000	\$416,100,000
Net income	33,097,000	25,695,000
Earned per share	1.55	1.33

Daystrom more than doubled profits on a sales gain of 13% during its first quarter ended June 30, compared with the comparable 1958 period, pres. Thomas Roy Jones reported last week. For the quarter ended June 30:

	1959	1958
Sales	\$21,239,000	\$18,811,000
Net income	362,000	159,000
Earned per share	40¢	18¢
Shares outstanding	913,223	907,358

Thompson Ramo Wooldridge scored sizable increases in sales & earnings for the 6 months to June 30:

	1959	1958
Sales	\$197,227,132	\$169,736,276
Net income	4,752,907	3,951,690
Earned per share	1.52	1.25

	1959	1958
Quarter to June 30:		
Sales	105,946,041	82,393,990
Net income	2,516,203	1,911,855
Earned per share	80¢	60¢

Muter sales & earnings increased sharply during first-half 1959, compared with the same 1958 period. For 6 months to June 30:

	1959	1958
Sales	\$6,230,075	\$5,336,503
Net income	157,824	88,698
Earned per share	20¢	11¢

Tung-Sol reports an increase in sales & earnings for the 26 weeks ended June 27:

	1959	1958
Net sales	\$35,048,196	\$27,962,992
Net income	1,406,610	979,750
Earned per share	1.40	95¢
Shares outstanding	922,088	894,126

Record high sales were reported by Electronic Specialty Co. for the quarter to June 30:

	1959	1958
Sales	\$2,058,000	\$1,035,000
Net income	83,000	7,000
Earned per share	20¢	2¢

Aerovox earnings increased more than 7-fold to \$371,513 (43¢ a share) during the 6 months ended June 30, compared with \$48,000 (6¢) for the similar 1958 period.

Jerrold Electronics reports earnings for its first fiscal quarter were greater than for the entire fiscal year ended Feb. 28, 1959, thanks to non-recurring income of \$284,273 (24¢ a share) representing profit on the sale of Key West Cable-Vision Inc., CATV subsidiary in Key West, Fla. Excluding this amount, net income was \$154,867 (14¢ a share). Pres. Milton J. Shapp said that sales of equipment to CATV operators is ahead of a year ago, that new connections to the 9 Jerrold-owned CATV systems "were substantially ahead" of the same 1958 period, that the industrial products div. showed more than a 200% increase during the quarter, and the distributor sales div. boosted its sales by more than 50%. For 3 months ended May 31:

	1959	1958
Sales & service revenues.	\$1,933,267	\$1,425,340
Net earnings	439,140	7,627
Earned per share	33¢	.007¢

Magnavox is "seriously considering a 2-for-1 stock split," according to pres. Frank Freimann, who says the proposal may be submitted to stockholders at the annual meeting in October. He said the company's annual report for the fiscal year ended June 30 will show sales of \$90,-117,000 vs. \$82,200,000 for fiscal 1958. Profits will be "substantially" higher than those of last year, he added. For 6 months to Dec. 31, Freimann projects earnings of \$8 million before taxes vs. \$4.6 million a year earlier, on sales about 40% higher than the \$44.2 million for last fiscal year's first half. He said Magnavox's consumer products sales probably will increase about 20% for the period.

Oak Mfg. Co., Chicago parts manufacturer, reports increased sales & earnings for the first 6 months of 1959:

	1959	1958
Sales	\$9,149,916	\$7,077,897
Net profit	499,604	138,291
Earned per share	76¢	21¢

Cohu Electronics, San Diego manufacturer of industrial TV equipment, has applied for SEC registration (File 2-15372) of 356,125 common stock shares for subscription by stockholders at the rate of one new share for each 3 now held. Underwriters of the issue, for which the price will be supplied by an amended SEC statement, are Hayden, Stone & Co. and Winslow, Cohu & Stetson Inc. The company would use \$271,000 of the proceeds to pay an unsecured note to vendors & sales reps., \$1,165,000 to reduce bank notes, the balance for working capital.

Relatively unknown Transiron Electronic Corp. gets the spotlight in Aug. *Fortune* which points out that the 7-year-old manufacturer of semiconductor components grossed \$10,000 & lost \$20,000 in its first fiscal year, then skyrocketed to a \$42 million gross & more than \$6 million net earnings by fiscal 1959. "No other company can come close to matching its record in profits from semiconductors," *Fortune* emphasizes, describing the firm as "one of the brightest stars today in the whole great electronics industry." Transiron concentrates on production of semiconductors for the military market and the burgeoning industrial & commercial fields.

Reeves Soundcraft reports reduced sales & earnings for 3 months ended March 31, in an application for listing on the American Stock Exchange. Earnings for 1959 include a special credit of \$67,483 representing gain on settlement of a fire loss claim. For 3 months to March 31:

	1959	1958
Net sales	\$1,170,253	\$1,346,151
Net income	75,394	76,564
Earned per share	2¢	3¢
Shares outstanding	2,867,325	2,822,975

Trepac Corp. of America, Englewood, N.J. firm described by the SEC as "in the business of assembling & selling an electronic device called Trepac used in the communications field," has been accused by the agency of failing to make full financial disclosures in a 1957 stock offering circular. The SEC ordered temporary suspension of Trepac's regulation "A" exemption from registration of its securities.

Consolidated Electrodynamics, for 6-month period ended June 30, reports net income of \$858,844 (80¢ per share), compared with \$30,292 (3¢) during first-half 1958. The first-half 1959 earnings include nonrecurring income of some \$265,000 (25¢ a share) from the sale of securities.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Consol. Electrodynam.	Q	\$0.10	Sep. 15	Aug. 28
Eitel-McCullough ...	stk.	100%	Aug. 31	Aug. 17
Mallory	Q	.35	Sep. 10	Aug. 10
Maxson	—	.05	Sep. 1	Aug. 14
Siegler	Q	.10	Sep. 1	Aug. 14
Stanley Warner	—	.30	Aug. 25	Aug. 10
Tung-Sol	Q	.35	Sep. 2	Aug. 12
Westinghouse	Q	.50	Sep. 1	Aug. 10
Whirlpool	—	.25	Sep. 10	Aug. 21
Wurlitzer	—	.10	Sep. 1	Aug. 14

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Educational Television

TV Teaching Center: A Center for Instructional TV to develop & disseminate advanced techniques for TV teaching has been established by NYU, with a \$100,000 assist from RCA in funds & TV equipment. Described as the first of its kind, the Center will get underway on the NYU campus in Sept., and offer ETV-interested groups a varied program in teacher-training, in-service workshops, research—all administered by NYU's School of Education & Communication Arts Group. Center's advisory committee will comprise 19 educators & ETV authorities.

NYU exec. v.p. Dr. John E. Ivey Jr. said TV "offers exciting possibilities for improving the range & quality of American education" but that these can be realized "only by translating educational objectives into a content & form suited to the TV medium." RCA's primary aim in supporting the project, pres. John L. Burns explained, "is to benefit all education. The Center, as planned, will bring together the best ideas of professional educators, responsible laymen in the education movement, broadcasters, and experts in the graphic arts . . . With the aid of electronics, the talented teacher can do a better job for more pupils in less time and at less expense than ever before."

The Center's teacher-training program will embrace a workshop in TV teaching for graduate students, undergraduates, teachers & school administrators.

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Commercially-programmed ETV—such as NBC-TV's *Continental Classroom*—is fine, but it's no substitute for "establishment of non-commercial channels [which] telecast solely for the purpose of increasing the intelligence of our citizens, Rep. McDowell (D-Del.) told the House. Author of a \$51-million federal-aid-to-ETV bill (HR-4284) shelved by the Commerce Committee (Vol. 15:23), McDowell said that early-morning schedules for *Continental Classroom* necessarily keep viewing down, that relatively few "true students" have taken advantage of it. What's needed, he said, is ETV which isn't "interested in selling anything, in monopolizing an audience in the evening, or competing for popularity ratings." McDowell voiced hopes that proposed inspections by Commerce Committee members of ETV installations during the Congressional recess would speed progress in the field.

ETV's potentials as a solution to school problems—and as a customer for cable service—are explored by staff engineer Caldwell Buck of AT&T's business relations dept. in a cover story in the summer edition of *Bell Telephone Magazine*. He concludes that ETV "may not offer the whole answer" to educational needs, but "it can furnish an important part." As examples of Bell System "teamwork" in ETV fields, Buck cites its sponsorship of NBC-TV's *Continental Classroom* and closed-circuit installations at Hagerstown, Md.; Cortland, N.Y.; Jefferson County, Ky.; San Jose State College, San Jose, Cal.

TV-taught college students outscored their "conventional" classmates in a semester-long experiment recently concluded at UCLA, which pitted 2 sections of a class in elementary fluid mechanics. The technical course involved numerous diagrams & drawings. Rudy Bretz, head of UCLA's ETV div., reports that the TV class obtained slightly higher marks & more enjoyment from the course than did the teacher-taught group. The results compare with those obtained by the N.Y.C. school system in a recent control test (Vol. 15:27) with 7th grade math classes.

Requirements for a regional ETV network of the upper Midwest, linking Ia., Minn., Neb., N.D., S.D., and Wis. will be explored by NAEB with a \$30,110 grant from the Hill Family Foundation of St. Paul. KTCA-TV St. Paul gen. mgr. & NAEB Region IV dir. Dr. John C. Schwartzwalder will direct the study of feasibility & cost which is scheduled for completion next March. The 6-state area now has 5 ETV stations.

Seminar on closed-circuit TV production will be conducted by NAEB's CCTV committee Aug. 25-28 at Penn State U. for production personnel who work closely with teachers in the presentation of televised instruction at both college & public school levels. Themed on "The Role of Production in Televised Education," the multi-topic seminar will range from studies of TV's teaching effectiveness to analysis of equipment & studio requirements.

Educational WGBH-TV Boston has launched *NEET Letter*, a monthly newsletter "for those who are interested directly or indirectly in the development & growth" of the Northeast Regional ETV Network, the first section of which now operates between WGBH-TV & the U. of New Hampshire's WENH-TV.

Unique course in international phases of TV-radio is being tested this summer at UCLA by U.S. Office of Education TV-radio chief Dr. Franklin Dunham. The course uses taped interviews with 26 representatives of foreign industry & governmental broadcasting organizations who are participating in a State Dept.-sponsored seminar.

WEEKLY **Television Digest**

AUG 10 1959

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

NETWORKS JOIN FORCES on option-time front, pleading with FCC that status quo be kept. NTA wants option time for non-network programmers, too (pp. 1 & 5).

FCC SELF-REFORMS pushed by Senate Commerce Committee, which approves 7 bills revising Commission procedures, including rules on ex-parte contacts (p. 6).

Congress

TV QUIZ SHOW HEARINGS may not come off, despite headlines on probe promised by House oversight subcommittee, which gets grand jury minutes (pp. 2 & 4).

ACTION ON LAR DALY delayed in House by absence of Rules Committee clearance to floor, although Commerce Committee report urges quick decision (p. 3).

Stations

ACCORD ON FM STEREO may be near. NSRC specifications panel divides 11 systems into 3 groups, hopes to have only 3 systems and theoretical evaluation in Sept. (p. 3).

RADIO AHEAD OF TV this summer, says researcher Albert Sindlinger in a media-activity survey which shows more people listening to radio than watching TV shows during a typical day (p. 7).

Advertising

QUERIES ABOUT TAPE—what admen ask tape-producers (p. 12).

Other Departments

NETWORKS (p. 6). **AUX. SERVICES** (p. 10). **FILM & TAPE** (p. 13).

Manufacturing & Distribution

INDUSTRY EXPLORES "2-COLOR TV" in special Land color subcommittee formed in EIA structure to consider new Polaroid color theory with eye to simple receivers (p. 2).

MORE TUBE SIZES & SHAPES in works as Kimble puts out feelers on 19-in. square-corner without built-in safety plate. Similar 23-in. being developed (p. 15).

HOTCAKES HAVE NOTHING ON TV. to hear manufacturers tell about sales of new lines. Vacation shutdowns curtailed in some plants as dealer orders soar (p. 15).

6-MONTH TV SALES FIGURES confirm large jump in retail activity during June, pushing year's total ahead of 1958. First-half TV-radio recap (p. 16).

RADIO IMPORTS CLIMB as Japan exports 1.28 million to U.S. during first 4 months of 1959. U.S. electronic imports from Japan total \$11.4 million for period (p. 18).

Finance

GOOD BUSINESS FOR SET MAKERS: Motorola & Zenith report record first-half & second-quarter sales & earnings. Sales & earnings also up for Philco, Wells-Gardner, Muntz (p. 18).

Programming

FALL PREVIEW OF NBC: 50% of nighttime show series will be new; number of specials will double (p. 9).

BATTLE FOR SUNDAY NIGHT flares up again as NBC slots new 60-min "Riverboat" series at 7:00 p.m. to get 30-min. head start on ABC's "Maverick" (p. 9).

NETWORKS JOIN FORCES ON OPTION-TIME FRONT: There were no surprises—and only one relatively new twist—in Aug. 3 deadline filings of comments & counter-suggestions on FCC's proposals to reduce TV network option time from 3 to 2½ hours in each broadcast day segment (Vol. 15:31).

CBS, NBC & ABC lined up solidly to plead with FCC to keep status quo in station-network programming arrangement (see p. 5). Repeating arguments piled up last year in exhaustive hearings by Commission on its 1400-page Barrow network study staff report (Vol. 14:1 et seq.), they said option-time cut would damage whole industry. And ABC-TV went so far as to predict it would go into red if FCC carries out plan to take half-hour away. In all option-time comments, lone opponent of option-time system: KTTV.

"Revolutionary proposal" for modification of FCC's plan—so described by the TV packaging firm itself—came from National Telefilm Associates. Taking tack similar to that followed in earlier filing by Station Representatives Assn., which wants "station reserved time," NTA asked that 3-hour option time be kept, but that networks be barred from at least one half-hour in each segment. Thus non-network program suppliers (such as NTA) could have chance to latch on to optioned prime time. NTA chairman Ely Landau said this would "usher in a new era of unmatched, healthy competition for the entire TV industry."

Next step in FCC's rule-making proceedings will be filing of replies to comments. Deadline: Sept. 15. Also to be heard from again, before option-time issues are settled finally: Justice Dept., whose adamant opinion is that system violates anti-trust laws.

INDUSTRY LOOKS AT '2-COLOR TV': There's no practical 2-color TV system yet—and there may never be. But leading TV broadcasting & set manufacturing firms are looking closely—both individually & collectively—at Dr. Edwin Land's color experiments which have shown that full color pictures can be projected from 2 basic colors (Vol. 15:27).

Individually, the 2-color-TV experiments are going on in almost all major TV labs. Collectively, top industry engineers are serving on special "subcommittee on Land color" within EIA's broadcast TV systems engineering committee, headed by Hazeltine's C. J. Hirsch. Tentative opinions of most industry engineers that the Polaroid president's color theories hold no near-future hope for simplified or cheaper color TV have not deterred them from embarking on coordinated exploration of its potentialities.

Scientists won't close door on any possibilities, and that's what has prompted new EIA exploration committee. As one prominent TV engineer put it, "This is the time for thought & observation rather than action."

Most members of committee seem to agree on one point: If 2-color TV should come into being, it could be done within today's color-standards framework. Stations could transmit color signals which could be decoded simultaneously by present 3-color receivers and any 2-color sets which might be designed. The feeling is that Land's 2-color theory holds little threat of disrupting present color-TV process by the forcing of new & different color standards. And by same token, it holds little hope of simplified & cheaper color-transmitting equipment without compromising quality of color-TV image.

Any potential it does have lies in the possibility of development of cheaper receivers—possibly through an entirely new display device. All engineers we have questioned feel that the quality of 2-color picture wouldn't be as good as today's 3-color-derived pictures. Engineers on the committee seem determined, therefore, not to tamper with color-TV transmission standards. Research & exploration being carried on privately by electronics firms are toward possible simplified receivers using 2-color principle to get full-color pictures from stations which simultaneously transmit standard color picture.

Dr. Land was invited to first meeting of new color subcommittee, but sent his regrets in telegram in which he explained—as he did to us a month ago (Vol. 15:27)—that his research to date has involved color vision only and he has done little exploration in field of color TV. Almost all color-TV engineers have already viewed at least one Land color demonstration, but subcommittee hopes to visit Polaroid labs soon for more complete exploration of Land's theories.

Industry attitude was probably best expressed by engineering chief of a large TV manufacturer when he told us: "We don't see much potential for TV in this color process at the present time. But is there possibly something behind it all that will give us outrageous simplicity? We can't afford to pass up any leads."

TV QUIZ-SHOW HEARINGS MAY NOT COME OFF: Promoters of now-defunct big-money TV quiz shows who were jolted by news that Oren Harris & his House investigators were hot on their scandal trials (Vol. 15:31) can take it easy for a while, at least. No public hearings on quizzes are on schedule and none are in sight.

Newspapers had some field days—as they always do when they scent trouble for TV—after Rep. Harris (D-Ark.) loudly let it be known that his Commerce legislative oversight subcommittee was going to have a look at quizzes, which already had been subjected to 9-month probe by N.Y. grand jury.

But there's been no decision yet by subcommittee on whether it's worth time & trouble to pursue quizzes. As one staffer put it to us: "We may not want to proceed with an investigation after we see the grand jury's minutes," which were opened up last week by N.Y. Judge Mitchell D. Schweitzer (see p. 4). "For one thing," this staffer added, "we don't know that there's any need for new legislation."

No clear legislative purposes which could be served by quiz hearings have been cited by Harris. Shows themselves haven't been shown to be illegal. All that subcommittee staff lawyers have come up with by way of law-making excuses for Congressional probe is possibility that (1) Sec. 5 of Federal Trade Commission Act, dealing with "unfair & deceptive acts & practices" in trade, might be broadened to cover quizzes, or (2) Quiz rules might be written into FCC's program-standards "blue book."

Harris headline-play on quizzes brought one newspaper comment which made sharp point. Editorial cartoon by Washington Post's Herblock showed Harris heading off from his office with suitcase labeled "investigation of old TV quiz programs in N.Y.," leaving desk piled with cobwebbed papers labeled "investigation of federal regulatory agencies." Taxpayer, tugging at Harris, asks: "Say, what ever happened to this quiz program?" As Harris himself conceded recently, his oversighters haven't done much in that line this session (Vol. 15:29).

ACTION ON LAR DALY DELAYED IN HOUSE: Legislation nullifying FCC's Lar Daly equal-time newscast ukase, already safely past Senate, reached near-&-yet-so-far point in House last week.

House Commerce Committee approved equal-time report (No. 802) on its own amendments to Communications Act's Sec. 315 (HR-7985) and Chairman Harris (D-Ark.) formally submitted it on floor. But House measure still lacked Rules Committee clearance for debate & vote. And there was almost no chance of any Rules Committee action before next week or later.

It's still fair-to-good bet that action to free broadcasters from newscast inhibitions of Lar Daly decision will be completed before Congress shuts shop this session. House committee voted almost solidly for report underscoring urgent need for Sec. 315 revision. There's no known pro-Lar Daly sentiment on Hill, despite suspicion that broadcasters won't behave themselves politically if they get much Sec. 315 leeway. But danger remains that House bill may get logjammed in waning days of session, which may end within month.

House report on equal political time makes these points: (1) In last analysis, public must depend on "sound & sophisticated news judgment" of broadcasters to see to it that political propaganda isn't passed off as news. (2) "Public must be well-informed" on political issues which are legitimate news. (3) What's needed is "balance" between "freedom of broadcasters" to air news and "equality" of candidates who want to be heard on air. (4) "Staged incidents or stump speeches" are never "bona fide" Sec. 315-exempt news. (5) Outright repeal of Sec. 315 would be no solution to news-vs.-politics dilemmas.

Range of Sec. 315 exemptions in House bill is narrower than that in amended Senate bill, which excludes panel shows but includes documentaries as valid news programs not subject to equal-time demands. House bill covers only "bona fide" newscasts, news interviews & on-spot coverage. But committee report on House measure says its failure to specify panel shows & documentaries in exemptions doesn't mean they can't be "bona fide," that these 2 categories are just too difficult to define in legislation.

Reservations on House report were expressed by only 2 members of 33-man committee. Reps. Mack (D-Cal.) & Hemphill (D-S.C.) said they weren't opposed to it, but thought something ought to be written into bill to: (1) Define what makes candidates "qualified" candidates under Sec. 315 terms. (2) Provide no exemptions from Sec. 315 within 45 days of primary elections and 90 days before general elections.

Note: While Sec. 315 legislation was pending, Democrats raised another equal-time issue, demanding that networks let them reply to President Eisenhower's Aug. 6 TV & radio speech on labor-reform legislation. CBS, NBC & ABC all refused. MBS agreed to let Democratic spokesman talk Aug. 10.

ACCORD ON FM STEREO MAY BE NEAR: Most important step yet toward FM stereocasting standards was taken last week by system-specifications panel of intra-industry National Stereophonic Radio Committee (NSRC) when it agreed to narrow its technical considerations to 3 basic types of stereo broadcast transmission systems.

Panel's work on FM systems could be virtually completed this time next month. If harmony of Aug. 5 meeting continues to prevail, the 11 proposed FM systems could be reduced to 3 by time of Sept. 9 meeting, arousing optimism that NSRC will meet FCC's Dec. 11 deadline for filing of proposals for FM stereo systems. Here's what the panel (Charles J. Hirsch, Hazeltine, chairman) did last week:

It accepted recommendation of its subcommittees and classified the FM stereo system proposals into 2 basic groups according to "family resemblance"—those which apply an amplitude-modulated subcarrier to the main FM carrier, and those which would use frequency-modulated subcarrier.

Two task groups, consisting of proponents of each basic type of system, were established, and charged to try to resolve differences among the systems within each group on a purely engineering basis—each group to come up with a single system. A 3rd task group, meantime, will determine on a theoretical basis the relative advantages of AM vs. FM for subcarrier modulation.

A third classification was set up—British EMI Percival system (Vol. 15:12), which stands completely by itself. The panel decided that system's "obvious electrical advantages" would have to stand or fall on basis of its performance vs. that of other systems—and this can only be done in a sort of "blindfold test."

These are the "family groups" of systems, as classified by NSRC panel: FM with FM subcarrier—Calbest, Crosby, Halstead systems. FM with AM subcarrier—GE, Philco, Zenith. Proposals for 4 so-called "time multiplex" systems—Volpe, Svorec, Nealy and Lippincott systems—were tentatively classified as variations of FM-AM techniques, and their proponents were asked to revise proposals in terms of signal transmitted rather than equipment used to transmit signal.

Shooting for FCC's Dec. 11 deadline, panel decided to refuse to accept any further systems for consideration unless they are first submitted to NSRC's administrative committee. In spite of rush, panel is anxious not to turn down any system which shows promise.

Assuming panel ends up next month with only 3 basic systems—one FM-FM, one FM-AM and the Percival system—and that it completes its theoretical evaluation on advantages of FM-FM vs. FM-AM, its basic work on FM stereo will be completed. Next step will be development of equipment and its submission to field testing panel. And then, of course, there are always the AM and TV stereo systems to get to work on.

Proposals by 3 networks for daytime AM stereo system tests will await FCC action soon. All 3 have conducted non-broadcast-hour tests. The specific systems—all basically similar—are RCA system (WRCA N.Y.), CBS system (WCBS N.Y.) and Philco system (WABC N.Y.). But Commission is still pretty adamant about broadcast-hour tests—wary because it feels that such test authorizations may have been abused in past (Vol. 15:28). FCC's attitude is: "This authorization isn't something we give anyone who asks for it. There has to be a very good reason. You have to show us why these tests can't be conducted during off-hours, or in the lab."

Congress

More about

HARRIS GETS QUIZ DATA: Secret minutes of a N.Y. grand jury, which spent 9 months investigating TV quiz shows, were opened last week to the House Commerce legislative oversight subcommittee, helping it off to a fast—but already faltering—start on announced plans for its own probe (Vol. 15:31).

After first indicating he'd need 6 weeks to decide whether to comply with the subcommittee's request for the minutes, Judge Mitchell D. Schweitzer surprised Chairman Harris (D-Ark.) by reversing himself overnight. He said the subcommittee could see the proceedings as fast as they can be transcribed—a clerical job that may take 6-8 weeks.

Judge Schweitzer said he made his quick decision to release the minutes because of newspaper "distortions" of reasons for his earlier reluctance to give them to the Harris investigators—and because he detected a "note of urgency" in the subcommittee's request.

Subcommittee counsel Robert Lishman promptly said "the entire story of these [big-money quiz-program] scandals" should be spread out in the House. He sent staff attorney Charles F. Howze & special consultant Richard N. Goodwin off to N.Y. for a preliminary look this week at the first takes of the jury's minutes, which Lishman promised to hold in confidence, using them only as a "guide" in subcommittee work.

Otherwise there were few signs of any quiz-show probe "urgency" in Washington last week—and other subcommittee sources told us it may be a long time before it even decides on public hearings (see p. 2).

At the outset Harris had indicated he was eager & ready to push on with quiz information already gathered by his staff before court release of the grand jury proceedings was sought. But the subcommittee, meeting in closed session last week to discuss prospects for the probe, adjourned with no plans set.

Meanwhile there was no decision by Judge Schweitzer in a companion move by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee to obtain a copy of a 12,000-word presentment returned by the quiz-show jury in June and impounded since. The judge indicated he'd wait until mid-Sept. before ruling on whether it should be released. Magnuson displayed no impatience, letting Harris take any investigative initiative.

In opening up the grand jury minutes to the House subcommittee, Judge Schweitzer said:

"The affidavit in support of the application clearly established this subcommittee's right to investigate any alleged irregularities in the conduct of TV quiz programs. There is a clear showing that the committee seeks the inspection to facilitate the holding of its own hearings and the making of its own independent findings [on] corrective legislation or administrative measures which may be needed in the public interest."

Misgivings about the subcommittee's intentions were voiced by grand jury foreman Louis M. Hacker, however. He told reporters in N.Y. that open hearings could "turn into a great circus" if quiz-show contestants are put on the stand by Harris. Hacker said it would be a "terrible waste" to go over the same ground and "no useful purpose" would be served by "exposing" contestants—that the still-impounded presentment (which reportedly names no names) is aimed only at such quiz-show "corrupters" as "advertising agencies, sponsors, networks & producers." He urged that the presentment itself—not details of the grand jury minutes—be released.

Expected to be cast in the role of star witness before the House subcommittee is Albert Freedman, producer of the defunct "21" TV quiz show, who was indicted for perjury by the grand jury last Nov., and who has since been cooperating with the N.Y. DA office.

TV blackouts & brownouts authorized in "save-baseball" bills exempting professional sports from anti-trust regulation (Vol. 15:31) were strongly opposed by the Justice Dept. last week. In a letter filed with Chairman Kefauver (D-Tenn.) of the Senate Judiciary anti-trust & monopoly subcommittee, Deputy Attorney General Lawrence E. Walsh restated govt. objections to similar legislation proposed last year. He said "we feel that no legislation is necessary because present law provides adequate safeguards for consideration of organized sports' legitimate interest" in protecting minor clubs from telecasts of major games. The Justice Dept. statement was submitted after Kefauver had ended Senate hearings on the bills. Meanwhile Chairman Celler (D-N.Y.) of the House Judiciary Committee announced it would hold hearings on similar blackout-brownout legislation some time before Congress adjourns. No House hearing dates were set.

International AM treaties have been pigeonholed again in the Senate. A Senate Foreign Relations subcommittee voted to shelve the North American Regional Broadcasting Agreement & U.S.-Mexico compact until next Jan. Subcommittee said further hearings will be held early in 1960.

Harris & Spectrum: The Frequency Allocation Board system proposed by Chairman Harris (D-Ark.) of the House Commerce Committee in a controversial bill (HR-8426) to govern spectrum splits between govt. & non-govt. users (Vol. 15:31) probably will get EIA endorsement, at least.

Broadcasters generally have been dismayed by the super-board provisions in the measure which would give the President ultimate national-security power to decide who gets what part of the spectrum. But the allocation plan advanced by Harris, who has expressed impatience with the inability of FCC, OCDM, White House and industry to get together on a solution to our chronic spectrum problems, comes close to that advanced by EIA at June subcommittee hearings (Vol. 15:24).

In the spectrum hearings EIA advocated establishment of a federal spectrum authority empowered to assign frequencies to FCC & OCDM, whereas telecasters opposed the creation of any new board. Harris consulted again with spokesmen for all industry segments before he drafted his bill. As finally written it followed the lines suggested by EIA rather than by telecasters, however.

Copies of the Harris measure are being circulated for comment among members of EIA's spectrum study committee headed by H. Leslie Hoffman of Hoffman Electronics, which is expected to come in with a formal report at EIA's fall meeting in Atlantic City next month.

Meanwhile there was little chance that Congress will do anything about the Harris measure—or any other legislative cures for spectrum headaches—at this session.

The FCC

More about

CASE FOR OPTION TIME: Heavy bundles of network comments—all opposing FCC's April rule-making proposal to cut TV option time to 2½ hours from 3 per time segment (Vol. 15:17)—were dropped in Commission offices last week on its deadline filing day.

NBC alone took 72 pages and a big batch of exhibits & appendices to argue the networks' case for retention of the present option-time system (see p. 1), which was supported in earlier filings by CBS, NBC & ABC affiliates' committees (Vol. 15:31). The deadline also brought pro-option-time statements from Westinghouse Stations, National Telefilm Associates and several individual TV outlets—while CBS, NBC, ABC & MBS urged FCC to lay off any similar rule-making proposals for radio.

Summaries of comments:

CBS said it doesn't oppose minor changes in FCC rules to permit network affiliates more leeway in making program choices. But as for the option-time plan: "This reduction may have the effect of reducing by one-sixth the amount of program time for which the networks can give their advertisers reasonable assurance that a nationwide line-up is available. It may also increase to the same extent the amount of program time threatened by checkerboarding & erosion . . . the cumulative effect of these proposals may well so weaken or impair the enforceability & value to the networks of their affiliation contracts as to render them virtually worthless."

NBC said that it, too, will go along with proposed modification of the notice period for exercise of a network's option, although it isn't necessary. But: "A reduction in option time will reduce the ability of networks to com-

pete with . . . other national media, to the disadvantage of the entire TV industry and the public interest it serves." NBC also thought that FCC's proposal that "straddle time" fall within option time was "ill-conceived" as it stands, that it would be a better idea to rule that a network's option doesn't extend to straddle programs.

ABC reported that "after considerable study" of the FCC plan it "has been forced to conclude that the difference between 2½ hours of option time instead of 3 hours could mean, if it were unable to sell this half hour, that the ABC-TV network would operate at a loss instead of a profit." ABC's cost control dept. estimated that inability to sell one-half hour 7 days a week in evening time alone would result in a loss of \$4.5 million per year in gross profit before taxes. ABC added that "straddle time" should be kept out of option time, that "bona fide" public interest programming considerations should govern the right of affiliates to reject already-contracted-for network shows.

Westinghouse Bcstg. Co. opposed an option-time reduction, agreed to other points in FCC's rule-making plan, had this to say about network-affiliate relationships: "No action should be taken, nor does Westinghouse propose any such action, which will materially change the patterns, practices and structures that are the end product of the experience of the industry, except to the extent—and only to the extent—that there has first been established the need for some change."

NTA proposed that the present 3-hour option time level be maintained, but that no station be permitted to option more than 2½ hours of any segment to one network, so that non-network program sources could have access to prime option time. It said: "A reduction of network option time in itself will not give non-network groups the opportunity of gaining access to prime time on an equal basis with the networks." NTA said it wanted to break down the "evil" of network "monopolization of option time," complained that under the present system the NTA film network "has been unable to make any substantial impact in the TV industry."

Chronicle Publishing Co. (KRON-TV San Francisco) said an option-time cut "would constrict & impair the network's efficiency and effectiveness as a national advertising medium, to the detriment of the affiliate." In its 10-year experience as an affiliate, KRON-TV has "never encountered any difficulty" in network program dealings.

WBEN Inc. (WBEN-TV Buffalo) regarded "the imposition of further restrictions upon networks as a drastic step in the direction of reducing, rather than improving, TV service to the public."

FCC Comr. Hyde is visiting in Mont. for an on-the-spot survey of the CATV-booster battleground. Enroute to visit relatives in the West, Hyde agreed to visit at the urging of the Mont. Congressional delegation. However, the Commissioner's office said that he will not visit any towns which have matters pending before the FCC. FCC broadcast bureau chief Harold G. Cowgill & economist James B. Sheridan are now touring the West, officially studying the CATV-station dispute (Vol. 15:30). They will confer with Comr. Hyde Aug. 12 in Great Falls.

Two applications for new TV stations were filed with FCC last week: For Roswell, N.M., Ch. 10, by realtor William Sam Evans; for Wausau, Wis., Ch. 9, by Dallas cookware distributor John H. Freeman. Applications pending total 106 (13 uhf).

FCC SELF-REFORMS PUSHED: Seven bills for revision of FCC procedures—including one which tightens rules on ex-parte representations in adjudicatory cases—were approved last week by the Senate Commerce Committee, whose communications subcommittee held quickie hearings on them in June (Vol. 15:24).

Six of the bills (S-1734-38 & S-1740) were drafted by FCC itself and introduced at its request by Commerce Committee Chairman Magnuson (D-Wash.). They aroused little controversy. The 7th measure, also sponsored by Magnuson, was proposed by the Federal Communications Bar Assn. to change cumbersome "protest" routine. It was rewritten to meet FCC objections.

Chances that any of the bills will become law at this session of Congress are remote despite the Senate committee's endorsement, however. The House Commerce Committee, whose legislative oversight subcommittee is embarking on a foray into TV quiz shows (see pp. 2 & 4), hasn't gotten around yet to scheduling hearings on a batch of similar FCC reform bills waiting on that side of the Capitol.

The FCC-proposed measure (S-1734) governing off-the-record contacts, amends the Federal Communications Act to prohibit "any person," as well as FCC's legal & engineering staffs and participants in adjudicatory cases designated for hearings, from making any presentations—directly or indirectly—to Commission members or hearing examiners without notice to all parties.

Language of the FCBA-recommended "protest" bill (S-1898) was fixed to satisfy Commission objections that as originally written it would cause more red-tape ills than it would cure. It would provide for "pre-grant" objections in place of existing procedure which permits parties to object to TV & radio station awards after they are made without hearings.

Of the other bills approved by the Senate Committee: (1) S-1735 repeals the Communications Act's "honorarium" Sec. 4 (B) which permits FCC members to pick up fees for outside speeches, etc. (2) S-1736 eliminates some documentary oath requirements for filing of FCC case documents. (3) S-1737 authorizes fines for violations of FCC rules in common-carrier, safety & special fields. (4) S-1738 gives FCC members more latitude in getting advice from its review staff. (5) S-1740 extends the Commission's authority over common-carrier microwave & other point-to-point circuits.

Networks

NBC Radio Proposal? A proposal that NBC Radio shift to providing a radio feature service has brought no alarm at N.Y. headquarters of the network, according to a checkup we made last week. The original proposal was hatched in an informal, non-official meeting of top executives of 6 important NBC radio affiliates in St. Louis late last month. No formal presentation of the idea, which is generally felt to be a position peculiar to large-city affiliates, has been made by the group to the network, we were told. And, there's no indication that any sizable number of the network's 200-odd radio affiliates share the views of the group, which included Harold Grams (KSD St. Louis), Jack Harris (KPRC Houston), Edwin Wheeler (WWJ Detroit), George Comte (WTMJ Milwaukee), Jack DeWitt (WSM Nashville) and Bill Bates (WDAF Kansas City). Meanwhile, NBC Radio is "going ahead with all of our regular radio network plans," a network official told us in N.Y.

New CBC Network Formula: Seeking more equitable division of TV network & local programming time, the Canadian Bcstg. Corp. this fall will initiate a new formula which establishes 3 time-classifications: network option, local station, and limited network. Devised by CBC & its privately-owned affiliates, the new program concept will provide during the average week: 34 hours & 35 min. of network option time which all stations must carry; 10 hours & 30 min. of local station time, 8 hours of which will be prime evening time; and 19 hours & 55 min. of so-called limited network time. All CBC o&o TV stations will carry all limited network programs; affiliates can request any of the sustaining shows. Sponsors of limited-network programs can contract for any combination of o&o & affiliated stations, subject to latter's okay & availability.

NETWORK SALES ACTIVITY

Westinghouse Electric's \$5.5-million deal with CBS for 1960 election coverage highlighted an otherwise routine sales week. This is Westinghouse's 3rd consecutive Presidential year of underwriting the CBS coverage and the first sponsor deal for election coverage announced.

ABC-TV

American Bandstand, participations, eff. Oct. 5, for Keepsake Diamond Rings.
A. H. Pond Co. (Flack Adv.)

Man with a Camera, adventure series debuting Oct. 19, Mon., 10:30-11 p.m.
General Electric Co. Lamp Div. (Grey).

CBS-TV

Christmas at the Circus, featuring Ringling Bros. Barnum & Bailey, Thurs., Dec. 10, 7:30-8:30 p.m.
Remington Rand (Young & Rubicam)

Coverage of 1960 Presidential elections, including coverage of both Democratic and Republican conventions in July 1960 & Nov. 8.
Westinghouse Electric Corp. (McCann-Erickson, Grey Adv., and Ketchum, MacLeod & Grove).

Markham, 26-wk. renewal of Sat., 10:30-11 p.m., series.
Schlitz (J. Walter Thompson)

Woman, daytime specials Sept. 17, Nov. 9, Dec. 6.
Dow Chemical (MacManus, John & Adams)

Arthur Godfrey special, Sept. 16, 10-11 p.m.
Benrus (Grey), Sara Lee (Cunningham & Walsh), Hoover Vacuum Cleaners (Burnett)

Person to Person, alt.-wk. sponsorship, eff. Oct. 2.
Warner-Lambert (Lambert & Feasley)

NBC-TV

America Pauses in September, Sept. 18, 8:30-9:30 p.m., special featuring Burgess Meredith, the Kingston Trio and Art Linkletter.
Coca-Cola (McCann-Erickson)

NBA professional basketball game telecasts, Sat. and Sun. p.m., effec. mid-Oct. One-fourth sponsor.
Anheuser-Busch (Gardner Adv.)

Liberty Bowl Game, Dec. 19. Co-sponsorship.
Whitman Candies (Ayer) and Liggett & Myers, (Dancer-Fitzgerald-Sample)

Laramie, Tues., 7:30-8:30 p.m. Third sponsorships.
Liggett & Myers (McCann-Erickson), Analyst (Bates) Ansco (Benton & Bowles)

Five Fingers, Sat., 9:30-10:30 p.m. Third sponsorships.
Midas Muffler (Edward H. Weiss) Anahist (Bates), Corning Glass (Ogilvy, Benson & Mather)

Tales of the Plainsman, Thurs., 7:30-8 p.m. Third sponsor.
Ansco (Benton & Bowles)

Stations

Code At Creative Level: NAB's Code Review Board last week took steps to head off code problems in TV commercials before they start. In a 2-day (Aug. 4-5) round of meetings, members of the code group reaffirmed NAB's stand on personal-product advertising (Vol. 15:20) to members of the American Assn. of Adv. Agencies' TV-radio committees (broadcast media, administration) and to N.Y. reps of the Adv. Federation of America.

The idea of the meetings, as championed by Code Review Board chmn. Donald H. McGannon, pres. of Westinghouse Bcstg. Co., was to prevent repetition of the "Preparation H" hassle by discussing national-level TV advertising with the AAAA members (who represent such agencies as Y&R, BBDO, Ted Bates, Grey, McCann-Erickson and JWT) and at the regional & local level with the locally-oriented Adv. Federation. Key point of the sessions, we're told, was reaffirmation of NAB's plea for high standards of good taste in commercials.

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Another liquor commercial: WATR-TV (Ch. 53) Waterbury, Conn. has "made TV history" by defying the industry's self-imposed hard-liquor ban to plug Michter's Pot Still Whisky, the non-NAB station boasts in promotion releases. The account for the Lebanon, Pa. "Pennsylvania Dutch" product was placed with WATR-TV by Waterbury's Peter Bochan ad agency—and Bochan himself handles the spots on his own night-time *Mail Order Market* show on the station. Radio WATR holds NAB membership, but the TV outlet neither belongs nor subscribes to NAB's TV code . . . Meanwhile, on Madison Ave., BBDO timebuyers were checking radio outlets in Pa. to accept an institutional jingle test campaign for Schenley (WARD Johnstown, did). Whether other radio outlets, many hard-put for national spot radio, would put a new brass rail on their commercial acceptance policies was anybody's guess.

Microwave serving CATV system in Helena, Mont. went off the air last week after the 9th Circuit Court of Appeals in San Francisco granted an FCC motion to dismiss its appeal "for want of jurisdiction." The appellant—Montana Microwave—had been ordered to quit operating by the FCC last month, pending a decision on a protest by KXLTV-TV Helena (Vol. 15:26). But it obtained a temporary injunction from the court permitting it to continue operating until FCC could show cause why a further injunction should not be issued, allowing the microwave to operate pending the actual determination of the case (Vol. 15:28). Montana Microwave is expected to file an appeal in the U.S. Dist. Court of Appeals for D.C.

WRCV-TV Philadelphia wrote record-high billings during first-half 1959 & scored a 32% sales increase over the same 1958 period, reports NBC v.p. & WRCV-TV gen. mgr. Raymond W. Welpott. The 6 individual months of the first half topped each corresponding 1958 month, April pacing the way with a 42% gain. May established the highest dollar billing in the station's history.

WRCA-TV New York July billings set a new record for the 22nd consecutive month and paced the NBC flagship to a 17% sales gain for the first 7 months of 1959 compared with the same 1958 period, reports NBC v.p. William N. Davidson. Contributing to the record-setting July business were increased spots for new motion pictures.

KSWO-TV (Ch. 7) Lawton, Okla. has been granted a move to 32 miles from Lawton, 24 from Wichita Falls.

Finds More Radio Listeners: The radio listeners are outnumbering the TV watchers, reports researcher Sindlinger & Co. For the first time since July 1957—and for only the 3rd time in 5 years—more Americans were listening last month to radio than were viewing TV, says Sindlinger. The conclusion is supported by a media-activity survey which shows that during 3 consecutive July weeks, ending July 23, total radio listeners surpassed total TV viewers. Auto radios accounted for 30% of the total daily listenership; portables 12.5%.

Pres. Albert E. Sindlinger said: "We expect the trend to continue into August since other studies by our organization [357 reporters in 287 counties] indicate more people are outdoors this summer, more are turning from TV to radio, and the volume of auto traffic has risen. These factors, plus the run-off of pre-1948 films, which supported TV last summer, are causing the rise in radio listenership. FM listening is very much on the increase in major cities."

A new RAB report, analyzing Pulse data from the nation's top 10 markets, points out that radio's audience during the average 15-min. period increased 6.2% in the 7-year span from Jan.-Feb. 1952 to Jan.-Feb. 1959—years of major TV expansion. [But U.S. population increased 13.1% during this 7-year stretch.] In the same period, ownership of portable radios increased some 150%; auto radios 61.3%—major factors in the marked upsurge in out-of-home summertime radio listening during the past several years.

WTIM (Ch. 7) Laurel, Miss. has been authorized to move to the present location of WDAM-TV (Ch. 9) Hattiesburg when the latter quits operating. Ch. 9 has been shifted from Hattiesburg to Baton Rouge, where WAFB-TV (Ch. 28) holds Special Temporary Authority (STA) to shift to the vhf channel. Last week, FCC turned down a petition by radio WIBR Baton Rouge requesting that the STA to WAFB-TV be withheld. Temporary operation by WAFB-TV on Ch. 9 is scheduled to start in Sept. pending completion of hearings on applications for the channel by WAFB-TV and WIBR (Vol. 15:30). An RCA 25-kw transmitter has been ordered for Ch. 9 operation.

Hearst Corp.'s WBAL-TV & WBAL Baltimore will soon have an FM companion. The company has purchased independent WFDS, will operate it as WBAL-FM after getting FCC approval of the transaction. Initially it will duplicate WBAL programming, but plans eventually to program separately on FM.

Terms of sale of WWSA-TV (Ch. 3) & WWSA Harrisonburg, Va. to WMAL-TV (Ch. 7) Washington (Vol. 15:30) were revealed last week. The Washington *Evening Star* station gets 51%—54% from Transcontinent TV Corp. and 1% from pres.-gen. mgr. Hamilton Shea—for approximately \$700,000. Shea will retain his present position.

Network affiliations: WCTV Tallahassee becomes primary CBS-TV affiliate Sept. 20, network crediting it with Jacksonville coverage as a result of using new 1000-ft. tower. Upcoming WHYZ-TV (Ch. 10) Duluth, with Sept. target, has signed as primary ABC-TV affiliate.

Request by WICC-TV (Ch. 43) Bridgeport, Conn. to suspend operation for 30 days beginning Aug. 12 was filed at the FCC late last week. Purpose of the suspension, according to the request, is "to make extensive repairs."

Special NAB election in District 15 will be conducted to name a radio board replacement for Joe D. Carroll of KMYC Marysville, Cal., who has left the station.

Updated Bio on TIO: The outlines of NAB's Television Information Organization (Vol. 15:22 et seq.) began to take shape last week in N.Y., but much remains to be done before the industry's new PR outlet will be ready for its Oct.-scheduled start. An all-day (Aug. 4) meeting at the Waldorf-Astoria presided over by chmn. Clair R. McCollough, pres. of the Steinman stations, took up the sort of good-&-welfare items (office, rent, personnel, etc.) any working organization must tackle. Proposed as dir. of TIO (who must be appointed by Sept. 15) were numerous names, although committee members were told that White House news boss Jim Hagerty would not be available. No final agreements were reached by subcommittees, and thus no major decisions made by TIO. But, as one network executive who attended the sessions told us, "they covered a lot of groundwork." Groundwork: considered 67 persons for post of director, narrowed choice to 20; drafted an operating budget; tentatively okayed an immediate overall TIO program; settled on a N.Y. location, subject to final negotiations with the lessor & approval by NAB's TV board; scheduled a meeting for Aug. 19 to continue groundworking.

ARB's latest nationwide local TV audience measurement concepts are explained in detail in a new brochure sent recently to stations, agencies and advertisers. The ARB features detailed include: A new semi-annual master report, in a single volume, with rating information for over 500 U.S. TV stations; annual coverage study of the entire U.S., with sampling of each of the 3072 counties facilitated by ARB's installation of a Univac computer; a changed format in the regular monthly reports, including a 1-week-4-week metropolitan report, plus total TV homes reached, by 15-min. segments.

Miami Ch. 10 conspiracy case retrial of ex-FCC Comr. Richard A. Mack and his friend Thurman A. Whiteside (Vol. 15:29) will start in Washington's U.S. District Court Nov. 3. Chief Judge F. Dickinson Letts set the date after the Justice Dept. filed a formal motion recently asking for an "earliest possible date" for the second trial—and that it be held in Washington, not in Miami as Mack-Whiteside counsel had requested. The jury in the first trial, which ran 3 months, split 11-1 for conviction of Mack & Whiteside on charges that they plotted to rig the Ch. 10 grant for National Airlines' WPST-TV.

NAB will team up with Science Service (a non-profit institution for the popularization of science) to observe National Science Youth Month in Oct. Member stations & networks will receive spots & other material to be broadcast as part of NAB's "Learn—& Live" campaign.

RCA shipped 11-kw transmitter and custom-built supergain antenna July 17 to KDRO-TV (Ch. 13) Colorado Springs, planning boost to 212-kw from new site on Cheyenne Mt.; 11-kw transmitter July 10 to KOLO-TV (Ch. 8) Reno, planning boost to 77-kw.

Further West Coast station acquisitions are planned by NAFI Corp., which recently purchased KPTV (Ch. 12) Portland, the carpet & automotive-fabric company reported in its 6-month statement to stockholders.

TV-radio consultant William T. Stubblefield is buying WAGE Leesburg, Va. for \$70,000 from the widow of radio pioneer Richard Field Lewis Jr.

Call letter changes: WMBV-TV (Ch. 11) Marinette, Wis. changed Aug. 1 to WLUK-TV . . . WDMJ-TV (Ch. 6) Marquette, Mich. changed Aug. 8 to WLUC-TV.

CBS Revives 30-Sec. Rate: The spot-TV trend toward more purchase of 30-sec. nighttime station breaks we predicted early this summer (Vol. 15:18) seems to be gaining headway. Last week, CBS-TV spot sales "reinstated" the ½-min.-spot category in the rate cards of the network's o&o TV outlets. The action was taken to "formalize" the listing, we were told by an official of the CBS stations div., "in response to a growing number of timebuyer requests."

The 30-sec. soundfilm spots are categorized as "shared" station breaks. This, CBS explains, does not mean that they are a pair of 15-sec. spots slotted back-to-back, but rather that agencies must allow for a 2-sec. station identification at the end of the announcement. (Most nighttime station-break periods are still filled with a 20-sec. spot & a 10-sec. I.D.)

Prices for 30-sec. spots on the CBS o&o's are not really new; they had been listed a few seasons back, but were dropped when buyer interest ran mainly to 20-sec. announcements. A revived listing of 30-sec. spots is also being developed, we later learned, at NBC spot sales, and other reps are reportedly mapping sales campaigns on the full-sized station-break spots.

Spot TV will score record-making gains this year, with fall billings bounding some 20% ahead of last year's and the Oct.-Nov.-Dec. gross approaching \$194 million compared with \$149 million for last-quarter 1958, concludes *Television Age* in a survey of the advertisers who accounted for about 70% of the estimated \$512 million spent for 1958's national & regional spots. Findings: advertisers representing 53% of 1958's spot billings will increase spot spending, some by as much as a third; 42% will equal if not top their 1958 spots. Only 5% will spend less for spots in 1959 than they did in 1958. Brightening the record-making outlook will be an increasing number of advertisers moving into the spot TV picture for the first time. The same July 27 issue carries an article on the "Small-Market Bonanza," which details the sales pluses advertisers gain when investing their spot-TV dollars in one-station areas—such as low cost, reduced audience competition, and improved cost-per-thousand ratio.

There's a trend to live TV in Puerto Rico, now that U.S. manufacturers are increasingly using the island commonwealth as a test market for products they may want to distribute in the Latin American market. So said Harwood Hull Jr., exec. v.p. of Publicidad Badillo (a Puerto Rican ad agency, with a branch office in N.Y., now billing \$3 million annually) to the *N.Y. Times* recently. Imported syndicated telefilm shows (see story on earning potential overseas, Vol. 15:30) dubbed in Spanish used to hold down most of Puerto Rico's prime TV time. Now, says Hull, live TV shows are becoming vehicles for the TV-tested products.

Lectures by letter have been delivered by FCC to 3 TV stations—along with their license renewals. KTRK-TV (Ch. 13) Houston was reminded of requirements for full identification of source and/or sponsor as a result of kinescope summaries of Kohler strike hearings shown by the station. KNOE-TV (Ch. 8) Monroe, La. and KLTV (Ch. 7) Tyler, Tex. were cited for alleged unfair treatment of the pay-TV issue.

Winner of a 1957 radio WHAS Louisville scholarship has come home to roost. David Dick, who was awarded the grant established in cooperation with the U. of Kentucky to aid a "student preparing for a career in the broadcasting field," has joined WHAS's news staff.

Programming

NBC's Fall Preview: With half of its nighttime schedule blueprinted for news shows—including a 100% increase in specials (200)—NBC-TV last week (Aug. 4) staged a press preview in N.Y. of its program plans for the 1959-60 season. On hand to conduct the once-over-lightly were most of NBC-TV's top programming brass: exec. v.p. Walter Scott, program v.p.'s David Levy & Robert Lewine, dir. of special projects Don Hyatt, *NBC Opera* producer Samuel Chotzinoff, and producers Robert Alan Aurthur, Mildred Freed Alberg, and Alex Segal. Highlights:

- **New Shows:** There'll be 17 new nighttime show series on NBC-TV this fall (counting the regularly scheduled Tues.-Fri.-Sun. specials as "series"). Of the newcomers, 4 are 60-min. network film investments—*Riverboat*, *Laramie*, *Bonanza* and *5 Fingers*. The remaining 10 include a pair of 30-min. transfers from CBS-TV (*Richard Diamond*, *Bachelor Father*) and a mixed bag of 3 new Westerns (*The Deputy*, *The Plainsman*, *Wichita Town*), 2 comedies (*Fibber McGee & Molly*, *Love & Marriage*), 2 detective series (*Johnny Staccato*, *Troubleshooters*) and an adventure series (*The Man & The Challenge*).

- **Specials:** There'll be so many of these on NBC-TV this fall & winter that those slotted on a regular basis are virtually acquiring the identity of week-to-week series. Robert Alan Aurthur's *Sunday Showcase* series, for instance, will specialize in dramatic originals & Broadway actors. The Hubbell Robinson-MCA lineup of specials for Ford on Tuesdays will concentrate on vehicles for big-name movie & theatrical personalities. The Friday specials will be slanted toward music & variety shows (with such stars as Gene Kelly and Jimmy Durante) and an occasional drama. It won't be a firm pattern, however. Some 60 news specials (40 of a news nature; 20 dealing with public affairs), ranging in topic from the development of Asian nationalism to a Nixon-narrated documentary on Russia, will be scattered through the season, some in the special "showcases" and others pre-empting ordinary shows. At least 5 "Project 20" shows (including one on Mark Twain's America), 13 *Wisdom* interviews, and 4 English-language *NBC Opera* shows are also planned. The whole schedule of specials will cost advertisers a total investment of \$57 million, which is "a new record & a 128% increase over last season," by NBC's count.

- **Other highlights:** Live (or pre-taped) TV is moving back into the driver's seat, despite the barrage of new NBC film shows. In a typical Oct. 1959 week of 89¼ network hrs., 73¼ hrs. (82%) will be live/tape programming. There'll be more than 450 hours of NBC-TV sportscasts, up 10% over last year, and including a full-color World Series. Educational telecasting will also be stepped up, with a 60-min. *Continental Classroom* each weekday.

"Vapid or violent" is the word for most TV programs, according to Rep. Lane (D-Mass.). In a speech to the House, he said "murder, mayhem, pathos, slapstick & talking singers" are so rife on TV that he must conclude that networks "do not realize the great possibilities of the medium at their command"—or that they "in turn are the slaves of the sponsors & their advertising agencies." In any event, Lane said, TV programmers "cater to our inclination toward juvenile delinquency." He told the House that he had been aroused to make his speech by an editorial in his home-town *Lawrence Sunday Sun*, which said "it's time we let sponsors know that we are tired of the endless blood-letting & killing that goes on."

The Battle for Sunday Night: NBC-TV is planning rating vengeance this season for the "sly" slotting (or "skillful," depending where you're sitting) practiced by ABC-TV on Sun. nights. Due to be launched this fall in the 7-8 p.m. slot is one of NBC's strongest new program contenders, the 60-min. *Riverboat* series.

The move, as freely admitted in N.Y. last week by NBC's top TV program v.p., David Levy, is designed "to straddle *Maverick*, so as to grab the Sun. night viewers at the start of the evening." This is the same philosophy that prompted ABC, 2 seasons ago, to slot *Maverick* in its present berth of 7:30-8:30 p.m., thus straddling the 8 p.m. starts of CBS-TV's long-run *Ed Sullivan Show* & NBC's *Steve Allen Show*. The Warner Bros.-produced ABC Western, at first considered an outsider in the rating sweepstakes, soon proved the value of its 30-min. head start and 60-min. length by out-rating its rivals.

With NBC having rolled back the start of Sun.-night's lineup of big hour-long shows to 7 p.m., the next move, presumably, would be for CBS to toss a 60-min. show into the 6:30-7:30 p.m. Sun. slot., and thus move the frontier for major Sun.-night programming into what is practically the late afternoon. However, CBS has no such plans, and feels that the combination of the 3 film shows now scheduled to occupy the 6:30-8 p.m. period (*Twentieth Century*, *Lassie*, *Dennis the Menace*) will prove a strongly competitive lead-in to Ed Sullivan's variety show at 8 p.m.

Will *Riverboat* drop a broadside on the freres *Maverick* in fall-winter Nielsen reports? NBC thinks it will. Or will the *Mavericks* get the drop on the crafty craft? ABC declines to discuss the NBC move, although one ABC-TV executive who recently sneaked into an agency screening of the *Riverboat* pilot told us sadly: "That's one show I wish we had."

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Steve Allen, whose Sun.-night competition during the past 2 years has included Messrs. Benny, Sullivan and both *Mavericks*, last week expounded in defense of his next-season move to Mon. nights. "Everyone seems to agree that TV is not currently at its golden age, to put it mildly," he told Marie Torre. "More bluntly, there's an awful lot of slop on the air. So it was truly a shame, I thought, that 4 of the best shows were all shoving each other around Sun. evenings when the public, if it had its way, would obviously prefer to be able to watch all 4. I did my part. I got out."

New York originates nearly 300% more hours of live network talent programs than all other TV cities combined, according to the latest Ross Reports-TV Index for the week of July 19-25. A slow 2nd to New York's total of 62 hours that week was L.A. with 11½ hours. Philadelphia was 3rd with 7½ hours (Dick Clark's *American Bandstand*). Other scores: Chicago, one hour; Springfield, Mo., one hour; Cincinnati, ½ hour. NBC-TV was tops in network transmission of live (including video tape) programming with 66¼ hours, followed by CBS-TV with 54½, and ABC-TV, 34¼. In film presentations, CBS led the way with 22¼ hours, followed by ABC with 21, NBC with 17¼. During the July 19-25 period, total NBC-TV network programming comprised 66¼ sponsored hours, 17¼ sustaining; CBS-TV, 53¼ & 24; ABC-TV, 35 & 20¼.

Egg-laying TV shows may find new hope in TV sets' incubation properties, discovered recently by a 10-year-old Dallas viewer. The lad found a pigeon egg, placed it atop his TV set, and, 8 days later, wound up with a bird.

Gold in Old Movie Scripts: Network TV may take on a resemblance to *The Late Late Show* and other movie showcases this fall. Last week, NBC began negotiations with Hollywood independent producer David O. Selznick to obtain rights to re-stage 8 of Selznick's old movies in live 1-hr. TV specials. The properties discussed are said to include "Spellbound," "Notorious," and "The Farmer's Daughter"—all currently circulating in TV feature packages in their original large-budget movie versions.

The move came only a few days after the announcement that one of the Ford specials on NBC would be a TV adaptation of Warner's "The Jazz Singer," with Jerry Lewis in The Al Jolson role—although "Jazz Singer" (vintage 1927) is so ancient it isn't in current TV release.

But many other movie-into-TV vehicles are. A few other upcoming adaptations: "Bells of St. Mary's," "Body & Soul," "Strawberry Blonde," "Mrs. Miniver," "The Fallen Idol," "White Cliffs of Dover," "Camille," "Miracle on 34th Street," "Ninotchka" and "Moon & Sixpence"—most of them produced by David Susskind's Talent Associates.

What's to prevent an independent station or rival network affiliate from scheduling the original movie version a week or so in advance of the re-made live version, if the movie is available? Answer: nothing.

Postscript to ABC-Khrushchev feud came from news v.p. John Daly Aug. 5, an hour after his return from the Nixon Moscow visit. Said he: "Officials at the Moscow TV center, the press section of the Foreign Ministry & the Soviet Ministry of Communications could not have been more cooperative." But, added Daly, "never in contemporary history has the elite leadership of the Soviet Union been talked to so bluntly. Herb Kline, Mr. Nixon's press chief, took no guff from the Russian officials and firmly held them to the agreement that U.S. newsmen would have the same freedom of operation granted to Soviet newsmen who accompanied deputy premier Kozlov on his recent visit to the U.S."

Vice-President Richard Nixon has become a hot TV property in the wake of his successful Russian-Polish trip. CBS news scheduled a 30-min. Nixon-narrated TV documentary with the non-stop title of "Vice-President Nixon reporting what I saw in Russia" which was to be presented Sun. Aug. 9 at 7:30 p.m., and featuring exclusive CBS newsfilm coverage of the trip. NBC news will televise an Aug. 11, 9-9:30 p.m., news special, also with a running commentary from Nixon, shot by NBC cameraman Bradford Kress. ABC has no immediate plans for a Nixon TV appearance, we learned in our 3-network checkup.

AP's daily TV-radio column will be taken over by Cynthia Lowry Sept. 1, from resigning Charles Mercer. The column will shift emphasis to news & reviews and will therefore be rescheduled to move in the early report of the day of publication, instead of a day ahead as at present. There'll be a step-up of current-topic coverage and the number of reviews of night-before shows. Associated with AP since 1942, busy Miss Lowry has been a police reporter, overseas correspondent—and a garden columnist.

An offer to Khrushchev is being made by NBC news to address the American public via TV here next month. NBC had originally offered Khrushchev "equal time" to answer Vice-President Nixon's Aug. 1 Moscow speech in which he criticized communism's world-expansion aims. NBC had suggested that the Soviet Premier use his own translator & video-tape his reply on RCA facilities at the American Exhibition in Moscow.

Auxiliary Services

The Fight Continues: The TelePrompTer-aired closed-circuit bout in which Ingemar Johansson trounced Floyd Patterson in just 9 min. on June 26 continued its lively aftermath last week with several rounds of verbal punches:

Round 1: Vincent Velella, N.Y. attorney who had partnered with promoter Bill Rosensohn in setting up the bout, was reportedly unhappy over the fact that the cost of the fight (some \$300,000) was about twice that normally estimated by promoters. Inasmuch as he held a majority interest in Rosensohn Enterprises, he invited Irving Kahn, pres. of TelePrompTer, to join the organization's board. Miffed, Rosensohn resigned on Aug. 3.

Round 2: Rosensohn charged publicly on Aug. 4 that an accounting of Johansson's fight purse (which incidentally, had been legally attached pending the outcome of a suit by heavyweight Eddie Machen) was being withheld by Kahn. Not so, a TelePrompTer spokesman told us Aug. 5, rolling with the punch, and jabbing back with the statement that the accounting was in proper shape and the Johansson money safely in a bank.

Round 3: Meanwhile, at City Hall, N.Y. DA Frank Hogan was launching a roundhouse right in the form of an investigation—which has been going on quietly since July 23—into the "promotional activities" surrounding the fight, and into any "underworld influence" that might be connected. On Aug. 4, Hogan met with Rosensohn and admitted that it was the latest of several such meetings, and it would not be the last.

Round 4: TelePrompTer's Kahn (who hopes to garner closed-circuit rights to a proposed rematch between Johansson and Patterson, and who had purchased rights for the earlier fight from Patterson Enterprises) told us Aug. 5 through a N.Y. spokesman that he would be "happy to cooperate with the DA" in any investigation. Kahn was in Washington on that date, and was later due for an appearance at the Army's missile center in Huntsville, Ala.

Round 5: With things getting fairly foggy, Johansson himself—who has the championship but no money—was making final plans to fly to N.Y. Aug. 9, with his adviser Edvin Ahlquist, to look into the whole business personally.

La Ronde 6: The hassle took on an international flavor at week's end. Rosensohn, who had "disappeared" in N.Y. Aug. 5 and was presumed by the dailies to be under some kind of guard by the DA's office, suddenly popped up in Paris the next day. So did heavyweight champion Johansson. So did Truman Gibson, ex-pres. of International Boxing Club and currently pres. of National Boxing Enterprises. All 3 promptly vanished. *Pourquoi M. Rosensohn et les autres arrivent-ils a Paris? Personne ne dit rien.*

Round 7: Hogan, in N.Y., continued his investigation of fight promotions, summoning Charley Black, an associate of Patterson's manager Cus D'Amato, for questioning and making arrangements to have Frankie Carbo, reputed underworld boxing figure, brought to N.Y. from N.J. to face charges of conspiracy. And, in N.Y. the odds were lengthening against TelePrompTer carrying a Sept. 2 closed-circuit return bout between Johansson & Patterson even though Johansson is under contract to defend his title within 90 days of his June 26 victory.

Ghana's first TV system is being readied. A 3-camer closed-circuit TV system will be used to guard a large gold mine by continuously scanning & relaying images of the working areas to monitors in the mine's security offices.

Television Digest

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Personals: John W. Kiermaier, ex-ITC, appointed asst. dir. of public affairs, CBS News, succeeding John F. Lynch, recently named public affairs dir. . . . William Ray, news dir. of NBC central div. and WNBQ & radio WMAQ Chicago, resigns to own & manage radio KASI Ames, Ia. . . . Ralph Goshen, ex-CBS Radio Spot Sales, named gen. sales mgr., radio WCBS N.Y. . . . Frank Singiser named MBS financial & business news editor . . . John D. Kelly promoted from mgr. of WJW to national sales mgr. (N.Y.C.) of WJW-TV Cleveland . . . Arthur M. Swift, ex-WOOD-TV Grand Rapids, promoted from mgr. of radio WTCN Minneapolis to mgr. & sales dir. of WTCN-TV & WTCN.

Carl A. Winman, part owner of Friendly Group stations, Steubenville, Ohio, nominated by President Eisenhower as U.S. District Judge, southern Ohio.

Paul Kennedy, ex-Edward Petry Co., named Weed Television Los Angeles office mgr. & West Coast TV sales dir. . . . George H. Revercomb, FCC Comr. Ford's legal asst., resigns Sept. 4 to enter private practice in Charleston, W. Va. . . . Stephen Rintoul elected v.p., Venard, Rintoul & McConnell, succeeding his father, Steve Rintoul Sr.

Hal James resigns as ITC natl. sales dir.; Charles W. Goit will handle his duties temporarily . . . J. Richardson Laughrin, ex-CBS-TV Spot Sales, N.Y., named TvAR L.A. gen. mgr. . . . Phillip Petty, ex-WICS-TV Springfield, Ill., named public affairs dir., WWL-TV New Orleans . . . William P. Dix Jr., ex-WOR-TV N.Y., named asst. mgr. & sales dir., WGR-TV & WGR Buffalo . . . Frank Edwards, to begin daily newscast Sept. 1 over MBS, has resigned as news editor of WTTV Bloomington-Indianapolis . . . Harry Zvi Shoubin appointed asst. program mgr., WJZ-TV Baltimore.

Obituary

Ralph M. Cohn, 45, pres. of Screen Gems and v.p. of Columbia Pictures, died of a heart attack Aug. 1 at his home in Pound Ridge, N.Y. He is survived by his wife, daughter, mother and a brother. Mr. Cohn, whose father, the late Jack Cohn, was a founder of Columbia Pictures, was a motion picture producer for 13 years before entering the TV field. In 1947, seeing the future need for filmed TV material, he set up Pioneer Telefilms, producing filmed TV commercials. This firm, renamed Screen Gems, became a subsidiary of Columbia Pictures in 1949, making Columbia the first major movie company to start a TV operation.

Frank Megargee, 23, Scranton Bcstrs. Inc. (WDAU-TV Scranton) treas., died in an automobile accident Aug. 1 near Scranton. He is survived by his mother, Mrs. Frank Megargee, pres. of Scranton Bcstrs., and 4 sisters.

Advertising

And Now a Word to Our Sponsor: TV producers should be allowed to produce shows with as little "hamstringing" by sponsors as possible; otherwise they will defect to other areas of entertainment where they are less circumscribed, warned CBS-TV West Coast program v.p. William Dozier in a talk at a Northwestern U. summer workshop in Chicago last week. "Are effective TV advertising & programming incompatible?" was the subject of Dozier's address. He made it clear they are not.

Dozier, a veteran of movies & TV, warned: "We must never allow ourselves to make the mistake of underestimating the intelligence of our audience. I remember a few years ago when the motion-picture business was riding high and could do no wrong—the industry lived by the maxim that the average intelligence of the movie audience was that of a 12-year-old. This proved to be one of the shiniest shibboleths & most destructive booby-traps in the history of Hollywood."

The speaker scored some instances of agency obstruction, telling of one of CBS-TV's most successful Western series, on which an agency executive asked the producer to refrain from doing a certain episode because it was the "worst" Western script he had ever read, "full of caricatures, clichés and bad writing." The film was made—and won for its writer the Screen Writers Guild award for the best TV Western of that season. The CBS executive also told of the electrical manufacturer who wouldn't approve a show based on Rudyard Kipling's classic, *The Light that Failed*; of the CBS dramatic show that had its title changed from "Strike a Blow" to "Deal a Blow" because the sponsor felt the word "strike" might have caused severe labor repercussions in his plant; and of an account man watching a rehearsal of a TV "Hamlet" who complaining about the grimness of the ending, muttered "gosh, I didn't know the king got it too."

Admen were unmistakably critical of TV in latest *Printers' Ink* "Executive Panel"—and surprisingly, 70% of the respondents complained of too many commercials. The majority (65%) of the ad executives believed the level of TV programming to be dropping; 66% said the networks exercise too much control over programming; 85% felt that sponsors have an obligation to improve TV quality. Not so surprising, perhaps, the admen were gentler with commercials—more than 75% indicating they believe commercials are becoming more imaginative, creative, exciting.

TV is 60% use & 40% abuse as handled by advertisers, says Grey exec. v.p. Alfred L. Hollender in *Variety*. Abuses: insufficient pre-testing & post-testing of commercials; incompatibility of product & show; faulty or insufficient integration of commercial message. "Too many shows today," he claims, "are merely spot carriers rather than commercially integrated units."

TV's ad impact is charted this week in a before-&-after analysis of the recent TV debut of Peter Pan. Heretofore a newspaper & magazine advertiser, the well-known bra & undergarment firm made a modest TV-spot investment in the highly competitive N.Y. market, got quick & profitable results. In a pre-TV survey by Pulse, reports TvB, 9.4% of 500 women respondents spontaneously identified Peter Pan as a bra-foundation maker. After 4 weeks of TV spots, 15.5% of 142 respondents associated the firm & bras. In the pre-TV study, 57.8% of 301 respondents knew something about the brand—an awareness that increased to 72.3% of 94 respondents after only 4 weeks of TV.

Advertising People: John H. Childs, ex-v.p. & account supervisor on the Texaco account at Cunningham & Walsh, named adv. & sales prom. gen. mgr., Texaco . . . George J. Zachary, ex-Wightman Productions, rejoins Kenyon & Eckhardt as a TV-radio programming supervisor, after an absence of 11 years . . . Robert K. Byars, ex-MacFarland Aveyard & Co., named Erwin Wasey, Ruthrauff & Ryan v.p. . . . Leo Higdon, Bernard Lubar, John Jackson, named Benton & Bowles v.p.'s.

James G. Cominos named Needham, Louis & Brorby TV-radio programming v.p.; James L. Isham appointed v.p. in charge of creative services . . . Lewis Snyder, ex-J. Walter Thompson, appointed v.p. & associate copy dir., Leo Burnett . . . Edmond Richer, Grey v.p., elected secy.

Steve Aubrey, ex-McCann-Erickson, named v.p., Doherty, Clifford, Steers & Shenfield . . . L. E. Miller, ex-Lennen & Newell, named J. M. Mathes v.p. & a dir. . . . Donald A. Wells, ex-Colgate-Palmolive, appointed BBDO management supervisor.

Joseph C. Sperry, ex-Campbell-Mithum, named senior producer, Doyle Dane Bernbach; Robert Warner, ex-CBS-TV, appointed associate producer; Joseph Battaglia, ex-N.W. Ayer, named TV dept. business mgr. . . . Solita Arbib, McCann-Erickson associate creative dir., named v.p. . . . W. M. Bastable, Swift & Co. adv. dept. audio-visual div. mgr., named chairman of the audio-visual committee, ANA, succeeding Willis H. Pratt Jr., AT&T film mgr. . . . Albert C. Cochrane, D. P. Brother Los Angeles office mgr., named v.p. . . . Donald R. Brice, ex-Ketchum, MacLeod & Grove, named media dir. in Pittsburgh office of Erwin Wasey, Ruthrauff & Ryan.

In Other Media: Regionalized magazine operations apparently are producing. *SatEvePost* reports its new Select-A-Market plan has brought in some \$4 million, 25 advertisers have signed for regional splits, and commitments for 1960 regional splits are piling up. *Look* also reports "booming" business with its Magazine regional operation, noting that 36 advertisers are signed up . . . Congressional bill introduced by Rep. George M. Rhodes (D-Pa.) would limit postal "subsidies" of magazines & newspapers to \$100,000 annually after 4 years. If passed, says *Advertising Age*, the bill would require *Life*, for example, to pay more than \$9 million annually in additional postage. Stiffer Rhodes bill introduced 2 years ago cleared the House, founded in the Senate . . . To avoid speaking out of both sides of its pages at the same time, *Medical Annals*, publication of the D.C. Medical Society, is dropping ads for cigarettes, will continue to carry warnings against their possible cause of lung cancer.

"TV Advertising," by BBDO TV-radio copy v.p. Arthur Bellaire, published by Harper & Bros., N.Y. (\$6.50), is designed as a "handbook written especially for use in the trade." It's a 283-page, illustrated survey of the creative aspects of network & spot TV, commercial planning, TV copy, talent, ratings and time buying, with a foreword by Lever Bros. exec. v.p. Henry Schachte. Author Bellaire on creativity: "The biggest problem today is not finding or developing creative people. It is protecting them."

New reps: WNDU-TV South Bend to Venard, Rintoul & McConnell Aug. 1 (from Petry). KDRO-TV Colorado Springs to Branham Aug. 1 (from Pearson). WCYB-TV Bristol, Va.-Tenn. to Headley-Reed Aug. 1 (from Weed).

Blair-TV & Blair Television Associates rep firms move week of Aug 10 to 1717 Fifth Ave., N.Y. 22 (Plaza 2-0400).

AGENCY QUERIES RE TAPE: Video tape is rapidly becoming a basic part of agency TV-commercial planning, and agencies themselves are far more sophisticated about tape's values & limitations than they were 6 short months ago. That's the main impression we've received after a round of discussions in N.Y. with executives of networks & independent firms involved in the production of tape commercials.

Where agencies once asked beginner's questions, such as "how does it work?" and "can you play the same tapes on all 3 networks?" queries today deal with such specifics as studio availability, circulation of tapes on a spot basis and achievement of effects. Here are the highlights of our probe of agency-level tape questions:

John Hundley, mgr. sales development, CBS-TV: "Agencies are concerned with the quality of tape vs. what they're accustomed to in film, the range of production effects available in tape and how they compensate for the lack of film techniques like optics, and the quality of kinescope transfers. West Coast agencies, incidentally, are showing a marked increase in interest in taped commercials." (For other news of tape in Hollywood, see page 13).

Jim Hergin, dir. of operations, NBC Telesales: "Agencies ask basically about quality & cost in tape, but today they're also concerned with the use of tape on a large scale and ask about the handling of playback in local or delayed-broadcast stations that are not tape-equipped. We generally solve this problem with kinescopes."

Tom De Vito, mgr. of program services, ABC-TV: "Tape is on a tremendous upswing, and agency questions can generally be boiled-down to 'can tape do everything film can do?' We answer this with demonstrations which prove, we feel, that you can do just about everything with the exception of difficult opticals. Tape's quality of transfer from tape to film, we also feel, is now equivalent to 16 mm. film originals."

George Gould pres., NTA Telestudios: "There's a growing agency trend to send over members of the film departments to become familiar with tape. A question we're often asked is 'how many markets can you actually play tape spots in?' By our count, agencies can use at least 65 stations throughout the country covering 89% of the viewing audience, and, of course, all 3 networks."

John D. Lanigan, v.p. & gen. mgr., Videotape Productions of N.Y.: "Agencymen still want to know about tape editing, but they are primarily keeping tabs on latest developments. Editing on tape has progressed dramatically in the past 6 months to the point where not only 'roll-over' has been eliminated, but the accuracy & finesse of editing permits a great new flexibility in tape production. As for questions about spot-TV use of tapes, we feel that the saving in production costs is enough to offset any added distribution costs as against film."

Anthony Termini, pres., Termini Video Tape Services: "We look on tape as a sort of 'Polaroid camera with sound.' Thus, when an agency asks if we can work faster on tape than with film, we tell him yes. And, if the client arranges plans & scripts for anywhere from 4 to 9 commercials in a day's shooting, with all talent & props on hand, this will bring his over-all costs down."

William Unger, producer, Elliot, Unger & Elliot div. of Screen Gems: "Agencies have a pretty clear idea today of just what they want done in a tape commercial, so we're often merely asked 'how prepared are you to do this job for us?' Then, it's a question of the facilities we have—although we think we are as well-equipped as any of the tape outfits—and the scheduling of the studios. To agency-

men who want to know when tape can be edited like film, I usually say that in one or 2 years this will happen, but meanwhile tape can be edited like film in many, but not all ways."

Martin Ransohoff, pres., Filmways Productions: "Six months ago, agencies were asking questions out of curiosity; today, they're asking them out of necessity, with more & more agencies using taped TV commercials. Many agencies are concerned with the use of tape commercials on a spot basis, and ask about spot tape placement. We tell them that Ampex has some 365 tape recorders in stations throughout the world, of which 260 recorders are in the U.S., covering most TV areas in which a sponsor would have interest. Costs are still a factor in agency questions, and our answer is generally that if you make one tape commercial, it's expensive—but if you make a series in one day's shooting, it's inexpensive."

Film & Tape

Rally Round the Writer: Author Max Shulman, after working in both TV and movies, tells us from the writer's standpoint, TV is far more satisfying creatively. Shulman is co-owner and script editor of *Dobie Gillis* which 20th-Fox TV is currently filming for a fall start. Rod Amateau is producer of the series which stars Dwayne Hickman and Tuesday Weld.

When we visited the set last week, Shulman told us the difference between the 2 media is great, and illustrated by telling of his deal whereby he sold his best-selling book, *Rally Round the Flag*, to 20th-Fox for a movie. "I was supposed to write the screenplay for Leo McCarey, who was producing. I had written 50 pages when they called me into the front office and said they had decided to have McCarey and someone else write the screenplay. They proceeded to throw away my book. The movie was sickening. I don't know why they bought my book, they didn't use it."

However, in TV Shulman has the say on stories and no matter what the fate of the comedy series he will know he has had a hand in shaping it, he tells us confidently. Originally George Burns' McCadden Productions negotiated for the "Gillis" property, but Burns "wanted us to use his son, Ronnie, in the lead, and I wanted Hickman," says Shulman.

Ad agencies should move into TV production to earn new money needed to offset rising costs & slimming profit margins, advises Robert Durham in a *Sponsor* article on the advertiser & agency consultant who has figured in 31 of the 34 agency mergers in the past 20 months. Durham suggests that agencies & advertisers jointly finance TV pilot films in order to reap the rewards of re-sale & capital gains. "Every 39 weeks," he points out, "a filmed TV show builds up approximately \$1 million in future revenue from the sale of foreign & re-run rights. This money represents the capital gain potential of any filmed TV series."

KCOP Los Angeles is taping for syndication a 60-min. special about the X-15, the first U.S. aircraft designed to go into outer space. The independent station has had crews at U.S. Air Force bases in Utah & California for 3 months, and plans to shoot the plane's takeoff for outer space, as well as its return—if all goes well. Station v.p.-gen. mgr. Alvin Flanagan told us KCOP last week acquired 2 new Ampex Videotape machine units (making 4) to handle the 6 series now being taped by the station and new programs being planned.

TELEFILMERS SHY ABOUT TAPE-CASTING: Six months ago such Hollywood outfits as Revue Productions, 20th-Fox TV, Four Star, Desilu and MGM-TV let it be known they were seriously considering going into tape in the coming season. MGM and 20th even announced taped projects. Since then none of the plans have jelled.

Instead there has been a growing belief that tape is not commercially or creatively feasible for the makers of telefilms. True, some taped shows are being done in Hollywood, but not by the top telefilm companies. They are low-budget shows taped by independent L.A. stations such as KTTV, KHJ-TV and KCOP. In this area there is a need for tape and a different attitude toward it, stations say.

But among the big-league telefilm operators, Revue, for instance—the No. 1 company in Hollywood—has delayed its tape experiments and is cautiously watching the situation. Four Star pres. Dick Powell says next year he hopes to tape some live specials, but no telefilm series. Martin Manulis, 20th-Fox TV production chief, has shelved his plans to tape some shows now, has no tape plans.

Desilu exec. v.p. Martin Leeds doesn't—at this point of its development—see much future in tape for telefilmmers, financially or creatively. The reasons? Desilu's exec. producer Bert Granet gives these: "For the investment involved, there's no reason to do our shows on tape. There aren't enough markets. You can't sell taped shows overseas. You can't redub them. You can't edit. You can't do all the optical tricks. It's still a poor man's substitute. Everybody is watching it to see what develops, but at this stage tape is not ready from our standpoint. It is not yet at a proper point commercially for distribution nor is it technically able to get the quality we need."

Granet's views appear to be shared by most of the telefilm executives & producers we talked to. They see the merit of tape for the recording of live shows—but not in telefilms. However, in 2 CBS series in Hollywood, some segments are being taped—in order to cut production costs. They are the Rod Sterling series, *Twilight Zone*, & *GE Theatre*. Sanka, sponsoring "Zone," balked at high production costs and accepted the series on the basis of 26 on film (\$51,000 each), 13 on tape (\$37,000 each) and 13 reruns (Vol. 15:12). For *GE Theatre*, 23 films are being produced by Revue and 10 taped segments will be made by Peter Kortner at CBS, starting late this month. (For the latest Madison Ave. slants on tape see p. 12.)

Broadcasting vs. Movies: Hollywood still leads broadcasting in contributions to the national income (before-tax profits, wages paid, interest paid on debts, social security contributions). But TV & radio are gaining steadily, according to the Commerce Dept.'s U.S. "economic performance" report in July *Survey of Current Business*.

The movie industry's share in the all-industry national income of \$366 billion last year was \$797 million vs. \$836 million in 1957 and \$891 million in 1956. In 1958 TV-radio's national income was \$762 million—up from \$734 million in 1957 and \$683 million in 1956.

Recreation expenditures by the public for TV & radio receivers, records & musical instruments (categories not broken down) last year totaled \$3 billion vs. \$1 billion for movie tickets and \$2 billion for magazines & newspapers.

Other Commerce Dept. statistics: Last year 80,000 broadcasting industry employes averaged \$7038 in earnings—topping all other industry groups except stock brokers, who averaged \$7867. In the movie industry, 181,000 employes averaged \$4209 in 1958.

NEW YORK ROUNDUP

Screen Gems will equal or better \$40 million gross income in the coming year, says Columbia Pictures v.p. Irving Briskin, in charge of the Columbia TV subsidiary's Coast operation. For the year ended June 30, SG hit a record high gross of nearly \$38 million, he said. About 19 million of the expected \$40-million total will be represented by production income from 7 network series, 3 syndicated series and at least 2 cartoon series, with the rest coming from reruns, and from the sale of vintage movies to TV. Briskin reiterated SG's contention that it plans to get into live spectaculars, and eventually tape.

TV film-NAB liaison group has been set up by producing & distributing firms which are associate NAB members to "exchange ideas" on common problems, such as contracts, film servicing, convention arrangements, general relationships. The committee is headed by pres. Joe Floyd of KELO-TV Sioux Falls, S.D. Named in a mail poll to speak for film companies in talks with the NAB film committee are representatives of CBS Films, ITC, MGM-TV, Screen Gems, CNP & Ziv. The first liaison session is scheduled for Sept. in N.Y.

TV-movie rating system devised to give advertisers & stations an accurate audience-tune-in expectancy for most of the 9123 motion pictures listed in its new *TV Feature Source Book* has been introduced by Broadcast Information Bureau. Evolved after a 5-year study, the rating system (a series of dollar-signs) indicates the audience expectancy of a film in each of TV's 3 major time periods. The rating is a composite of the film's box-office pull, trade & consumer criticisms, pulling power on key TV stations in previous performances.

Gillette plans a \$5.4-million World Series campaign this fall, with a major portion going into NBC-TV's annual coverage. If origination city permits, color will be used. Gillette, which will plug its Model 195 adjustable razor in the series splash, will be TV-radio underwriter of the sports classic for the 21st consecutive year, and expects a combined broadcast audience of 100 million this fall.

Associated TV Ltd., of Australia, will produce 39 half-hours of a new series, *Whiplash*, to be distributed globally by ITC. Maurice Geraghty will produce & direct the series, Don Ingalls will supervise all scripts.

CBS Films Hiking Output: CBS Films plans to increase its telefilm production 4 to 6 series a year in order to provide ample product for its sales staff, we were told by CBS TV stations pres. Merle Jones, who, with CBS films admin. v.p. Sam Cook Digges, was on the West Coast last week looking at product. Jones added that he was also seeking a production head to replace Les Harris, who has left to join Jack Wrather's organization. They have one specific in mind, and interviews will also be held in N.Y.

On the anticipated jump in production, Jones explained: "We would like to have 6 series a year—4 for syndication, 2 network." He's hopeful there will be a Jan. network start for *The House on K Street*, on which further production is continuing. Both executives also viewed their *The Man From Antibes*, which may also be on CBS.

CBS Films is also currently in production with the syndicated *Border Patrol*, *The Whirlybirds* and *Colonel Flack*, all in Hollywood, and *Theatre for a Story* and *Stars of the Big Top* in N.Y.

HOLLYWOOD ROUNDUP

Hollywood producers who worry about the alien ad-agency man on the set, who rules with no show-biz savvy, may have found comfort last week in a sympatico document from the other camp—a full page ad in *Advertising Age* by Leo Burnett Inc., which said in part: "For \$100,000, more or less, you can buy one half-hour of network TV with 3 minutes' worth of commercials. And books have been written about the care, the prayer, and the talent it takes to get your money's worth out of those 3 minutes. But unless the other 27 minutes attract & hold an audience, you may as well skip the commercials. That's why one of the key jobs at the Leo Burnett Co. isn't held by an advertising man. Our TV story editor is a showman."

Large number of whodunits scheduled for network exposure this fall has prompted Victory Program Sales, re-run offshoot of NBC-owned Cal. Natl. Productions, to launch a new low-priced telefilm package in syndication last week titled *Mystery Theatre Omnibus*. The package contains 174 episodes, 30-min. length, drawn from old CNP series including *Dangerous Assignment*, *The Falcon*, *Captured* (the former *Gangbusters* series), *Panic* and *Inner Sanctum*. The size of the package, says v.p.-mgr. Jacques Liebguth, will enable stations to schedule the crime shows in daytime horizontal strips, or in vertical evening blocks on independent stations.

Ziv entered the year's second half with film activity at an all-time high, studio head Maurice Unger said last week. Employment of film technicians, production personnel and talent rose 15% during the first 6 months. Three of Ziv's 8 series currently in production are set for network exposure in the fall: *Space*, *The Man and the Challenge*, and *Bat Masterson*.

TV is replacing movies this year as the principal source of actor income. A Screen Actors Guild estimate of thespian income for 1959 reveals that \$34 million is expected from TV, compared with \$32 million from movies. The TV breakdown is \$23 million for telefilms (including residual estimates of \$3 million) and \$11 million from TV film commercials. The overall \$66 million income is a record, says SAG.

Betty Hutton is hunting a producer again, to succeed the 2 who already have been & gone from the scene of her new *Goldie* telefilm series. Original producer Stanley Roberts initiated the exodus, followed by producer-for-a-day Frank Baur, amid charges & counter-charges of incompatibility, temperament and jurisdictional confusion. Said Baur of Hutton: "She has a great talent & a lot of drive—it's a shame she won't take some help."

Sam Marx, on leaving his MGM-TV post as TV consultant: "I was here a year, and not once during that time was I asked one question about TV." . . . Two plagiarism suits against Ziv TV—involving *Sea Hunt*—have been withdrawn voluntarily. Harold Minniear had sued for \$500,000, Norman Ream for \$75,000. Frank Donahue, William Webb and Richard Ross have a similar suit pending against Ziv—for \$1.5 million.

NTA and 20th-Fox TV are negotiating for 26 more episodes of *How to Marry a Millionaire*, the series now in production at 20th. The syndication company had originally ordered 13 segments. Another 20th series for NTA is *Man Without a Gun*, with 13 episodes being filmed.

Trade Report

AUGUST 10, 1959

MORE TUBE SIZES & SHAPES COMING? Don't believe for a minute that you've heard the last word on new picture-tube sizes, shapes & configurations. Take the 19-in. square for example.

This is a brand new one—the bulbs haven't even been sampled yet. It's a "replacement" for the 18-in. square, which even now is available only in sample quantities. Tube & set makers are now being sounded out for their opinions on the 19-in.—which falls between 17- & 21-in. models and is offered as step-up from 17-in. in same fashion as 23-in. step-up from 21-in. Unlike proposed 18-in. tube, the 19-in.—as presently envisioned—wouldn't have safety glass bonded on front.

Feelers on 19-in. tube are being put out by bulb-maker Kimble Glass Co. New size would have square corners like 23-in. & the proposed 18-in., and its area would be 174 sq. in., as opposed to 155 sq. in. for present 90-degree 17-in. tube and 157.6 for 18-in. square-corner bonded-shield tube. It would be half-inch longer than 18-in., 2 lb. heavier than 17-in., use conventional external safety glass. Diagonal measurement is 18.625 in.

There's been no decision whether to use tube—manufacturers are waiting for bulb samples. But, being relatively lightweight, it could be adaptable to super-portable sets or transportable table models.

But that's not all—there will be more sizes & shapes and variations coming up, many in incubation stage now. That 23-in. tube we mentioned last week without the built-in safety glass (Vol. 15:31) looks as if it's definitely in the cards now. Kimble told us last week:

"At the urgent request of some of our customers, we are undertaking the development of a 23-in. shape which would not require a laminated implosion plate. If we're successful in our development efforts, this bulb should be available in moderate production quantities by early 1960." Also being explored is 23-in. with Pittsburgh Plate Glass's different version of the built-in safety plate (Vol. 14:30).

With or without built-in implosion plate, 23-in. is still unknown quantity, consumer-wise. Tube makers we've talked with say demand is still fairly low because of small number of manufacturers using it. Since new shape is just beginning to appear at retail level, no conclusions will be possible for a month or 2.

HOTCAKES HAVE NOTHING ON 1960 TVs: If there's any doubt that the TV sales pickup is for real, take a look at what the manufacturers are saying about acceptance of their new lines by dealers & the public. In some cases, traditional July vacation shutdowns have been curtailed or eliminated to help fill depleted pipelines. And on top of June's 120% increase in sales to dealers (Vol. 15:29) early estimates show nearly 30% increase over 1958 in July.

Read the set makers' financial reports on p. 18 and you'll see first-half recovery from bad 1958 delineated in terms of dollars. What's happened since new lines were shown in June? Here are manufacturers' own statements:

RCA consumer products exec. v.p. P. J. Casella—"Unprecedented dealer & distributor acceptance of new RCA Victor TV receivers has given RCA its greatest July TV sales volume in history. Despite the fact that we have been operating extra shifts at all our home instrument plants for the past 8 weeks, we are still so far back-ordered in our new TV, radio & stereo models that we must cut the usual 2-week plant vacation period in half to meet the demand.

"We have stepped up production considerably over original plans. July's TV shipments were more than 65% ahead of last year and transistor radios more than 60% ahead. . . . Even though our national advertising campaign hasn't started yet, consumers are already placing orders for new sets, sometimes without even seeing them." As to portable TVs & transistor radios introduced last spring, "factory inventories are non-existent and we are shipping this merchandise as fast as it comes off the production line."

Zenith pres. Joseph S. Wright—"We've experienced absolutely no let-up in demand" for TV, radio and stereo. Company has kept "a large number" of its 8500 employes on the job through the regular 2-week July shutdown, turning out 1500 TV sets a week.

Motorola pres. Robert Galvin—"We're pushing capacity in our plants in Chicago and going into double shifts at 2 other plants." Consumer products exec. v.p. Edward R. Taylor tells us orders from distributors are "almost overwhelming," following his division's biggest June in its history.

Hoffman consumer products v.p.-gen. mgr. Ray B. Cox—Factory shipments of TV sets in June & July were more than double those of the same 1958 months, stereo shipments up 126% during same period.

Magnavox says its July orders are twice as heavy as last year. Others are in the act, too—and there's no doubt that pickup now is universal. Part of the boom, of course, is due to fact that inventories have been very low—and also that comparisons are being made against a couple of very poor 1958 months. But the indicators are there, and Aug.-Sept. figures will delineate exact proportions of TV's 1959 recovery.

6-MONTH REPORT ON OUTPUT & SALES: Official EIA figures confirm our report of 3 weeks ago that TV retail sales took more-than-seasonal jump from May to June, bringing first-half-1959 sales ahead of comparative 1958 figures for first time (Vol. 15:29).

TV sales statistics for first half indicate real surge is needed in rest of year to reach the 6 million sets which many industry leaders are predicting for 1959. On seasonally adjusted basis, this year's first-half retail sales of 2,263,957 sets are at annual rate of a little less than 5.5 million. Other indicators, however (see story above), give evidence that a real sales spurt has started.

Retail radio sales for first 6 months of 1959 totaled a whopping 3,158,881 (excluding auto sets) compared with 2,712,134 in first-half 1958. June radio sales were 678,195 vs. 627,197 in June last year. Including auto sets, radio production at the halfway mark this year was more than 50% ahead of last year—7,107,586 (including 2,900,196 auto) vs. 4,619,163 (1,464,519 auto). Cumulative production of domestic FM sets for the first 6 months of this year was 223,423.

Here are EIA's 1959 figures for TV retail sales & production (compared with 1958) and radio retail sales (1958 comparisons unavailable because of change in statistical methods):

	TV Retail Sales		TV Production		Radio Retail Sales (excluding auto)
	1959	1958	1959	1958	1959
January	501,704	581,486	437,026	433,983	700,490
February	448,173	448,727	459,492	370,413	474,888
March	425,751	416,756	494,032	416,903	515,563
April	263,998	243,132	389,251	302,559	388,863
May	279,536	237,189	431,911	266,982	400,882
June	344,795	250,362	571,003	377,090	678,195
TOTAL	2,263,957	2,177,652	2,782,715	2,167,930	3,158,881

Included in TV output figures (above), only 180,443 of first-half-1959 production was equipped with uhf tuners, as opposed to 209,726 in the same period last year.

TV-RADIO PRODUCTION: EIA statistics for the week ended July 31 (30th week of 1959):

	July 24-31	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	91,507	98,447	99,929	3,129,663	2,442,929
Total radio	191,895	240,644	153,552	7,936,924	5,212,135
auto radio	47,436	77,827	38,994	3,156,253	1,650,898

Factory sales of picture & receiving tubes for first 6 months of 1959 were strongly ahead of first-half 1958, according to EIA statistics. First-half picture tube sales totaled 4,370,535 units valued at \$84,256,279 vs. 3,689,587 at \$73,228,119 first half of last year. In June 1959, picture-tube sales totaled 766,566 units at \$15,136,612 vs. 667,080 at \$12,745,714 the preceding month and 725,846 at \$14,203,381 in June 1958. Jan.-June cumulative receiving-tube sales were 201,979,000 at \$175,774,000 in 1959 compared with 190,406,000 at \$166,268,000 in the 1958 period. During June 1959, receiving-tube sales totaled 37,421,000 at \$33,099,000, up from 30,612,000 at \$25,904,000 in May 1959 and 36,270,000 at \$31,445,000 in June 1958.

Retail 3% sales tax on TVs, radio, phonos & components has been approved by Texas legislature. It will become effective Sept. 1, if signed by the governor.

"Warranty armament races"—competition among manufacturers in extending long-term warranties—were attacked by NARDA exec. v.p. A. W. Bernsohn in Aug. 7 talk to Texas Electronic Assn. in San Antonio. Such extended warranties, he said, hurt the parts and service business of retailers and gain little goodwill for the manufacturer. Instead, he proposed that set makers compensate retailers or service dealers for repairing merchandise found to be in imperfect condition on arrival—following the auto industry practice. He said this program would reduce the need for warranties of more than 90 days. He also assailed the principle of manufacturers' "captive service," urging instead a mere careful franchising of independent sales & service agencies. "Every time you permit a manufacturer to take over a part of your burden" he told them, "he feels a moral responsibility to take over . . . part of your profits."

Electronics-Electrical Rankings Among 1958's 100 Largest Foreign Industrials

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Rank '58	Rank '57	Company	SALES ¹ (\$000)	ASSETS ² (\$000)	NET PROFITS ³ (\$000)	EMPLOYES
6	8	Philips' Lamp Works (Holland)	946,053	1,099,571	64,161	174,000
7	10	Siemens (Germany)	794,524	667,619‡	19,881**	179,000
25	41	AEI (Britain)	508,383	563,191	12,607	94,934
32	30	AEG (Germany)	465,476	406,783‡	8,405**	105,600
36	38	English Electric (Britain)	453,600	384,249	11,459	80,000
42	56	Brown, Boveri (Switzerland)	426,078	429,067	4,764‡	62,900
46	—	Hitachi (Japan)	415,728	521,869	33,063	60,541
68	65	British Insulated Callender's Cables (Britain)	308,000	227,665	8,597	35,000
71	71	General Electric (Britain)	292,348	305,546	4,665	62,500
79	—	Robert Bosch (Germany)	273,810*	95,849‡	1,046‡	53,000
84	81	ASEA (Sweden)	257,476	267,399	7,035	35,700
87	—	Tokyo Shibaura Electric (Japan)	238,431	274,147	20,366	40,339
88	—	Cie. General d'Electricite (France)	238,095	143,942‡	5,095‡	35,000‡
92	—	Northern Electric (Canada)	230,113	169,379	7,171	14,500

¹ Sales are consolidated third-party sales for fiscal years ending no later than March 31, 1959. ² Assets are consolidated balance-sheet totals. ³ Profits are consolidated net profits after taxes & all deductions.

* *Fortune* estimate. ** Unconsolidated. ‡ Partly consolidated. † Previous fiscal year.

Fortune's First 100 Foreign Firms: The 1958 recession apparently was zeroed-in on American industry, with only a backlash lightly tapping foreign makers. Aug. *Fortune*, in its annual listing of the 100 largest foreign industrial firms, points out that the group soundly outperformed the top U.S. industrial corporations (Vol. 15:28).

The foreign firms suffered only a 1.9% profit decline on sales that increased 1.6% over 1957 levels. The American firms, however, receded 17.8% in profit on sales that were 6.1% off the 1957 pace.

Fourteen electronics-electrical manufacturing firms made the Top 100 listing—topped by Holland's Philips in 6th place, up from 8th in the 1957 ratings, and Germany's Siemens, in 7th, compared with its 10th spot ranking last year. New to the Top 100 are 2 Japanese electronics firms: Hitachi in the 46th spot & Tokyo Shibaura Electric (Toshiba) in 87th place. Nine of the 14 firms are repeaters—and of these, 5 improved their position, one held firm, and 3 fell below their 1957 ratings. (See table above.)

RCA's new high-speed electronic data-processing system will "analyze returns & project trends" in NBC News coverage of the 1960 Presidential elections. Known as the RCA 501, it is reportedly the "first fully transistorized system designed primarily for business usage." Plans call for election returns to be fed from NBC News election central at 30 Rockefeller Plaza to the RCA 501 service center currently being installed in the Wall St. area.

Olympic will use record-high advertising this fall to promote its 25th anniversary lines of TV-radio-stereo. Consumer sales v.p. Morton M. Schwartz said last week that the fall budget will run 20% ahead of 1958's, will embrace 23 Sunday newspaper supplements, mass-circulation consumer magazines (*Life*, *Look* *SatEvePost*, others) and trade publications.

Motorola enters closed-circuit TV equipment field with a camera & 14-in. monitor, shown for the first time at the Associated Police Communications Officers convention last week in Denver.

Motorola will manufacture original-equipment radios for Ford's and Chrysler's new compact cars.

Trade Personals: Robert S. Burnap retires as commercial engineering mgr., RCA electron tube div., succeeded by Edward C. Hughes Jr., formerly commercial engineering programs administrator. Burnap will continue as a consultant with the div. . . . Owen H. Klepper named merchandising dept. sales promotion mgr., Philco consumer products div.; John E. Kelly appointed merchandising dept. adv. mgr.; John J. Kane, mkt. development mgr., electronics . . . Warren E. Dalbke named CBS Electronics equipment sales district mgr., headquartering in Chicago . . . Harold V. Hoffman appointed Eitel-McCullough personnel dir.

T. Edward Rogers named Philco parts & accessory div. gen. sales mgr., succeeding William J. Nagy, recently named div. merchandise mgr. (Vol. 15:31).

Dr. Fin J. Larsen, named to new post of research v.p., Minneapolis-Honeywell . . . Dr. Henry Marchman named v.p. & engineering dept. mgr., Rheem Semiconductor Corp., newly formed subsidiary of Rheem Manufacturing Co. . . . Charles H. Meuche promoted from Webcor liaison engineer to v.p., govt. electronics div.

Rod Kershenstein named professional products mktg. dir., Telectro Industries . . . Brig. Gen. John C. Monahan, now deputy chief of Army's Security Agency, becomes Signal Corps research & development chief Sept. 1 . . . Brig. Gen. Charles M. Baer, ex-NATO communications coordinating committee, assigned to Army Signal School at Ft. Monmouth, N.J. as commandant.

Semiconductor standards & marketing data will be collected in a new trade-group program jointly announced by the EIA & National Electrical Manufacturers Assn. (NEMA). GE's H. B. Fancher represents EIA members, and Clevite's P. D. Goodman speaks for NEMA members in the joint operations.

Obituary

Richard L. Bowditch, 58, a Sylvania director, died July 31 in Boston. He was chairman of C. H. Sprague & Son fuel company, and head of the U.S. Chamber of Commerce in 1953-54.

RADIO IMPORTS CLIMB: Japanese electronic equipment imported into the U.S. during the first 4 months of 1959 was worth \$11.4 million at the factory—more than half as much as the entire 1958 volume (\$20.7 million) and nearly fourfold the volume for the same 1958 period.

Radios continue to account for about 85% of the dollar volume of Japanese exports to U.S., according to figures for April, latest month for which official Japanese govt. statistics are available. Increases over March (Vol. 15:23) are shown in the transistor and phono categories, but neither market is showing a spectacular month-to-month rise. Figures on U.S. imports of Japanese tape recorders, available for the first time, show that 918 units came into this country in March at a factory value of \$48,574, or an average of about \$52.90 each. Recorder figures for April aren't yet available.

The 1958-59 tables of U.S. imports of selected Japanese electronic items, printed in these columns June 8 (Vol. 15:23), may be brought up to date with these new figures for April and the first 4 months of this year (radio figures include re-exports):

Product	April 1959		April 1958		Jan.-Apr. 1959	
	units	value	units	value	units	value
TOTAL RADIOS	387,245	\$2,906,786	147,213	\$882,132	1,282,598	\$9,877,820
tube radios	25,543	129,044	not available		108,775	605,273
3 transistors						
& up	196,109	2,651,387	not available		632,458	8,821,924
less than 3.....	165,593	126,395	not available		541,365	450,573
PHONOGRAPHS	1,125	29,632	0	0	2,945	72,841
TUBES	462,892	93,151	35,610	11,371	1,190,865	284,143
TRANSISTORS	72,054	45,388	0	0	113,833	74,924
COMPONENTS						
speakers	24,580	81,833	not available		not available	
microphones	11,842	19,645	not available		not available	
fixed capac.	501,064	29,666	not available		not available	
variable capac. .	15,892	3,926	not available		not available	
TOTAL ELECTRONICS	—	\$3,441,878	—	\$1,112,868	—	\$11,415,040

Image orthicon tube studies by the Air Force, along with a report on military applications of color TV, have been released to industry by the Commerce Dept. The reports are: (1) *An Image Orthicon with Narrow Range of Electron Energy in the Scanning Beam* (PB 151589), describing a method of improving low light-level performance. (2) *Effects of Bright Point Light Sources on Low-Level Image Orthicon Detectors* (PB 151587), discussing high brightness point source effects. (3) *Microphonic Effects in Image Orthicons* (PB 151588), describing experiments to solve microphonic problems. (4) *A Military Color TV System* (PB 151586), reviewing technical possibilities & limitations. All are available for 50¢ each from Office of Technical Services, U.S. Dept. of Commerce, Washington 25, D.C.

General Bronze Corp., has been awarded a patent for a magnetic radio antenna, developed by v.p. Ira Kamen, which the company says may obsolete mobile antennas that protrude from vehicles. The patent (2,895,129) indicates that a unique configuration of magnetic materials in the proximity of an electrostatic component can produce an omnidirectional high-gain, low-noise antenna.

TV-radio sales paced generally better business in N.Y. department stores during July, *N.Y. Times* reported Aug. 4 on the basis of a survey of the 8 major metropolitan area stores. TV-radio departments "did especially good business in most of the stores," the survey found, gaining 170% & 38.1% over July 1958 in 2 stores.

Japanese camera manufacturer Yashica Co. is entering the export radio field. The forerunner of a complete line is a 6-transistor portable U.S.-priced at \$39.95.

Finance

GOOD BUSINESS FOR SET MAKERS: Led by Motorola and Zenith, both reporting record 2nd-quarter and first-half sales & earnings, 5 more TV-radio manufacturers last week came up with financial reports showing substantially improved profitability and business volume. This follows on the heels of similar good reports in the preceding week by Admiral, Packard-Bell, Westinghouse and Trav-Ler (Vol. 15:31), RCA's earlier report of record first-half sales (Vol. 15:30) and GE's rise in sales & earnings (Vol. 15:29).

Motorola's 2nd-quarter sales were 49% higher than in the same 1958 period, while its earnings were more than 4 times the year-ago figure. Pres. Robert W. Galvin said orders for consumer products have "exceeded our most optimistic predictions" and the communications & industrial electronics div. had the best June sales in its history. For the 6-month period, he stated that every division of the company increased its sales & profits over a year ago. Military business now comprises about 20% of Motorola's total sales, he added, and the company's roll of employes has increased 30% from a year ago. Motorola's statement for 6 months ended June 30:

	1959	1958
Sales	\$128,867,246	\$84,544,562
Net income	5,886,371	1,478,297
Earned per share	3.04	76¢
Shares outstanding	1,935,131	1,935,131
For 3 months ended June 30:		
Sales	\$65,214,062	\$43,650,070
Net income	3,269,944	800,515
Earned per share	1.69	41¢
	* * *	

Zenith's 6-month sales in 1959 were 43% above the comparable 1958 figure, while 3-month sales were up 47%. For the 6-month & 3-month periods, profits were up 65% & 63% respectively over the similar 1958 periods. Pres. Joseph S. Wright said earnings & sales in 1959 came almost exclusively from civilian products. For 6 months ended June 30:

	1959	1958
Consolidated sales	\$106,862,800	\$74,470,506
Net income	4,901,721	2,989,684
Earned per share	1.66	1.01
For 3 months ended June 30:		
Consolidated sales	\$47,642,024	\$32,296,774
Net income	1,577,830	952,925
Earned per share	54¢	32¢
	* * *	

Philco bounced back smartly in the first half and second quarter of this year, showing a net income of \$2,386,000 for the half as compared with a deficit of \$1,442,000 for the same 1958 period. Pres. James M. Skinner Jr. said all divisions participated in the increased sales and operated profitably. He said the progress should continue during the 2nd half but possibly at a lesser rate because of the recession recovery during the last half of 1958. The report for 6 months to June 30:

	1959	1958
Sales	\$181,345,000	\$149,895,000
Net income (loss in '58) .	2,386,000	(1,442,000)
Earned per share	54¢	—
Shares outstanding	4,069,629	3,984,787
For 3 months ended June 30:		
Sales	\$85,787,000	\$75,869,000
Net income (loss in '58) .	797,000	(344,000)
Earned per share	17¢	—
	* * *	

Wells-Gardner & Co. indicates that the private-label business is also enjoying considerable improvement over 1958. Its first-half sales were 32% above the comparable figure for last year, and its 6-month & 3-month operations were profitable. Pres. Robert S. Alexander said the com-

pany's backlog at June 30 stood at a record \$11.1 million, nearly 100% civilian, compared with the year-ago figure of \$6.9 million. "We are assured of earnings for the 3rd quarter considerably in excess of that earned during the first 6 months," he added, "and anticipate that our earnings for the year of 1959 will exceed \$2 per share." All change-over costs for 1960 models were amortized during the 2nd quarter. Employment rose from 850 to 1450 during the period. For 6 months ended June 30:

	1959	1958
Sales	\$9,059,728	\$6,874,970
Net income (loss in '58) .	154,022	(16,006)
Earned per share	37¢	—
Shares (pro forma).....	415,300	415,300
For 3 months ended June 30:		
Sales	\$4,225,464	\$3,729,703
Net income	83,925	42,449
Earned per share	20¢	10¢
	* * *	

Muntz TV showed continued improvement, with net profit for 10 months ended June 30 totaling \$320,235 on sales of \$5,519,039, compared with \$124,989 on \$3,526,384 for the same period last year. Muntz estimated that July sales were twice as great as those of July 1958 and at the highest point since discontinuance of retail branches in 1954.

Stock splits: Magnavox directors proposed a 2-for-1 split and said they will consider an increase in the dividend later this year "provided earnings & economic conditions warrant." Shareholders will vote on the split & an increase in authorized common shares from 2 to 3.5 million at the annual meeting Oct. 28. Directors of Gen. Telephone & Electronics, parent company of Sylvania, proposed a 3-for-1 split & an increase of authorized common shares from 30 to 90 million, subject to stockholder approval at the meeting April 20. GT&E's board increased the quarterly dividend to 55¢ from 50¢.

Raytheon sales & earnings increased substantially during first-half 1959, which also recorded a record \$400 million backlog of govt. business, compared with \$280 million at 1958's close, pres. Charles F. Adams reported last week. Including operations of Machlett Labs, which merged with Raytheon May 25, figures for 6 months to June 30:

	1959	1958
Sales	\$232,082,000	\$179,101,000
Earnings	5,050,000	3,890,000
Earned per share	1.49	1.29
Shares outstanding	3,376,880	3,020,449
For 2nd quarter:		
Sales	120,031,000	98,708,000
Earnings	2,563,000	2,156,000
Earned per share	75¢	71¢

Du Mont Labs reports a loss of \$29,826 on sales of \$4,786,272 for 12 weeks ended June 21. For the first 24 weeks of 1959, the loss was \$117,672 on sales of \$9,243,436. Last year's first-half loss was \$5,124,000 on sales of \$18,493,000. Pres. D. T. Schultz said current debt has been reduced by \$3,235,000 since Jan. 1 and that operations are expected to be profitable for the balance of the year.

Sonotone reports increases in sales & earnings for the 6 months ended June 30:

	1959	1958
Net sales	\$11,674,000	\$11,261,000
Net income	480,250	380,813
Earned per share	41¢	32¢

Motorola's 1959 earnings will probably be "quite a bit over \$6 a share" and sales "substantially over the \$250 million predicted earlier," pres. Robert W. Galvin told the Stockbrokers Assn. of Chicago last week at the Midwest Stock Exchange. The company's earnings last year were \$3.80 a share.

Officers-&Directors stock transactions as reported to SEC for July:

Admiral. James R. Oberly exercised option to buy 1000, holds 1024.
 Allied Artists. Roger W. Huriocock bought 500, holds 1s,100. Albert Zugsmitt bought 3000, holds 93,000.
 American Bosch Arma. William S. Wasserman sold 1000 through holding company, holds 3000 in holding company, 4509 in trusts, 12 personally.
 AB-PT. E. Chester Gersten bought 500, holds 1000.
 Audio Devices. Joseph K. McCannnon sold 1000, holds 17,431.
 Avco. Clarence S. Irvine bought 1800, holds 5200. Frank S. Larson sold 3500, holds 2903. James Shouse bought 5000 on option, holds 16,980.
 Belock Instrument. Stanley K. Grant exercised rights to acquire 1098 and 1098 more for trust, holds 2163 personally, 1098 in trust.
 Columbia Pictures. L. J. Barbano bought 20,000 through Fico Corp., in which he & 14 other officers or directors are beneficial owners, holds 117,430 in Fico Corp., none personally. Samuel J. Briskin bought 2000, holds 2050 personally, 100 jointly with wife, 538 in S. J. Briskin Pictures. Charles Schwartz sold 2042 through Schwartz & Frohlich, holds none in Schwartz & Frohlich, none personally.
 Consolidated Electrodynamics. F. H. Donnell bought 200, holds 10,200. T. P. Morgan bought 100, holds 100.
 Corning Glass. William H. Armistead exercised option to buy 3000, holds 3000. Paul T. Clark exercised option to buy 2000, holds 2000. William C. Decker exercised option to buy 6000, holds 18,237. John F. G. Hicks exercised option to buy 1000, holds 4250. Frederick H. Knight exercised option to buy 2500, holds 3185. Norman J. Vang exercised option to buy 2500, holds 2500.
 Filmways. William Cowan bought 500, holds 500. Richard B. Sage sold 400, holds 8840. Al Simon bought 500, holds 1000.
 Gabriel. Richard J. Seltzer sold 200, holds 200.
 General Dynamics. Clifton M. Miller sold 1000, holds 14,000.
 GE. Ray H. Luebbe bought 2481, holds 12,623. Harold F. Smiddy exercised option to buy 1875, holds 11,250.
 General Instrument. M. C. Hutchison sold 300, holds 1000.
 General Precision Equipment. Gaylord C. Whitaker sold 1850 through trusts, holds 16,690 in trusts, 6026 personally.
 General Telephone & Electronics. Lawrence A. Appley bought 100, holds 400.
 Globe-Union. George C. French Jr. exercised option to buy 1000, holds 4175.
 Hoffman Electronics. Bruce L. Birchard exercised option to buy 600, sold 200, holds 600. I. J. Kaar exercised option to buy 500, holds 1500.
 IBM. Edward E. Ford sold 6900 through trust, holds 85,435 in trust, 41,241 personally. Louis H. LaMotte exercised option to buy 1667, holds 6318. William J. Mair sold 251, holds 2935. H. M. Sibley exercised option to buy 190, holds 1227. H. W. Trimble Jr. exercised option to buy 100, holds 117. Bernard F. Wiegard sold 300, holds 660. Albert L. Williams sold 700, holds 3003.
 International Resistance. Jesse Marsten exercised option to buy 1000, holds 11,500. Alfred H. Williams bought 300, holds 600. John M. Zimmerman exercised option to buy 1500, holds 2020.
 IIT. Fred M. Farwell bought 216, holds 2266.
 Litton Industries. Alfred B. Connable sold 1200, holds 5800.
 Loew's. George Killion bought 500, holds 10,000.
 P. R. Mallory. J. Taylor Foster sold 550, holds 1796.
 National Telefilm Assoc. E. Jonny Graff bought 1300 and exercised option to buy 2000 more, sold 1000, holds 4600.
 National Theatres. B. Gerald Cantor bought 2400 and 3100 more through Cantor Fitzgerald & Co., holds 102,400 personally, 18,100 in Cantor Fitzgerald & Co., 5000 in Cantor & Son Inc., 3000 in Cantor Fitzgerald Foundation, 1000 in Cantor Fitzgerald & Co. profit sharing trust, 1000 in First Nevada Corp. Burt Kleiner bought 3000 and 3100 more through Cantor Fitzgerald & Co., holds 15,000 personally, 18,100 in Cantor Fitzgerald & Co., 300 in Cantor Fitzgerald Foundation, 1000 in First Nevada Corp.
 Paramount Pictures. George Weintner bought 200, holds 445.
 Philco. Charles S. Cheston sold 200, holds 2300. Oscar O. Schreiber sold 100, holds 1577.
 RCA. John Q. Cannon exercised option to buy 400, holds 858. George W. Chane exercised option to buy 400, holds 418. Robert A. Seidel exercised option to buy 4000, holds 4500. Theodore A. Smith exercised option to buy 2000, holds 2743.
 Raytheon. Edward L. Bowles exercised option to buy 3819, holds 3819. N. B. Krim sold 2000, holds 4450. Stanley P. Lovell bought 100, holds 625.
 Siegler. Merrill L. Bengtson exercised option to buy 1666, sold 8800, holds 9686. John G. Brooks exercised option to buy 710, holds 27,929.
 Standard Coil Products. John R. Johnson exercised option to buy 15,000, holds 15,000.
 Texas Instruments. Cecil H. Green sold 8000 in private transaction, holds 296,310. P. E. Haggerty sold 200, holds 125,250. J. E. Jonsson sold 8000 in private transaction, holds 387,380. Eugene McDermott sold 8000 privately, holds 303,418. C. J. Thomsen sold 700, holds 13,317.
 Thompson Ramo Wooldridge. V. G. Nielsen sold 1000, holds 10,238.
 20th Century-Fox. James A. Van Fleet bought 200, holds 500.
 United Artists. Leon Goldberg bought 100, holds 100.
 Universal Pictures. N. J. Blumberg bought 100, holds 100. John J. O'Connor bought 100, holds 100. Budd Rogers bought 100, holds 100.
 Westinghouse. R. D. Blasier exercised option to buy 1350, holds 2183. Francis E. Dalton exercised option to buy 250, holds 1001. W. O. Lippman bought 500, holds 1921. George G. Main exercised option to buy 1000, holds 1350 personally, 400 in trust. Otis O. Rae exercised option to buy 250, holds 1386. W. W. Sproul Jr. bought 1200 on option, holds 2276.
 Zenith. Clifford J. Hunt sold 1230, holds none. Frank A. Miller sold 300, holds 1700.

Decca Records earnings more than doubled during first-half 1959, jumping to \$196,202 (13¢ a share) compared with \$76,370 (5¢) earned during the same 1958 period. The figures include Decca's share in the undistributed earnings of subsidiary Universal Pictures.

Clevite Corp., for 6 months ended June 30, reports net income of \$3,396,842 (\$1.78 a share) vs. \$1,186,319 (59¢) for the same 1958 period.

Texas Instruments reports record sales & earnings for 3-month & 6-month periods ended June 30, including operations of newly-merged Metals & Controls Corp. since Jan. 1, 1959. The company predicted in a letter to stockholders that its 1959 sales will approximate \$200 million—more than double last year's \$91,953,845. TI's manufacturing backlog June 30 was about \$85.6 million, of which some \$42.8 million was on direct govt. contracts. For 6 months to June 30:

	1959	1958
Sales	\$94,199,000	\$42,190,000
Net profit	6,305,000	2,143,000
Earned per share	1.62	66¢
Shares outstanding	3,894,388	3,256,988
For 3 months ended June 30:		
Sales	\$51,468,000	\$21,710,000
Net profit	3,322,000	1,035,000
Earned per share	86¢	32¢

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Sep. 15	Aug. 21
Belden Mfg. Co.	Q	.50	Sep. 1	Aug. 17
Gen. Telephone & Elec.	Q	.55	Sep. 30	Aug. 21
Gen. Tire & Rubber ..	Q	.17½	Aug. 31	Aug. 14
ITE Circuit Breaker ..	Q	.45	Sep. 1	Aug. 14
Lear Inc.	Q	.10	Sep. 1	Aug. 14
Magnavox	Q	.37½	Sep. 15	Aug. 25
Meredith Publishing Co.	Q	.45	Sep. 11	Aug. 28
TV-Electronics Fund .	—	.08	Aug. 31	Aug. 3
Wells-Gardner	Q	.30	Sep. 15	Sep. 4
WJR The Goodwill Sta.	—	.10	Sep. 3	Aug. 19

National Theatres' income nearly doubled in the 39-week period ended June 30, with earnings-per-share jumping to 63¢ vs. 34¢ earned for the same period in the 1958 fiscal year, chmn. B. Gerald Cantor & pres. John B. Bertero told stockholders last week. The income includes gains amounting to 21¢ a share from the sales of interests in theaters & other properties. For 39 weeks to June 30:

	1959	1958
Net income	\$1,702,632	\$904,198
Earned per share	63¢	34¢
Shares outstanding	2,700,283	2,699,486
For 13 weeks to June 30:		
Net income	798,794	160,301
Earned per share	30¢	6¢

United Artists has filed an SEC registration statement (File 2-15418) for public sale of 100,000 outstanding common stock shares, the offering price to be supplied in an amendment. United Artists pres. Arthur B. Krim & chairman Robert S. Benjamin would sell 100,000 shares of Class B common to underwriter F. Eberstadt & Co., which would convert them into 100,000 shares of common for the sale. As joint tenants they now hold all of 550,000 Class B shares outstanding. The SEC prospectus indicates that nobody owns more than 10% of 1,114,218 common outstanding.

Walt Disney Productions' earnings dropped in the 9 months ended June 30, although 3rd-quarter earnings were equal to 93¢ a share, compared with the 83¢ earned in the same 1958 period. For 9 months to June 30:

	1959	1958
Net income	\$2,366,497	\$2,900,094
Earned per share	1.50	1.89
Shares outstanding	1,581,011	1,537,054

Warner Bros Pictures reports higher income & a profit for 9 months ended May 30:

	1959	1958
Total revenues	\$67,492,000	\$53,013,000
Net income (loss in '58) .	13,749,000	(2,684,000)
Earned per share	8.67	—
Shares outstanding	1,585,196	1,745,196

Standard Coil's first-half profit was greater than its entire 1958 earnings, according to pres. J. O. Burke. He estimated 6-month net income at about \$625,000 (33¢ on 1,904,000 common shares), up from \$24,844 (2¢ on 1,470,000 shares) in 1958's first half. For all of 1958, earnings were \$558,887 (36¢ on 1,470,000). Burke said the company's TV tuner sales are 50% higher than last year and that 500 additional production workers have been hired (for total of 2200) to keep pace with rising orders.

Indiana Steel Products Co. reports its first-half earnings were nearly 3 times the comparable 1958 figures, while its sales (undisclosed) were up 35%. Pres. Robert F. Smith said operations "are in full swing in all plants and have not been affected by the steel strike." Indiana Steel's earnings for 6 months ended June 30:

	1959	1958
Consolidated net income .	\$512,143	\$174,303
Earned per share	1.51	59¢
Shares outstanding	337,541	293,298

Globe-Union sales & earnings increased sharply for the 6 months ended June 30:

	1959	1958
Sales	\$27,937,734	\$25,071,767
Net income	836,259	438,338
Earned per share	1.01	53¢
Shares outstanding	830,048	824,910

Reports & comments available: TV broadcasting, report by Calvin Bullock Ltd., 1 Wall St., N.Y. . . . CBS, review in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. . . . Western Union and Walt Disney Studios, articles in Aug. 1 *Forbes* . . . British Industries Corp., prospectus, Emanuel, Deetjen & Co., 120 Broadway, N.Y.

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WEEKLY **Television Digest**

AUGUST 17, 1959

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

SUMMARY-INDEX OF WEEK'S NEWS

Networks

BILLING BONANZA IN FALL TV will see total gross spending on all 3 networks in last quarter of nearly \$205 million (pp. 1 & 6).

SLIDE-RULE SHOWMEN are coming into their own at the networks. Latest upgrading is former CBS research dir. Oscar Katz to the post of top program v.p. (p. 6).

OPTION TIME CHANGES at ABC-TV, which is shifting from 7:30-10:30 to 8-11 p.m. No change in plans at other networks (p. 7).

FCC

TV PROFIT PARADE, FCC reports, was led by post-freeze group of v.h.s. Their 1958 earnings in industry's first billion-dollar year nearly doubled 1957 profits (pp. 2 & 4).

Congress

EQUAL-TIME REFORM cleared for House vote by Rules Committee, which limits general debate on Harris bill to 3 hours (p. 2).

NO TV QUIZ 'CIRCUS' is promise of House probe of defunct big-money shows, says chief investigator Robert W. Lishman. Hearings still not set (p. 4).

Educational TV

TIMETABLE FOR BIRTH OF ETV TAPE NETWORK: 6 educational broadcasters will have recorders by month's end, virtually all by Nov. 1. Network operation due to start Jan. 1 (p. 3).

Finance

STATION EARNINGS REPORTS to stockholders show strong 6-month increase for Storer; WJR-WJRT, Gross profits down (p. 20).

Manufacturing & Distribution

GOOD PICTURE-TUBE SALES herald spurt in TV output, as tube makers report extremely heavy orders, signifying receiver production step-up. No shortages seen (p. 15).

ELECTRONICS 2nd-QUARTER PROFITS up 29%, as shown by aggregate of 23 representative firms. Consumer electronics firms show 317% rise, components 101% (p. 15).

CAPEHART SOLD TO DYNAMIC ELECTRONICS, which will manufacture and sell Capehart line of packaged & component hi fi—including TV combinations—next year (p. 16).

EMERSON IN JAPAN DEAL, orders 100,000 transistor radios from Standard Radio for sale overseas—and probably in U.S., too. GE using Japanese parts (p. 16).

Stations

TELECASTING-AROUND-CLOCK CLUB loses another member as WNBF-TV halts the practice for "study & review" (p. 7).

BUSINESS SOARING in Los Angeles where all 7 stations report brisk & early sales (p. 8).

Auxiliary Services

TELEMETER'S TORONTO TRIAL will have the cooperation of Bell Telephone, which will lay 84 miles of cable to feed pay-TV to 5000 suburban homes in mid-winter (p. 9).

Other Departments

FOREIGN (p. 10). **PROGRAMMING** (p. 10). **ADVERTISING** (p. 11). **FILM & TAPE** (p. 13).

BILLING BONANZA IN FALL TV: This will be biggest fall season in network history, with total gross time billings on all 3 networks at just under the \$180-million mark for the Oct.-Nov.-Dec. quarter, special estimates prepared by sales-research executives of ABC-TV, CBS-TV & NBC-TV indicated last week. (For breakdown, see p. 6.)

All 3 networks show gains in all areas, day & night. Examples: CBS-TV, with jam-packed night-time schedules since last year, is likely to edge upward only some 10% at night. ABC-TV, just coming into its own in weekend daytime billings, looks for a 43% jump there.

There's no such thing as over-all "sales trend," networks tell us. Nearest thing to it is swing at most networks toward short-term, 13-week buying (to provide fast sponsor exits in case of program failure)—and a step-up in participation & segment buying of 60-minute network-controlled shows (although NBC-TV also reports an upbeat of fully-sponsored 60-min. shows & groups of specials).

There's considerable new business this fall distributed among all 3 networks from advertisers who weren't on the same network last fall. At ABC-TV: Mutual of Omaha, Carnation, Consolidated Cigar, Canada Dry, Liggett & Myers, Derby Foods, Warner-Lambert, Libby-Owens-Ford, Corning Glass, others. At CBS-TV: Norelco, Manhattan Shirt, Glidden Paints, Ovaltine, Peter Paul, Vick Chemical, Structo Toy, others. At NBC-TV: Equitable Life, Swiss Watch Foundation, Ansco, Benrus, Sheaffer Pen, Sperry-Rand, Supp-Hose, Mennen, Webster Cigar, etc. Purchases range from big-budget specials to low-budget daytime participations.

Most dramatic network billing gain will be by ABC, which expects day-night TV billings to be 23% higher in last quarter as compared with same period in 1958. NBC anticipates over-all gain of 10% and CBS is likely to score the same or higher. Direct comparison gives inaccurate image of sales ability, however, since latter 2 networks had much less unsold time on their hands last year than ABC. But ABC is now firmly in the big league.

TV PROFIT PARADE LED BY POST-FREEZE GROUP: FCC's final audit of TV broadcast business last year discloses that 322 post-freeze vhf stations amassed before-income-tax profits of \$21.3 million—nearly double the \$10.8 million earned by same group (302 reporting) in downtrend 1957, when its total dropped from \$16.4 million in 1956.

Detailed data in FCC's full report on how TV did in 1958, released last week to supplement the preliminary statement issued in June (Vol. 15:25), also reveal that profits of 94 pre-freeze vhfs declined for 3rd straight year. They earned \$75.8 million in 1958 vs. \$82 million in 1957 and \$89.7 million in 1956.

These statistics stand out in audit of telecasters' first \$1 billion-plus revenue year, in which profits of industry as whole rose 7.4% from 1957 to \$171.9 million, while expenses mounted 9.6% to \$858.1 million (see p. 4). For 3 networks and their 19 o-&o stations alone, revenues from time, talent and program sales were \$516.7 million—more than half of industry total. Their 1958 profits were \$77 million—up 8.9% from 1957, while expenses climbed 10.7% to \$439.7 million.

Stark facts of life in uhf band are uncovered in FCC report, too. Total revenues of 401 post-freeze stations reached \$249.7 million last year, vhfs contributing \$223.6 million, increase of 19.4% from 1957. But revenue balance of \$26.1 million accounted for by 79 uhf stations in group was down from \$26.7 million a year earlier. It-could-be-worse consolation for uhfs: Their 1958 losses (\$2.2 million) weren't nearly so bad as their 1957 red figures (\$3.5 million).

EQUAL-TIME REFORM CLEARED FOR HOUSE VOTE: Moving with unaccustomed speed, House Commerce Committee Chairman Harris (D-Ark.) last week won quick clearance for floor action on his bill (HR-7985) to reverse FCC's doctrine that political equal-time requirements apply to newscasts as well as campaign speeches (Vol. 15:32).

Bill was placed on ready-agenda of House for debate & vote after Harris and 3 other Commerce members, taking time out from participation in week-long floor hassle over labor legislation, went before Rules Committee Aug. 12 to get its go-ahead on equal-time revision. Earlier Harris had displayed no signs that he was in hurry to get decision on his measure—despite lateness of session.

Action was tentatively set for Aug. 18 by House Democratic leader McCormack (D-Mass.), who marked amendments to Communications Act's Sec. 315 on the day's order of legislative business. And unless unexpected opposition develops, House is expected to follow Senate's lead in voting to free broadcasters from at least some harassments under FCC's Lar Daly newscast ruling.

Unlimited amendment of Harris bill is permitted under Rules Committee resolution providing for 3-hour general debate on measure, which exempts newscasts, news interviews and on-spot coverage from Sec. 315. Free-for-all on amendments could be stirred up in House, as it was in Senate, which removed panel shows from exemptions urged by its Commerce Committee (Vol. 15:31).

Few questions about Harris bill were asked at Rules Committee hearing, however. In answer to one, Harris said he thought his measure was broad enough as written to remove such panel programs as NBC-TV's Meet the Press and CBS-TV's Face the Nation from Sec. 315 coverage.

Harris was supported at Rules hearing by Reps. Bennett (R-Mich.), ranking minority member of Commerce Committee, Mack (D-Ill.) and Hemphill (D-S.C.). Floor amendments defining "qualified" candidates and cancelling all Sec. 315 exemptions 45 days before primary elections and 90 before general elections are planned by Mack & Hemphill.

There were more equal-time rumblings on Senate side, meanwhile. Carrying on feud with CBS-TV over its cancellation of Presidential hopeful Sen. Humphrey (D-Minn.) from Face the Nation (Vol. 15:30), Sen. McCarthy (D-Minn.) said network was playing favorites with Vice President Nixon, whose Russian trip was featured in Aug. 9 special show. McCarthy complained that Nixon's appearance had "clear political bearing" on next year's Presidential campaign. And on its part CBS filed another equal-time document with FCC. This was reply to demand by Lar Daly himself for equal time to answer CBS Inc. pres. Frank Stanton's July 26 on-air editorial on equal time. No soap, said CBS.

TIMETABLE FOR BIRTH OF ETV TAPE NETWORK: Full-fledged educational TV network—a slumbering hope since the initial ETV station (KUHT Houston) went on air in 1953—is forming fast on heels of announcement by National Educational TV & Radio Center (NET) last month (Vol. 15:29) that it had placed \$2.5-million order with Ampex for 43 Videotape recorders to equip virtually all U.S. educational stations & NET's Ann Arbor program center. Educators, who in past haven't been in much of a hurry to adapt to major new ideas (TV, for example), have been quick to latch on to tape-network idea as a natural. Commercial stations, too, look with interest on tape network, seeing it as a sort of "workshop in action" which can furnish them with usable tape experience & ideas.

Six stations will be equipped by month's end, 14 more by end of Sept., virtually all by Nov. 1, NET tells us. Slated for Aug. installation are: KUHT Houston, KTCA-TV St. Paul-Minneapolis, WUFT Gainesville, Fla., WTVS Detroit, WMVS-TV Milwaukee, WOSU-TV Columbus. Sept. installations are still being arranged, but 4 are already definite: WTTW Chicago, WQED Pittsburgh, WYES-TV, New Orleans, WEDU Tampa.

Target date for start of projected tape-network operations is Jan. 1. Between now & then, NET & affiliated stations will familiarize themselves with equipment operation & potential, evolve national programming, and formalize network concept made possible by Ford Foundation grant (Vol. 15:26) of \$2,706,000 in June. Under terms of equipment purchase, Ampex will conduct 4 workshops to enable engineers of each ETV-network station to spend a clinical week at Redwood City, Cal. to learn Videotape-recorder operations. One workshop will begin Aug. 31 for engineers of 6 stations scheduled for Aug. installation. Two workshops will follow in Sept., a final one in Oct.

NET's Ann Arbor headquarters will serve as distribution center for ETV Tape Network—and Ampex will establish there by Nov. 1 a "model copy center" comprising 5 recorders for rapid "mass production" of copies of taped programs for network distribution. These programs will be produced by outside sources as well as by affiliated stations. An Ampex unit also will be installed at NET's N.Y. office.

Mass duplication of taped material will cut processing time & costs to the bone, open doors wide to broader sources of program material. Tape network, NET estimated for us, will chop two-thirds of normal processing time compared with film or kine, make possible virtual national distribution & scheduling in a matter of days as against weeks. However, import of tape operation includes economy as well as time. Heretofore, NET tells us, it has been forced to pass up special timely programming for mass broadcast because of prohibitive costs of duplicating film footage for one-shot use. Now such programs can be taped, mass copied, distributed and used nationally, then returned for erasure & re-use.

NET's network-programming plans are still formative, currently being worked out. Unquestionably, there'll be a step-up in NET programming volume to meet increasing needs of affiliates, some of which today depend upon NET for 50% to 75% of their material. Until NET's network tape programming becomes available, member stations are expected to do their own tape experimenting, principally for local in-school broadcasts. When it becomes available, it will mark major step-up from present "block scheduling" system under which NET furnishes limited film or kinescope copies of material, has them bicycled from one station to another in a limited area, then passed on to another area. NET presently furnishes 8 hours of programming weekly.

Programming content also will change with advent of tape, but NET tells us the outlook at the outset is for increased programming both in quantity & scope of familiar source material rather than for dramatic departures into experimental areas. You can expect greater programming emphasis on: (1) children's programs, for out-of-school broadcast to pre-school & school-age youngsters; (2) social science subjects, for both adult & child audiences; (3) specials—one-shot news, feature, educational and civic programs such as historical anniversary ceremonies, discussion panels on national subjects; (4) outdoor programs. The last-named marks relatively new programming territory for NET but one now open to ranging exploration with tape's flexibility & economy.

Outdoor programs, events and demonstrations of all types are now within practical range, will be obtained via mobile-equipped member stations or private tape-production firms. Whatever the program material, NET says, the coming tape network represents new dimensions of time, cost, flexibility and convenience for ETV in scope, staging, processing, distribution and mass broadcasting.

Seven FCC procedural bills recommended by the Senate Commerce Committee (Vol. 15:32) were taken to the Senate floor Aug. 12 by communications subcommittee Chairman Pastore (D-R.I.), ready to be called up for a vote & expected approval. The measures (S-1734-38, S-1740 &

S-1898) would amend the Communications Act to tighten off-the-record rules in adjudicatory cases, revise "protest" procedures, repeal "honorariums" for FCC members, re-define review staff functions. No House action on the legislation at this session is likely, however.

Congress

NO TV QUIZ 'CIRCUS'? Nobody who played a part in TV's late & lamented big-money quiz show era—sponsors, producers, contestants—is going to be hurt who doesn't deserve to be hurt in the House Commerce legislative oversight subcommittee's investigation of the program phenomena. That's the reassuring word we get from chief subcommittee counsel Robert W. Lishman, who's in charge of groundwork for the probe of last year's quiz scandals which may—or may not—lead into public hearings & headlines (Vol. 15:31-32).

"We certainly don't intend to start any hearings before we know we are thoroughly prepared," Lishman told us. "We won't call people in indiscriminately. Innocent people will not be injured. And it's impossible to say now when we're going to have hearings."

Fears that the House inquiry under Chairman Harris (D-Ark.) may turn into "a great circus" had been voiced earlier by economist Louis M. Hacker, foreman of the N.Y. Grand Jury which put in 9 months investigating the quizzes. In a letter to the *Washington Post & Times Herald* last week he added a plea that "naive" contestants in particular be spared "the spectacle" of an expose of how they succumbed to "corruption" on allegedly rigged programs.

But Lishman said there's no cause for such concern now—the subcommittee's staff hadn't yet dug out enough material from the minutes of the Grand Jury proceedings even to form a basis for hearings. Subcommittee lawyer Charles F. Howzo & consultant Richard N. Goodwin were in N.Y. last week, looking over pieces of the transcript as they were delivered by court stenographers.

Also in N.Y. on a similar assignment from Senate Commerce Committee Chairman Magnuson (D-Wash.) was communications subcommittee counsel Nicholas Zapple. Judge Mitchell D. Schweitzer, who had given the House committee permission to examine the Grand Jury minutes, signed a formal court order (as expected) extending the same privileges to the Senate committee, which also would like to see the jury's still-sealed presentation on its probe.

Zapple told us that the Senate committee—like the House subcommittee—wasn't ready yet to make any decision on whether it should start public hearings.

Already in staff files of both investigative groups are reports on the quizzes and interviews with participants. They were obtained independently after the 1958 program scandals broke, but didn't contain enough investigative leads to justify full-blown Congressional probes.

Witnesses wanted: Owners of TV stations which carry week-end telecasts of major-league baseball games should line up to testify at upcoming House Judiciary anti-trust subcommittee hearings on bills permitting clubs to agree on blackouts & brownouts (Vol. 15:32), NAB's TV v.p. Thad H. Brown said last week. Urging stations to put in applications for time on the stand, Brown said it is essential that the subcommittee know how local situations would be affected by the proposals. The measures include financial data for 1958 (see p. 2).

Movie industry is warned not to "misrepresent our nation or its people" abroad in a resolution (H.J. Res. 495) introduced by Rep. Smith (R-Cal.). It calls on Hollywood "to take appropriate action to make certain that no damage will be done" to U.S. foreign relations by export showings of American films. A companion measure (H.J. Res. 500) was submitted by Rep. Derwinski (D-Ill.).

The FCC

More about

TV PROFITS & LOSSES: The average profit of 311 TV stations which earned money during the year-long operation of 1958 (vs. 282 in 1957) was \$162,000—before they paid federal income taxes—and 8 pre-freeze vhfs each chalked up profits of 3 million or more. On the other side of TV's ledger, 164 stations lost money last year—to the median tune of \$77,000. These are among the statistics packed into FCC's final TV broadcast financial data for 1958 (see p. 2).

The biggest individual money earners last year were in the pre-freeze vhf category. In addition to the 8 making \$3 million-plus, 6 earned \$2-3 million, 10 took in \$1.5-\$2 million, 19 were in the million-dollar class. The median profit of 93 pre-freeze vhf outlets in 1958 was \$930,000, up from \$906,000 in 1957 (see table →).

Profitable post-freeze vhfs (only 7 made \$1 million or more) had median earnings of \$98,000 last year vs. \$91,000 in 1957. As for uhfs, only 7 made as much as \$100-\$200,000 in 1958, 20 more reporting earnings under \$100,000.

The losers included 14 pre-freeze vhfs (6 dropped \$200-\$400,000 apiece), 104 post-freeze vhfs (71 lost less than \$100,000) and 46 poor cousin uhfs, most of which managed to hold down red-ink totals to less than \$100,000.

As reported in June by FCC in an overall 1958 TV-radio picture (Vol. 15:25), TV broadcast revenues went up 9.2% to \$1.03 billion from \$943.2 million in 1957 (see accompanying table) to make it the telecasters' first billion-dollar year. (For comparisons of TV revenues, expenses & earnings starting with 1946, see TELEVISION FACTBOOK.)

Note: Copies of the complete 1958 TV report, including 9 charts and tabulations of individual market data, are available from FCC.

Orlando Ch. 9 battle lines for FCC's "influence" case rehearing (Vol. 15:31) were drawn last week. Notices of intention to participate in the proceedings—ordered by the Court of Appeals on allegations that WLOF-TV (Mid-Florida TV Corp.) won the grant after off-the-record pitches were made to ex-FCC Comr. Richard A. Mack—were filed by Mid-Florida, loser WORZ Inc. and FCC gen. counsel John L. Fitzgerald. No date was set for the rehearing pending developments in the federal court retrial of Mack and lawyer Thurman A. Whiteside on Miami Ch. 10 conspiracy charges in Nov. (Vol. 15:32). Meanwhile, loser Du Mont Labs filed a reply to allegations by loser Greater Boston TV Corp. in another "influence" case—the award of Boston Ch. 5 to WHDH-TV (Vol. 15:29-30), which now is being studied by special FCC examiner Horace Stern. Du Mont said Greater Boston had made a "wholly unjustified & scurrilous attack" on its lawyers.

Liberalized microwave rules promulgated by the FCC last month have little impact on telecasters, according to Commission attorneys, because the rules had previously been eased so that stations could get their own private systems regardless of the availability of common carriers. Last month's action gives similar privileges to users such as railroads, pipelines, etc.

Two applications for new TV stations were filed with FCC last week: For Alamosa, Colo. Ch. 3 and Santa Fe N.M. Ch. 11, both by Harrison M. Fuerst, part owner of KVOR Colorado Springs, KPAS Banning, Cal. & KTUF Turlock, Cal. TV applications pending: 108 (13 uhf).

FCC Financial Report on
REVENUES, EXPENSES & INCOME
of 3 TV Networks and 514 TV Stations
 1958 - 1957 - 1956
 (\$ Millions)

	1958	1957 ²	1956 ¹
Broadcast Revenues			
3 Networks (including 19 owned and operated stations*)	\$516.7	\$467.9	\$442.3
94 Pre-Freeze television stations	263.6	261.3	260.7
Subtotal	780.3	729.2	703.0
Post-Freeze television stations:			
322 VHF stations	223.6	187.3	161.4
79 UHF stations	26.1	26.7	32.5
Industry total	\$1,030.0	\$943.2	\$896.9
Broadcast Expenses			
3 Networks (including 19 owned and operated stations*)	\$439.7	\$397.2	\$356.9
94 Pre-Freeze television stations	187.8	179.3	171.0
Subtotal	627.5	576.5	527.9
Post-Freeze television stations:			
322 VHF stations	202.3	176.5	145.0
79 UHF stations	28.3	30.2	34.4
Industry total	\$858.1	\$783.2	\$707.3
Broadcast Income (Before Tax)			
3 Networks (including 19 owned and operated stations*)	\$ 77.0	\$ 70.7	\$ 85.4
94 Pre-Freeze television stations	75.8	82.0	89.7
Subtotal	152.8	152.7	175.1
Post-Freeze television stations:			
322 VHF stations	21.3	10.8	16.4
79 UHF stations	(2.2)	(3.5)	(1.9)
Industry total	\$171.9	\$160.0	\$189.6

() Denotes loss.

¹ 1956 data cover 3 networks and 15 owned and operated stations; 95 pre-freeze and 364 post-freeze stations (269 VHF and 95 UHF).

² 1957 data cover 3 networks and 16 owned and operated stations; 95 pre-freeze and 390 post-freeze stations (302 VHF and 88 UHF).

* Includes 5 post-freeze stations (4 UHF and 1 VHF).

"Patently illegal abuse" of its authority by FCC in ordering Montana Microwave to halt operations was alleged last week by Helena TV Inc. in an appeal to the Court of Appeals for D. C. in a key station-CATV case (Vol. 15:32). The Helena CATV system, seeking to resume microwave pickups of Spokane signals pending FCC disposition of a protest by KXLJ-TV Helena, quickly shifted its court plea to Washington after the Court of Appeals in San Francisco rejected it on jurisdictional grounds. Issues in the case are entwined with broad questions of CATV microwave grants argued before FCC last month (Vol. 15:30) and with CATV-booster control legislation which was explored earlier in Senate hearings (Vol. 15:27-29). So far, FCC has stuck to its position that it doesn't want to control CATV directly. Summing up Commission testimony at the Senate Commerce communications subcommittee hearings, FCC has sent "additional comments" to chairman Pastore (D-R.I.). The statement suggested that if Congress is going to give FCC "general regulatory authority" over CATV systems, then the "most precise terms possible" ought to be spelled out in legislation—perhaps "in a new & separate title of the Communications Act."

FCC deadline for filing comments on proposals for shifts from uhf to vhf in Fresno-Bakersfield, San Francisco and Sacramento areas (Vol. 15:29) was extended last week from Aug. 24 to Sept. 23. Requests for more time had been made by Triangle Publications, Inc. (KFRE-TV Fresno) and San Francisco Ch. 23 CP-holder S. H. Patterson. The deadline for filing replies to comments was extended to Oct. 8.

Scanning FCC's Mail Bag of Complaints: FCC doesn't make its correspondence files public, so there's no way of checking the flow of viewers' cheers & hisses. The Commission says there are 2 reasons for this: (1) If complaints were open for inspection, lawyers would have a delightful time dredging up material on which to base protests against competitors of their clients, and Commission would be absolutely snowed under with frivolous protests. (2) If commendations were on display, every station operator & his brother would stimulate a continuous stream of huzzahs toward Washington.

FCC does keep track of complaints, however, analyzing & categorizing them carefully, investigating those which look serious & initiating hearings when necessary.

It's usually easy to spot an "inspired" group of complaints, we're told. For example, there were 652 complaints about TV in April, but 486 of them were against the possibility of liquor commercials. The dregs had a campaign on, for there were only 31 such complaints in May, 3 in June. There were 368 complaints in June, but 231 were names on an anti-pay-TV petition. In May, there were 2145 AM-FM complaints, but 2030 were names on 2 petitions objecting to program changes of KLX (now KEWB) Oakland, Cal.

One of the largest groups of complaints in the last 3 months was against the cancellation of *Voice of Firestone*—25 in April, 35 in May, 37 in June. Among other largest continuous groups are the following:

Too many commercials—April, 12; May, 7; June, 7.
 False & misleading commercials—April, 14; May, 13; June, 7.
 Bad taste in programming—April, 14; May, 13; June, 17.
 Too much crime & horror (mostly against West-erns)—April, 39; May, 19; June, 5.

The balance of the complaints seldom runs more than a half-dozen per category per month. During the whole quarter, for example, there were only 5 people who asserted that they'd seen something indecent or obscene, and only 5 reported "loud commercials."

FCC doesn't make a similar breakdown of kudos.

Long-drawn protest by KOAT-TV (Ch. 7) Albuquerque against an FCC-approved shift by CP-holder KVVIT (Ch. 2) Santa Fe of its transmitter site into the former's territory will be weighed on economic grounds—after all—by FCC. In one of several moves since last year's Court of Appeals order to FCC to reconsider its Carroll policy of ignoring "economic injury" claims in competitive situations (Vol. 15:30), FCC has reinstated this issue in the case: "Whether the Albuquerque market is capable of supporting a 4th TV service as proposed." KVVIT wants to place its transmitter at Sandia Crest, 43 miles SW of Santa Fe. Transmitters of all Albuquerque stations—KOAT-TV, KGGM-TV (Ch. 13), KOB-TV (Ch. 4) and educational KNME-TV (Ch. 5)—already are located there.

Lowell Thomas' WTEN (Ch. 10) Vail Mills, N.Y. was favored for permanent operation on that channel by FCC examiner J. D. Bond in an initial decision released last week. The Vail Mills station, serving the Albany-Schenectady-Troy area for the past 2 years under a Special Temporary Authorization (Vol. 13:36), was favored mainly for experience & background in providing Albany area TV-radio service "which is not intrinsically deficient and which is endorsed by local citizens of prominence." Other factors were local residence & civic participation of the WTEN principals. The examiner recommended denial of the competing application of WVET-TV (Ch. 10) Rochester.

FCC Comr. Ford will participate in a Federal Bar Assn. panel on Sec. 315 Sept. 25 in Washington's Statler.

Networks

More about

BOOM IN BILLINGS: Research crystal balls this season show a gilt-edged picture of gross advertising expenditures on the networks in the important final quarter. At night, CBS-TV is expected to set the pace in sheer dollar volume of gross time (some \$46 million, representing 10% gain over the final quarter of last year), with NBC providing strong competition and ABC scoring a major gain due to the success of shows like *The Rifleman* & *77 Sunset Strip* and high sponsor interest in new ABC nighttime packages (see p. 1).

We asked the networks for a comparison forecast, and got these figures for nighttime network TV (although CBS-TV's 1959 figures in the charts below are our own estimates, since it's CBS policy not to issue projections):

GROSS NIGHTTIME NETWORK BILLINGS

	Mon.-Sun., 7-11 p.m. (in millions)		
	Last 1/4 '58	Est. last 1/4 '59	% gain
ABC-TV	\$22.0	\$28.5	30%
CBS-TV	\$42.0	\$46.0	10%
NBC-TV	\$39.2	\$42.9	9%

On the daytime scene, CBS-TV will continue to set the pace, with strong sponsor lineups on tape for such daylight fare as the *Dec. Bride* & *I Love Lucy* reruns, *Top Dollar*, the daytime serials, *Art Linkletter's House Party*, and others. NBC will register, by all indications, a slightly higher percentage gain, but won't equal CBS-TV's top money position. ABC feels it's "conservative" to figure its daytime billings "at the same level as a year ago," in the words of one ABC executive, on the basis of orders in the house from clients like Block Drug, Warner-Lambert and Reynolds Metals, plus charter advertisers like Johnson & Johnson and Lever Bros. Here are the figures:

GROSS MON.-FRI. DAYTIME NETWORK BILLINGS

	(millions)		
	Last 1/4 '58	Est. last 1/4 '59	% gain
ABC-TV	\$ 7.4	\$ 7.5	1%
CBS-TV	\$20.7	\$23.5	14%
NBC-TV	\$17.7	\$20.4	15%

Sat.-Sun. daytime (prior to 7 p.m.) shows are another area in which expansion continues. ABC, which has been making audience strides with juvenile-slanted shows like *Rin Tin Tin*, *Lone Ranger* and *Annie Oakley*, expects a sizable percentage gain (although dollar value is only an increase of \$600,000 over the modest previous level) this fall, but the other networks, notably NBC whose Sat.-morning block of action-adventure shows & moppet-appeal comedies holds a rating lead, still set the pace:

GROSS WEEKEND DAYTIME NETWORK BILLINGS

	(millions)		
	Last 1/4 '58	Est. last 1/4 '59	% gain
ABC-TV	\$1.4	\$2.0	43%
CBS-TV	\$3.9	\$4.4	13%
NBC-TV	\$4.2	\$4.5	7%

The booming fall sales season was not without its problems for the networks last week, however, as advertisers jockeyed for position in the 1959-60 program lineups. Mogen David wine found NBC-TV unable to clear a full network station roster for its alternately sponsored *Dollar a Second* at 10:30-11 p.m. Thurs. (across from the CBS-TV Revlon Specials-*Playhouse 90* series) and wound up shifting the billings, but not the show, to ABC-TV's 8-8:30 p.m. spot on Wed., hitherto unfilled.

ABC, meanwhile, was in a hassle with Clairol Inc., Bristol-Myers subsidiary, which claims a verbal agreement with the network for min. participations in the upcoming *Gale Storm Show*, 7:30-8 p.m. Thurs., although ABC claims that the show is sold to rival Warner-Lambert.

At CBS-TV, Kellogg Corp., which had signed for full sponsorship of the 7:30-8 p.m. Sun. *Dennis the Menace* Screen Gems series, has found itself short of fall TV ad dollars, and has asked for a co-sponsor.

Slide-Rule Showman: The surprise (to many) winner in the executive sweepstakes surrounding Hubbell Robinson Jr.'s vacated post as program boss of CBS-TV (Vol. 15:22) last week: Oscar Katz, v.p. in chg. of daytime programming. No immediate successor for Katz's old job was named, and program v.p.'s Bill Dozier (Hollywood) and Mike Dann (N.Y.) remain in their posts, reporting to Katz.

Slim, 46-year-old Katz, who joined the CBS research dept. in 1938 and rose to the post of research dir. (1951-56) until moving into the program area, is the latest slide-rule expert to go on to a higher executive level in network broadcasting. Others: CBS Inc. pres. Frank Stanton, who joined CBS research in 1935 and became pres. of the network in 1946; John Karol, onetime radio research dir. of CBS and now v.p. in chg. of planning & development for CBS Radio; Oliver Treyz, named dir. of research & development for ABC in 1951 and (after a stint as TvB pres.) named ABC-TV pres. in 1958; Julius Barnathan, ABC-TV research dir., named v.p. in chg. of affiliated stations only last month (Vol. 15:29).

Said CBS-TV pres. Lou Cowan of the Katz appointment, cocking a watchful eye at agency preoccupation today with TV research & performance: "His years of experience both in research & programming have given him an unsurpassed background for his new duties."

One of Katz's first duties in his new post was to announce the promotion of an associate, program development v.p. Robert M. Weitman, to the newly created job of v.p. in chg. of independent productions. Weitman will report to Katz, but will have new duties in supervising what CBS describes as "a greatly expanded program of liaison with independent production companies."

Mutual Nears Goal: Two-thirds of Mutual Bcstg. System's 3-part reorganization plans were approved & accepted by bankruptcy referee Asa Herzog in N.Y. Aug. 12. Still to be finalized is the other third—payment of 10¢ on the dollar to Mutual's 750 creditors. To be accepted, this part must be approved by claimants representing 51% of the total indebtedness. At the week's end, Mutual was \$100,000 short in financial acceptance.

Parts 2 & 3 involve a \$1.3 million note to H. B. Tuskin of Seattle, and payment of 50¢ on the dollar for the first \$600 owed to creditors in the category of employees (Vol. 15:29). Another meeting is called for this week (Aug. 19), at which time Mutual's counsel hopes the remaining required debtor segment will agree to the plan. Formal papers have to be drawn & signed by next week (Aug. 27), a Mutual spokesman told us.

Meanwhile, the network contracted for a new chunk of business with Baltimore's National Brewing Co. for half-sponsorship of the Baltimore Colts football game coverage which begins on Mutual Sept. 27. The 12 games will be carried on all of Mutual's 450 affiliates, except stations in the other 9 Natl. Football League cities.

NBC has teamed with 4 top British ITV program contractors in a joint application, as Central African TV, to operate commercial TV in the Federation of Rhodesia and Nyasaland. NBC's team-mates: ATV, ABC, Granada, TWW. The NBC group is contesting 2 other applicants for the TV contract. The applications are under study by the Federations's Federal Bcstg. Corp., whose board of governors is slated to meet later this month on the subject. Other applicants for the channel are Rhodesia TV Ltd., dominated by the big Philips of Netherlands electronics combine, and P. Holender, a Ndola businessman representing "overseas financial interests."

Option Time Change: ABC-TV's option time will be moved up to 8-11 p.m. EDT (instead of 7:30-10:30 p.m.) effective immediately with all new & renewal affiliation contracts, station relations v.p. Julius Barnathan told us last week. The complete changeover for all ABC-TV affiliates from 7:30-10:30 (99 primary, 131 secondary) will take 2 years to accomplish, Barnathan said.

The obvious reasoning behind the move, as another network spokesman put it, is that straddling of option time "may be causing ABC a loss of revenue." The 7:30-8 p.m. time slot, which will technically be a station option period, is "extremely sellable" at the network level (due mainly to 60-min. series which start at 7:30 p.m.) and ABC-TV has also discovered that affiliates shy away from 10:30-11 p.m. network service. By moving the commitment time forward, the network would in effect increase its overall option time.

CBS-TV & NBC-TV have no plans to change their present nighttime network option agreements. CBS-TV's option time is 8-11 p.m., Mon., Wed. & Fri. and 7:30-10:30 p.m., Sat. & Sun. NBC-TV's is from 7:30-10:30 p.m. Sun-Sat. Both networks, however, have several shows (*Desilu Playhouse*, *Andy Williams Show*, *Masquerade Party*, *U.S. Steel Hour*, *Playhouse 90*, *Jackpot Bowling*, *What's My Line*, plus specials) that spill over into the 10:30 p.m. segment throughout the week.

NETWORK SALES ACTIVITY

ABC-TV

- Lone Ranger, Sun., 5:30-6 p.m., 13 alt. wks. plus 2 15-min. segs. of the daily action strip, 5:30-6 p.m. *Sweets Co. of America* (Henry Eisen Agency)
- Pre-Christmas daytime participations, 15-min. segs., no programs specified. *Paper Novelty Co.* (Zlow Co.)
- Bing Crosby Golf Tournament, Jan. 24. *Oldsmobile* (D. P. Brother)
- Sugarfoot, Bronco, min. participations, in short term pre-Christmas push. *North American Philips* (LaRoche)
- Wed. 8-8:30 p.m. time period, starting Sept. 30. Program not yet decided upon. Beat the Clock is among programs being considered. *Mogen David Wine Corp.* (Weiss)
- Jubilee U.S.A., Sat. 10-11 p.m., eff. Oct. 3. Participations, 52-wk. contract. *Massey-Ferguson* (Needham, Louis & Brorby)
- National Football League games, 4 pre-season grid contests Aug. 21, Sept. 11, 13, 20. *Philip Morris* (Burnett); *Shell Oil* (JWT); *Natl. Brewing* (W. B. Donner); *Hamm Brewing* (Campbell-Mithun); *Duquesne Brewing* (Maitland Assoc.); *Union Oil Co.* (Erwin Wasey, Ruthrauff & Ryan)

CBS-TV

- Miss America Preview Parade, Tues., Sept. 8, 8-8:30 p.m. *Maybelline Co.* (Gordon Best)
- Miss America Pageant, Sat., Sept. 12, 10 p.m.-12 mid. *Philco Corp.* (BBDÖ)
- Sky King, previously syndicated children's series, set for Sat. morning "children's block." *Nabisco* (McCann-Erickson)

NBC-TV

- Shubert's Alley, special on Broadway, Nov. 13, 10-11 p.m. *Sinclair Oil* (Morey, Humm & Warwick)
- Three by One, Art Carney 90-min. special, date unscheduled. Half-sponsorship. *RCA* (Kenyon & Eckhardt)

Stations

24-Hour TV Dwindling: Around-the-clock telecasting apparently is longer on promise than performance, judging by broadcasters who have attempted, then abandoned, 24-hour-a-day service. In Binghamton, N.Y. last week, all-night telecasting was halted by WNBC-TV after an 18-months test. Since Feb. 10, 1958 (Vol. 14:7) its every-night *All Night Show* had dispensed some 1700 feature movies, more than 3000 news summaries, thousands of public service announcements. "We have collected a large amount of data from surveys & letters [some as far away as Detroit]," reported George R. Dunham, gen. mgr. of the Triangle Publications, Inc., station. "We now wish to make a careful study of this information . . . to review the effectiveness & value of this type of programming."

Indications are that WNBC-TV will find that it has been tapping a sizable late-late audience which, for occupational reasons, is not otherwise available for TV viewing. But audience size is not the sole or, in some cases, even the prime factor in the success or failure of all-night telecasting. Other stations (Vol. 14:8, 12, 38) have pioneered: KDKA-TV Pittsburgh, WXEX-TV Petersburg-Richmond, CKVR Barrie, Ont. (Canada's first all-nighter), WFIL-TV Philadelphia (another Triangle station), KSHO-TV Las Vegas. Of these, only 2 still broadcast around-the-clock: WFIL-TV (5 days a week, Tues.-Sat., since Feb. 13, 1958) & KSHO-TV, which began operations in May 1956 as a 24-hour station and now broadcasts the full day Thurs. through Sun. To our knowledge, these are the only current around-the-clock telecasters.

John Scheuer, PR & programming dir., radio & TV dir., Triangle Publications, Inc., points out that the success of all-night telecasting must be measured as much by the community goodwill it engenders, and the public service it performs, as by its financial record. This theme is underscored by KSHO-TV operational dir. Paul Sperling, who told us: "Nobody can get rich on all-night telecasting. Our operation is successful and carries itself financially, but bear in mind, however, that Las Vegas is a 24-hour town. We view our operation in terms of community goodwill & service to around-the-clock workers—and we get solid audience response—particularly when we show a bad movie. You can't walk 10 feet down the street without hearing about it."

CKVR pioneered 24-hour telecasting in Canada in March, 1958, abandoned it 6 months later. Pres. Ralph Snelgrove told us that the station suspended its one-night 24-hour operation because it was impossible to measure the audience accurately; because the station's own survey showed the audience so thinly spread that it could not maintain advertisers' interest; and because it was too burdensome financially. There was another reason:

"Some parents have difficulty controlling their children," he said, "and the tykes would get up after their parents went to bed, slip downstairs, and tune in our all-night movies. As a result, they were fatigued & bleary-eyed the next day, and we began to get petitions-to-cess & protests from parents, PTAs and similar groups."

* * *

Triangle's WFBG-TV & WFBG Altoona, Pa., opened their new TV-radio center last week in the Commerce Park-Blair County Industrial Development, Altoona. Promotional ceremonies included an industrial development conference, a "Partners in Progress Fair," guided tours of the new studios & offices. Those taking part included Pa. Secy. of Commerce William R. Davlin & Dr. Edgar Dessen, dir., U.S. Chamber of Commerce.

Business Soaring in L.A.: For years, 3 or 4 of the 7 Los Angeles stations made money, while the others barely got by or wound up in the red. But today that pattern is changing, as all 7 stations report excellent business this summer and buying for the fall proceeding at an unprecedented pace. Station executives gave us varied—and undoubtedly valid—explanations for their boom. The city is unique with its rapidly-expanding population, and its sprawling coverage area extending from the Pacific to San Bernardino on the east, north to Santa Barbara, and south to San Diego.

KTTV (Ch. 11), the *Los Angeles Times'* independent station, had a record second quarter, is enjoying its best summer sales season, and sales for fall indicate that season will be the most prosperous 3 months in the channel's history, we were informed by pres. Dick Moore. The upbeat is for both local & national sales. Moore views this as a new awareness by national advertisers of the growing importance of the Los Angeles market. ("One thousand come in here every day from the East.") He believes the 1957-58 recession benefited TV "because that's when the advertiser had to decide where he could spend his money most usefully—and he found the answer in TV."

The picture is much the same at KABC-TV (Ch. 7), ABC outlet, where sales mgr. Elton Rule estimates business is 30% ahead of last summer. He terms this the station's best year by far, and a 20% increase will appear in its new rate card effective Sept. 15. For fall, prime-time spots are virtually 100% sold out, B time 80%, C time for late night hours 100%, and day C time 60%. "People are buying spots 6 to 8 weeks in advance," he comments.

KRCA (Ch. 4) v.p. Tom McCray reported the NBC o&o's business to be 50% above last year for the same time, and sees fall orders coming in much earlier than usual. "I think," he opines, "it's because of the nation's prosperous economy, as well as the growth of the city."

KHJ-TV (Ch. 9) sales mgr. Howard Wheeler tells of record summer business with sales 25% over last summer. Instead of the usual summer slump which begins in April or May, there was just a slight fall-off the first of July. Fall prospects are bright, with sponsors now buying Sept. & Oct. spots. He believes the spurt in national spots to be due in part to the booming network business, which is causing many national advertisers to seek local buys.

KCOP (Ch. 13) sales mgr. John Hansen said business is up 20% over last year, that fall orders are coming in earlier than usual, and that he's had to turn away some fall business. The slight summer slump was not as pronounced as usual, and orders are now coming in for Oct., an unprecedentedly early start. The station is being sold to NAFI Corp. (see story, adjoining column).

KTLA (Ch. 5), the Paramount-owned independent, also is having a good summer, with business up 30% over last year, we're told by sales mgr. Bob Jones.

KNXT (Ch. 2), CBS o-&o, tells much the same story, with summer business the best it's been in 4 to 5 years, and sales for the fall off to a good start.

"Video Tape Rate Card No. 1" has been issued by NBC-owned WRCV-TV Philadelphia, which has 2 Ampex color Videotape recorders. Divided into categories of 1, 3, 10, 15, 30 & 60 min., the card establishes rates for various categories of recording activities. For example, for recording a 30-min. program, there is a \$180 recording charge (one machine only), which includes one hour of rehearsal time. For making a 30-min. reference recording, there's a \$90 charge; duplicate prints \$144 each; tape stock \$200; playback charge \$50 each; editing, \$50 for first hour, \$30 each additional hour; tape screening, \$25 per half hour.

Los Angeles's KCOP Sold: NAFI Corp., the automotive upholstery and carpet company which has been diversifying into broadcasting through acquisition of West Coast stations, last week signed a stock deal in which it will acquire the obligations of Los Angeles independent KCOP (Ch. 13), subject to FCC approval, in a transaction involving a little more than \$5 million.

The sale was negotiated by KCOP pres. Kenyon Brown, who heads NAFI's bestg. div. Brown will remain as pres. of the independent, and Bing Crosby remains chairman. Crosby, Brown and their associates, George Coleman and Joseph Thomas, receive 44,000 shares of NAFI stock with an approximate market value of just under \$1 million. However, the total consideration involved is above the \$5-million mark because of the obligations NAFI will assume. The Crosby-Brown group bought KCOP in 1957 for \$4 million (Vol. 13:16, 22) from Copley Press, which paid \$1,375,000 for it in 1953 (Vol. 9:46, 49, 52).

The KCOP deal will give NAFI 2 Coast TV stations and one radio station. It previously bought KPTV Portland (for \$3.8 million) and radio KOBV San Francisco. Brown had bought KOBV but assigned it to NAFI for \$1.2 million. Included in the KCOP deal is the station's syndicated film div. and financing of telefilms. The 4 previous KCOP owners will control about 10% of NAFI's stock.

Love Those Commercials: Encouraged by a good ARB rating & mail reaction, KTTV pres. Dick Moore may continue his *Cavalcade of Spots* beyond the 13 weeks originally contemplated, he informed us last week. The unique show, consisting entirely of commercials, debuted on July 11.

While the Los Angeles independent did not take a rating, ARB discloses the show to have run second in the 7-station Los Angeles market. Slotted at 6:30 p.m. Sat., *Cavalcade* posted 3.8 vs. front-runner Lawrence Welk, who got 18.5 on ABC. Third was KNXT (CBS) with 2.9 for a movie; NBC's KRCA came 4th with 2.6 for *African Patrol*. Movies on the other independent channels drew 1.2 for KTLA and a tie of 0.6 for KHJ-TV and KCOP. [It should be noted that the rating coincided with the show's debut—which could have attracted some inflated curiosity viewership—or could have been the conservative beginning of a steady audience build-up.]

"Most of those writing in say they like our show, they want more, and some want it to be an hour long," Moore told us. But the series, if renewed, will continue in the 30-min. format. The main problem, he adds, is that Screen Actors Guild has refused to grant the station a waiver for re-use fees, so that sponsors must pay these although there are no time charges. Sponsors understandably see no point in these expenditures when they have no product distribution in Southern Cal. SAG's spot rate for class B time is \$125 per actor for 13 weeks unlimited use—but with 8 actors in the commercial, the cost goes to \$1000. Some agencies notify KTTV of the time limit in which the commercial must be used to avoid extra payment.

Sponsor reaction varies, of course. Amoco, which sells only in the East, okayed use of its commercial despite the rerun payment situation. But another advertiser refused permission to use its prize-winning commercial because it didn't want to pay almost \$900 to actors for a one-time screening. Some of the commercials used on the show have production budgets of \$15,000.

RCA shipped 25-kw Ch. 9 transmitter Aug. 10 and superturnstile antenna Aug. 12 to WAFB-TV (Ch. 28) Baton Rouge, which holds temporary authorization to operate on Ch. 9 there.

Floating radio audience numbering into the millions has been spotlighted by RAB in a survey which establishes "for the first time" that 70.1% of the nation's more than 7 million pleasure boats are radio-equipped, that listening-afloat ranges to more than 20 hours weekly, that offshore listenership is multiple, with some 77% of those surveyed reporting they usually sail with 3 to 5 persons. Says RAB: "It's clear that listening aboard pleasure boats represents an important part of the total radio audience, though it's rarely been considered by advertisers, never been counted in most ratings." Approximately 77% of the radio-equipped craft carry portables, including many which also have built-in equipment. Still in a marine & playtime mood, RAB last week also issued survey results to show that 4 out of 10 summer outdoor groups have portable radios with them at beaches, parks and picnic areas in 10 major markets. At the time of the interviews 75.3% of the radios were tuned in, with each group averaging 4.2 people.

WABC-TV N.Y. reports record-high 2nd quarter earnings, with profits up 13% over the 1958 quarter, and substantial nighttime audience gains: up 24% during 7:30-10:30 p.m. prime time. Station v.p. & gen. mgr. Joseph Stamler pointed out that: "This is the 2nd consecutive quarter in which we have topped all-time records. This latest profit success is especially significant in light of the fact that the 2nd-quarter of 1958, our previous all-time high, showed 63% profit increase over that period in 1957."

Seeking to prevent temporary use of Baton Rouge's new Ch. 9 by WAFB-TV (Vol. 15:30), radio WIBR appealed for a stay of the grant in the Court of Appeals for D.C. last week. Alleging FCC's grant was "arbitrary & capricious," WIBR said that temporary operation by WAFB-TV would cause "irreparable injury to the public & any competing applicants." Oral argument is slated Aug. 20.

Allocation petition filed by KTWQ-TV (Ch. 2) Casper, Wyo. for assignment of Ch. 6 from Casper to Lander, Wyo. in place of Ch. 17 now allocated there, cites the demise of KSPR-TV (Ch. 6) as proof of the inability of 2 stations to survive in the Casper market (Vol. 15:30). KTWQ-TV believes it could provide needed service to the Lander area if the unused channel were to be assigned there.

Consolidated Sun Ray Inc., retail drug & variety chain which owns radios WPEN Philadelphia, WALT Tampa & WSAI Cincinnati, has acquired Williams Electronics Mfg. Co., Chicago maker of electric & electronic amusements, vending machines & recorders, and Vita-Safe Corp., N.Y. vitamin product producer.

Identification of WLOS-TV (Ch. 13) Asheville, N.C. with Greenville & Spartanburg, authorized recently by FCC, continues after last month's action by the Commission turning down the objections of WFBC-TV (Ch. 4) Greenville. Comrs. Lee & Ford dissented; Comr. Bartley abstained.

RCA's largest non-network TV buy will be one-third sponsorship of *Great Music from Chicago*, WGN-TV's 26-week Sun. 7-8 p.m. series starting Oct. 18, featuring the Chicago Symphony, operas, popular music and jazz.

WNDU-TV (Ch. 16) South Bend, Ind., Notre Dame U.'s TV outlet, is scheduled to receive 2 Ampex Videotape recorders this month.

Lester W. Lindow, Assn. of Maximum Service Telecasters exec. dir., is one of the principals of Grelin Bestg. Inc., purchasers of radio WWOL Buffalo for \$250,000 from owner Leon Wyszatycki.

Auxiliary Services

TELEMETER'S TORONTO TRIAL: Paramount-controlled Famous Players Canadian Corp. will have the active cooperation of Bell Telephone Co. in a mid-winter test of Telemeter pay-TV in a Toronto suburb. That's the gist of an agreement announced last week that calls for Bell to provide 84 miles of cable to feed pay-as-you-look movies, sports and highbrow entertainment to 5000 homes in suburban Etobicoke from studios Famous Players intends to build in metropolitan Toronto.

The first full-scale test of the coin-box Telemeter system will have an immediate potential of 13,000 Etobicoke households, and can be expanded to serve 40,000 homes in Toronto, Telemeter says. This is essentially the same target announced by Telemeter in June (Vol. 15:25), with the main difference being the Bell participation in the plan.

With many details still to be worked out, Intl. Telemeter's N.Y. headquarters was understandably vague to us about details of the test. No dates have been announced for (1) cable installations, (2) completion of studios, (3) commencement of service. But at week's end, Famous Players was moving on another Toronto front, reportedly planning to file an application for Ch. 5 and thus joining 12 other applicants including Standard Radio Ltd. (radio CFRB Toronto). Although Telemeter has been granted an FCC green light for an on-the-air test of its pay-TV system in the U.S., it has gone on record as stating that a closed-circuit test is "more economic."

TelePrompTer isn't counted out on a closed-circuit Patterson-Johansson return match this fall, and is holding a contract for such a bout with Patterson Enterprises, a spokesman for pres. Irving Kahn told us in N.Y. last week. Earlier in the week, Johansson himself had stated in Stockholm that he believed he was "not tied to the Rosensohn enterprises" and that he hoped that TV & other ancillary rights would be "offered on the open market." The running dispute between the various parties involved in the June 26 fight promotion (Vol. 15:32) is by no means settled.

TV property rights suit filed by Salt Lake City stations against Twin Falls (Ida.) CATV operator W. L. Reiher's plan to bring in their signals via microwave (Vol. 15:18, 20) should be dismissed because it makes no legally valid claims, Reiher said last week. Challenging specific allegations in the suit that his proposed expansion of the CATV system would deprive them of program property, Reiher told U.S. Dist. Court in Boise that the case ought to be tossed out. Moreover, he said, the plaintiffs should pay his legal expenses for contesting it. Reiher's defense in the landmark-CATV case is being directed by gen. counsel E. Stratford Smith, National Community TV Assn.

Bing Crosby & Phil Harris are v.p.'s of new CATV system in Rancho Mirage, Cal., according to Charles Trimble, pres. of Cable System Inc. The system has 200 subscribers & a potential of 2500. The town is located between Palm Springs & Indio. Trimble recently sold his interest in a system in Oceanlake, Ore.

Fire destroyed offices of Edward E. Stout's TV Microwave & Cable Co. in Shelby, Mont., but he was able to save business records from the flames, which swept most of one block. CATV service to 400 subscribers was not disrupted.

New CATV brochure explaining how the community service is financed & operates is available from Community TV Systems of Wyo. Inc., 451 S. Durbin, Casper, Wyo.

Foreign

Britain's TV Surge: Quietly but progressively, Britain is advancing steadily all along the TV home front. Recent bulletins from & about Britain's burgeoning TV empire clearly reflect profits, expansion, success:

Britain's profitable TV picture is clearly reflected by the Independent TV Authority's repayment on July 30—5 years ahead of schedule—of all the money it owed the govt.—\$1,013,112. Established July 30, 1954 by the TV Act which authorized commercial TV, ITA, as its governing body, was permitted to borrow a maximum of \$5.6 million. Further reflecting commercial TV's gains in Britain, program producer Associated-Rediffusion recently announced record profits of \$19.6 million for the year ended April 30. ATV also scored record profits, reaching nearly \$15 million (pre-tax) for the year ended April 30, compared with 1958's pre-tax profit of slightly more than \$10 million. Associated British Picture Corp. revealed that its A.B.C. TV operation racked up a healthy \$8.5 million profit. However, not all is serene on British TV screens. Commenting on commercial TV's success, the London *Evening Standard* attributed it to American shows, complained that "not only are there too many imported programs on the home screen, but our homebred programs are becoming more & more influenced by America." (The top 10 TV shows in Britain for the week ending Aug. 2 appeared to be British-made, except *Wagon Train* in the No. 1 spot.)

BBC's revenues will jump by some \$3 million this year, the result of a decision of the Royal Treasury to reduce its share of British TV-radio receiver license fees from 12½% to 7½%. The budget increase for BBC, which has been falling behind in its TV rating joust with commercial British TV, is said to have been won after BBC officials protested that the extra revenue was sorely needed to expand station facilities & programming.

England's independent TV industry exports far more, dollarwise, than it imports, Executive Council of Independent TV Companies Assn. chairman Paul Adorian announced at the recent annual meeting. He called for additional support to increase the ratio and noted that the independent TV companies this year "will pay to the national exchequer something in the region of \$25.2 million in direct taxation—more than the Chancellor's annual excise revenue from TV licenses, of which ITV, of course, receives no part." Later, in an interview in Britain's *Television Today*, Adorian added that while sales of British TV films to the U.S. "have met with outstanding success, it is equally true that some filmed series haven't been sold, but this is because they haven't been good enough. The day has gone when America will buy anything & everything."

British movie industry—as represented by the "Big 4" associations of producers & exhibitors—has tentatively decided on the if-you-can't-lick-'em-join-'em approach to TV. Against a background of halved theater-attendance since 1952, the industry has set up a committee to investigate a mass cinema-industry entry into TV when the govt. gives the green light for a 2nd string of commercial stations.

Sponsorship of Canadian TV shows by British firms will be facilitated by newly formed Atlantic Trade Associates Ltd., a London group which, *Variety* reports, will operate as a non-profit servicing & liaison organization. ATA reportedly has 15 large export companies interested and is moving to get them prime-time Canadian live TV shows collectively & individually.

British TV rates will rise this fall, with commercial program contractor A.B.C. increasing 10%, Granada 8%.

Programming

More Network News Plans: The bumper fall crop of sponsors lined up for network news specials (Vol. 15:27) was causing network news operations to add personnel, expand into new units, and broaden overall plans last week.

CBS News formed a second special 7-man news show unit "to meet the demands of an expanded schedule of informational programming," as CBS news dir. John F. Day put it. Av Westin, who has been associate producer-dir. of CBS's original special show unit, will head the new production team and will work on *CBS Reports* projects.

CBS News plans "not less than 7 & as many as 20" prime hours of public affairs programs for 1959-60, highlighted by the *CBS Reports* Bell & Howell-B. F. Goodrich-sponsored series which debuts Oct. 27, and supplemented by about 10 hours of Winter Olympics (see story below) and 1960 conventions coverage.

NBC News told us it had "ambitious plans for the new season," but no additional units have been added as yet, although a 10% increase in personnel, as well as the appointment of a third producer, in addition to Reuven Frank & Chet Hagen, is planned. An estimated 7 to 10 purely news specials are being considered by NBC News.

NBC Special Projects dir., Don Hyatt, who reports to NBC program dept., indicated to us that "if current sales prospects in previously announced specials materialize by month's end, our present staff of 25 might be doubled or even tripled." Sponsor interest, Hyatt told us, is running to groups of 10 to 12 programs, instead of previous buying patterns of 5 to 6 shows. Meanwhile 3 programs of the *Project 20* series (Hyatt is producer-dir.) will be slotted in the *Sun. Showcase* hour.

"For the first time in NBC News history," Hyatt told us, "agencies & sponsors are spirited in their interest in *Project 20*. We feel this is an extremely healthy attitude," he said. NBC Special Projects currently plans 15 to 25 hours of programming for the upcoming season, supplementing documentary programming of the regular NBC news department.

ABC recently created a department, as yet unnamed, to produce "spur of the moment" news documentaries with news v.p. John Daly in charge. When such a program (the Aug. 10 "Khrushchev to Visit the U.S." is a good example) is scheduled, services of regular news dept. personnel are tapped. Meanwhile, newsman Tom Velotta has been brought to N.Y. from the network's Coast office to head special events programming. At least 8 hours of prime evening specials are planned for the fall with the possibility of 6 more hours, including the 1960 conventions.

* * *

About 10 snow-filled hours of Winter Olympics coverage will be offered this fall by CBS-TV to sponsors seeking network special events shows, CBS news v.p. & gen. mgr. Sig Mickelson told us last week. He doesn't know yet how much rights, line charges, crew and other costs will be, but estimates that "about \$500,000" should pay for the package (exclusive of network time) on the basis of daytime sports coverage only. If CBS-TV decides to include nighttime entertainment specials built around guest stars attending the Olympics, the price will go higher. Starting date for the Winter Olympics is Feb. 18, which will run for 10 days. CBS also holds the Summer Olympics rights.

* * *

Half of NBC's new nighttime schedule will, of course, be "new" shows, and not "news" shows, as was erroneously chronicled (Vol. 15:32, p. 9) by a superfluous s.

Television Digest

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Personals: Omar Elder Jr., former asst. gen. counsel, named ABC-TV gen. counsel in a division of functions of ABC's legal dept., in which Charles Debare becomes gen. counsel for ABC radio and o&o TV & radio stations; Mortimer Weinbach continues as ABC v.p.-gen. counsel and AB-PT asst. secy.

John J. (Chick) Kelly, ex-Westinghouse Bestg. Corp. asst. ad & sales prom. mgr., named ad & sales prom. dir., Storer Bestg. Corp., headquartering in Miami.

Sam Zelman named special asst. to the dir. of CBS News; he'll direct coverage plans for the 1960 Presidential elections and conventions . . . O. P. (Bob) Bobbitt, KTBC-TV & KTBC Austin gen. sales mgr., named sales v.p. of the parent LBJ Co., assuming charge of sales for KRGV-TV & KRGV Weslaco, Tex., as well as KTBC. T. Marshall Weaver promoted to sales mgr. of KRGV-TV.

Saul Rosenzweig named TV sales v.p., Skyway Bestg. Co., continuing as gen. sales mgr. of Skyway's WLOS-TV Asheville-Greenville-Spartanburg . . . Ted O'Connell promoted from account exec., CBS-TV Spot Sales N.Y. office, to midwestern sales mgr., headquartering in Chicago.

Rene Morrell, former feature writer and commentator for NATO Information Service, named asst. European news bureau chief, Westinghouse Bestg. Co.; Gordon Davis named gen. mgr., WBC's radio WIND Chicago, succeeded as radio KYW Cleveland gen. mgr., by Carl W. Vandagriff, ex-WOVO Ft. Wayne, Ind., gen. mgr., who is replaced at WOWO by Edward Wallis, ex-KYW sales mgr.

J. W. (Bill) Slates, former mgr., KFSA-TV Ft. Smith, Ark., named mgr. of KNAC-TV Ft. Smith, succeeding Harry Huey, interim mgr. since Jan. . . . Robert C. Fransen named sales mgr., WTCN-TV Minneapolis-St. Paul; Robert J. Reardon appointed regional sales mgr., succeeding James R. Hoel, resigned . . . Lewis R. Click promoted from asst. auditor to comptroller, WSAZ Inc. (WSAZ-TV & WSAZ Huntington, W.Va., radio WKAZ Charleston, W.Va.)

Harold R. (Bud) Meier promoted to news chief of KSTP-TV St. Paul-Minneapolis, replacing Julian Hoshal who joined U. of Minn. faculty . . . Roger Clipp, v.p., radio & TV div. of Triangle Publications, Inc., named Broadcast Pioneer Club v.p.

Obituary

Paul R. Weeks, 50, former v.p. & original partner of H-R Reps, died of a heart attack Aug. 13 in Harlingen, Tex. He is survived by a son & daughter.

Carl Tinnon, KTVI St. Louis operations mgr. & film buyer, died in an automobile accident Aug. 12. He is survived by his wife and 3 daughters.

Advertising

Crowding Up the Open Spaces: The preponderance of Westerns due next season means that at least 9 will be competing with each other for viewer attention. The same, to lesser degree, will be true of comedies (4) & private eyes (2). The situation will be not unlike the season just past. Our check of programming throughout the week in a typical 3-station market last winter revealed almost exactly the same number of category competitions—plus an additional pair of private eyes.

According to present network schedules, the Westerns will begin their rivalry on Mon. nights, when *The Texan* comes on CBS at 8 p.m., in the middle of the 60-min. *Cheyenne* (ABC). On Tues. *Laramie* (NBC, 7:30-8:30 p.m.) will be opposite the alternating *Sugarfoot & Bronco* series on ABC. On Fri. *Rawhide* (CBS, 7:30-8:30 p.m.) will confront ABC's *Walt Disney Presents*, which frequently presents Western episodes. The same evening at 8:30 p.m., *Hotel de Paree* (CBS) will face ABC's *The Man From Blackhawk*. Because the most ardent Western fan must restrict himself to one series at a time, the trade will be watching the competition with interest.

Among comedies, *Dobie Gillis*, the new 20th-Fox TV series, will be on CBS at 8:30 p.m. Tues., opposite (new to TV) *Fibber McGee & Molly*, on NBC. And, at 8 p.m. Thurs., the new Betty Hutton series, *Goldie* (CBS), will be opposite ABC's *Donna Reed Show*, entering its second season. The private-eye clash will be NBC's hot *Peter Gunn* (9 p.m., Mon.) vs. Warner Bros.' new 60-min. *Bourbon Street Beat* (ABC, 8:30-9:30).

The 28 Westerns will be evenly distributed through the week, with Sun., Fri., and Sat. getting 5 apiece. Of the 19 comedies, there will be 6 Mon., 5 Thurs.

Advertising People: George S. Burrows promoted from a media supervisor to media dir., N. W. Ayer . . . Melvin E. Smith appointed senior v.p., Erwin Wasey, Ruthrauff & Ryan; Robert Ferguson, Frank McMahon, James T. Vandiveer, Donald G. Cutler, named v.p.'s . . . Emile Frisard, ex-Compton Adv. v.p.-creative dir., appointed a senior v.p. & copy dir., Lennen & Newell . . . Townsend Griffin, Benton & Bowles v.p. & member of the plans board, named resident dir. of subsidiary Lambe & Robinson-Benton & Bowles Ltd., London, succeeding George Beaumont, who will move to affiliate agency, Dorland of Paris and Brussels.

J. Clarke Mattimore, Kenyon & Eckhardt v.p., will direct a new K&E sales development & promotion div.; Paul L. Bradley named planning dir. . . . Robert Pliskin, ex-McCann-Erickson, named v.p. in charge of art; Alfred Goldman, ex-Reach McClinton, appointed v.p. & associate creative dir.; Jean Brown, ex-Grey Adv., named v.p. & creative supervisor, Benton & Bowles . . . Daniel J. McCauley promoted to FTC gen. counsel.

In Other Media: Magazine ad rates & circulation guarantees continue to rise, with no less than 10 major publications giving notice in the past few weeks of forthcoming increases . . . Curtis Publishing's first-half 1959 earnings increased slightly to \$1,902,745 (30¢ per share) compared with \$1,806,532 (27¢) for Jan.-June 1958. During the half, ad revenue increased 4.8% for *SatEvePost* (down 8.9% in lineage), 19% for *Ladies Home Journal* (lineage up 7.5%), and 2.9% for *Holiday* (lineage up 2.5%) . . . Macfadden Publications net profit increased sharply to \$346,053 in the 6 months ended June 30, from the \$237,098 of the comparable 1958 period.

Falling (for TV) Stars: Huge talent fees for specials this season (as much as \$100,000 asked for Ingrid Bergman or Elvis Presley; \$25-\$50,000 for appearances of lesser-star draws) are causing shrinkage in the roster of TV hold-outs. Miss Bergman will star in an adaptation of Henry James' "Turn of the Screw" for Hubbell Robinson's NBC lineup of Ford Specials. Seldom-seen (on TV) Rock Hudson has been signed to host Revlon's opening 90-min. special (CBS-TV Oct. 8), with Tallulah Bankhead & Sammy Davis Jr., among the guests. The William Morris agency is discussing with Revlon a "sales personality" contract that will bring Marlene Dietrich to TV as a sort of sultry Betty Furness. And 2 of TV's top hold-outs, Marilyn Monroe & Marlon Brando, are now expected to be delivered, as promised months ago by MCA, for the Oct. *Wonderful World of Entertainment* opener of the Ford specials (NBC-TV). Still "not available" for TV: Clark Gable, William Holden, Cary Grant, Greta Garbo.

* * *

Biggest crop of TV specials due to pre-empt network shows on a one-shot basis will be agency-handled this season through BBDO, by network count. Led by Du Pont's 9-show lineup of *Show of the Month* specials, there'll be a total of 39 such BBDO-supervised shows bumping regular series on NBC-TV and CBS-TV. J. Walter Thompson, with 39 specials for Ford alone, has a higher total count than BBDO on network specials, but most of JWT's are in scheduled time periods not involving pre-emptions.

* * *

General Motors is seeking a "super-super special" for early Oct. to be used as TV keystone for the kickoff of the auto maker's line of 1960 models, including the new "compact" cars, GM agency sources in N.Y. told us. GM's problem, they admitted, is that "there are so many specials scheduled this season we've got to out-special everything in sight." Currently under discussion are several names not slated for more routine specials, of which the favorite, at a blockbuster price, is Danny Kaye, who's hitherto not been seen in live TV. Originally, GM had planned "An Evening with Lerner & Loewe," which blew up when performance rights couldn't be cleared.

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New TvB pocket-piece, mailed last week, is a handy, fold-open version of *Advertising Age's* list of the media spendings of 1958's top 100 national advertisers (Vol. 15:24). It spotlights the gross volumes in print media, outdoor, spot radio, spot & network TV. The TV spending, however, refers only to gross time and does not include production costs which would run TV expenditures considerably higher—and give them even more domination of the picture than they have now. Over-printed on the chart in red is a bar graph showing percentage of ad budget allocated to TV time. TvB points out that 65 of the top 100 considered TV their basic medium, investing more money in TV than in any other ad effort; that nearly half (49.4%) of 1958's ad spending went to TV. Gains & losses for all media in 1957-58 comparisons are compiled in the TvB mailer.

ARB will lose its last network flagship subscriber for N.Y. at the end of this month, Arbitron reports, leaving the "instant ratings" service 3 N.Y. station subscribers (WOR-TV, WNEW-TV & WPIX) and ARB's agency clients. WCBS-TV's Arbitron cancellation last week will cut the research firm's monthly income by about \$6000. WRCA-TV dropped Arbitron last spring, and WABC-TV cancelled its subscription at the end of last year. The 7-market Arbitron reports now serve NBC-TV and 10 agencies.

Film & Tape

TV Goes Bigtime at 20th: A visitor to 20th-Fox's huge Westwood studios these days must be impressed by the TV-film operation as compared to its status a year ago. Until this season, when it placed ex-*Playhouse 90* producer Martin Manulis in charge of TV production, 20th had sputtered unimpressively along in TV.

This studio's new-era shows won't be seen until fall, so we took an advance behind-the-scenes look to find that 20th seems to have gone all out for maximum impact in TV. To an old Hollywood hand, production here resembles movie-making more than TV shooting. Expensive, realistic sets and costly production are going into the two 60-min. series, *Adventures in Paradise & 5 Fingers*. The budget for each show runs around \$100,000, with an 8-day shooting schedule. A 3rd network series, the 30-min. *Dobie Gillis* (being filmed at 20th Fox's Western studio), is using top talent in writer-creator Max Shulman and producer-director Rod Amateau. Twentieth also has in production 2 30-min. series for NTA—*How to Marry a Millionaire & Man Without a Gun*. Also, NBC has an option on a 30-min. anthology series, *Whodunit*, and CBS holds an option on the 60-min. *New Frontier* series.

The Paradise set, on the backlot at 20th, is a remarkably accurate facsimile of James Michener's Hawaiian locale. (Michener, we were told, had advised that it would be more practical to film the series here than in Hawaii.) *Five Fingers*, a suspense show with European locales, produced by Herbert Bayard Swope, Jr., and starring David Hedison & Luciana Paluzzi, was originally filmed as a 30-min. pilot but has been expanded to 60.

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Rumbles at Republic: Republic Pictures, recently acquired by L.A. financier Victor Carter, last week took 2 seemingly contradictory steps. It folded its TV production subsidiary, Studio City Productions, and it began to expand the sales staff of its other TV subsidiary, Hollywood Television Service. Actually the moves were elements of a pattern (Vol. 15:30) that might reactivate TV-film production at Republic. Studio City Productions had been inactive & on the "unfair" lists of Hollywood talent guilds because Republic's former pres. Herbert J. Yates had sold his post-1958 movies to TV without making payments to guild members. It's likely now that Carter will achieve new TV production by financing independents, who will be told to follow guild regulations to the letter. Chief casualty of the Studio City Productions folding: Morton Scott, pres. for the past 8 years.

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Don Fedderson Productions has signed Cliff Arquette ("Charlie Weaver") to a 3-year contract for a live comedy-interview series. Fedderson was scheduled to video-tape him in a 30-min. pilot in N.Y. last weekend with Zsa Zsa Gabor & Terry Huntington (U.S. entry in the recent "Miss Universe" contest). The pilot was made, said Fedderson, "in the full knowledge that network nighttime slots are virtually sold out for next season." But he added "when you have a good show, program time can always be arranged."

Tape will improve the "fi" of TV commercials, as compared with other production techniques, believes Jim Ellis, pres. of Plandome Productions, N.Y. firm specializing in creating music backgrounds for TV selling. Ellis cites the improved audio frequency response of video tape (a high end of 12,000 cps as compared with film's usual 7500 cps) as adding "substantial tonal fidelity to TV music."

TV SALARIES TRAIL MOVIES: Despite the tremendous growth in TV, salaries of TV stars today are far less than those of movie stars. For the obvious reason that it has a paid boxoffice with a global market, the movie industry can and does pay astronomical salaries which TV can't touch.

While TV points to its participation and residuals as factors increasing a star's salary, the participation deal is not a stranger to the movies. Quite the opposite. In fact, for his participation in *The Bridge on the River Kwai*, William Holden will receive an estimated \$2.5 million—a record figure for any star. Marlon Brando, it's reported, is receiving \$1 million for starring in *The Fugitive Kind*. For co-starring in *The Horse Soldiers*, Holden & John Wayne each get \$750,000 plus 20% of the profits.

While it might be argued that Brando, Holden and Wayne are the top-echelon stars in Hollywood, the huge differential in pay exists in lower echelons also. For example, Fabian, the teen-age singing idol, is reported getting \$35,000 for his first movie at 20th-Fox. While he has nowhere near the eminence of top TV stars, his salary for that one picture is equal to or more than the pay of many a top TV star for an entire series.

Maverick star James Garner who started at less than \$200 a week 3 years ago, will receive about \$100,000 from Warner Bros. for working in the ABC series and movies this coming season. His "brother," Jack Kelly, gets \$30-35,000 for the year. Edd Byrnes, the young star of *77 Sun-Strip*, also a WB series, got around \$15,000 his first year on his show, we're told. (Warner Bros. stars have no participation deals in their series—just the customary Screen-Actors Guild residuals.)

TV salaries aren't always simple deals. They can best be broken down in 3 categories: deals in which stars own their shows & production companies, the straight-salary deal such as exists at WB, and guest spots.

Undoubtedly the best TV income deal is that in which a star has his own production company, and can eventually sell his films on a capital-gain deal. There are quite a few star production-company-owners. However, these deals are often partnerships and the star does not receive all of the profits. An example is *Dragnet*, which starred Jack Webb. After having the top-rated series for 5 years, Webb and his partners sold the show to MCA for \$5 million. Webb got \$2.5 million of this; partners Mike Meshekoff and Stanley Meyer each received \$1,250,000. That's a tidy sum by any standards, but still doesn't approach the zenith of movie star income. Nonetheless, this is the best type of money deal for a TV star—as attested by *I Love Lucy*, which Desi & Lucille parlayed into a TV empire.

This year, for example, Dennis O'Keefe will receive approximately \$100,000 plus 25% ownership of *The Dennis O'Keefe Show*, for starring in 39 of the comedy series.

Peter Lawford is an excellent example of TV's modus operandi, not with his recent *The Thin Man*, in which he owns 25%, but with *Dear Phoebe*, a comedy series he made 4 years ago. Lawford and producer-partner Alex Gottlieb each invested \$12,500 to bankroll the pilot of the series, which found a network sponsor and was lopped off after one year. However, reruns of the series were leased to NBC which stripped them for daytime use, and Lawford, who owned 51%, recently bought out Gottlieb and other partners to gain 100% ownership of the negatives. Lawford is releasing the reruns abroad, but withholding them in the U.S. in order not to conflict with reruns of *Thin Man*. When we asked him how much he had netted on the entire *Dear Phoebe* deal thus far, he capily ducked a flat answer,

replied instead that the series was "extremely profitable."

In a special category is the rash of TV specials, but the high prices paid stars for these one-shots often include production costs & guest talent.

In the straight-salary category, even the better figures don't begin to touch movie salaries. Ward Bond reportedly receives \$5000 an episode for starring in *Wagon Train*; Lloyd Nolan got \$2500 an episode plus 25% ownership on his *SA 7* series; Will Hutchins drew \$22-24,000 last season for starring in *Sugarfoot* at Warner Bros. Raymond Burr, star of CBS's *Perry Mason* series, receives approximately \$100,000 a year for starring in the 60-min. show. His deal also calls for him to be paid a guaranteed income for some years after the show ends production.

Top stars such as Bing Crosby, Frank Sinatra, Jerry Lewis, Dean Martin and Bob Hope usually receive \$200,000-250,000 a show, but must pay production costs from this. They try to arrange reciprocal deals by guesting on each other's shows, a neat way of having a name guest star and keeping costs down.

As for guest appearances and stars in anthology shows, the pay varies depending on the situation, but by movie standards it's not good anywhere. TV's top prestige series, CBS's *Playhouse 90*, has a salary ceiling of \$10,000 and this involves about 2½ weeks work, including rehearsals. *U.S. Steel Hour* has a \$5000 top.

Highest film anthology price is paid on the 60-min. *Desilu Playhouse*, with the top tab being \$10,000 for 2 weeks' work, and on the 30-min. *GE Theatre*, which will pay up to \$10,000 plus 100% ownership of the film for a top star of the stature of Joan Crawford or Jimmy Stewart. (*GE Theatre* is produced by MCA's Revue Productions, and when the stars sell these films to TV for reruns, MCA-TV Film Syndication handles such sales, thus getting a piece of the income for handling distribution.)

Wagon Train's guest price is usually \$5000 for a star, but on occasion it may go to \$7500. Last year *Schlitz Playhouse*, a 30-min. series, had a \$10,000 salary ceiling. Highest guest prices last season were paid on the filmed *Playhouse 90's*, with stars receiving \$25,000. However, there are no plans to film any of this series next season.

Sometimes additional inducements are offered. For example, *Desilu Playhouse* sometimes offers, in addition to salary, \$1000 a run on reruns, and \$10,000 in event the telefilm is released to theaters abroad.

Other series guest-price tops include *June Allyson Theatre*, \$5000; *Twilight Zone*, \$5000; *Dick Powell's Zane Grey Theatre*, \$5000; *Riverboat*, \$5500; *Rawhide*, \$2500; *Alcoa-Goodyear Theatre*, \$5000.

Although the top guest price for live variety shows on the coast is \$10,000, larger prices are paid on N.Y.-originated specials, where June Allyson once got \$50,000 for a performance.

Tops on the live *Dinah Shore Show* is \$10,000 (dropped from \$12,500), and since reruns of a live show are obviously limited, this puts a ceiling on the top stars such a show can sign. Frank Sinatra, who normally would draw much more than \$10,000, appeared on Miss Shore's show twice, once for \$10,000, the other time free as part of a reciprocal deal.

Dizzily trying to meet salaries in a competitive field, TV is also confronted by the fact many an important movie star can't be lured on because the tax structure is such that he might wind up paying his fee in taxes.

Agents grumble that the real problem in telefilm salaries is not so much the money for stars, as the great drop between a star's salary and that of supporting players. The latter can draw \$250-\$1500 a week—when they work.

NEW YORK ROUNDUP

NTA-BBC co-production, *The Third Man* starring Michael Rennie, has junked plans to shoot additional 30-min. film episodes in Britain because "persistent labor trouble was adding 25% to the total cost." With 3 episodes (out of a planned 19) completed at British Lion studios, NTA will shift production back to Hollywood, where 20 episodes have already been done.

Ziv syndicated telefilms attract more than 4 times as many supermarket chains & food product advertisers today as compared to 3 years ago, sales mgr. Len Firestone reports. Food sponsors represent 23% of Ziv's total sales (some 3000 food advertisers in more than 350 U.S. markets). Other industries accounting for major slices of Ziv's total sales are breweries (21%) and tobacco companies (16%).

ITC's *Four Just Men* has been sold in 74 markets "for a gross of \$1 million" since it went on the block 4 weeks ago. Volkswagen (reflecting the import auto's increasing TV-awareness; see Vol. 15:31), Schaefer Beer, the Crosley station group and Standard Oil of Texas have made regional buys of the series. A 40-station line-up on CBC also has been contracted.

ABC Films picked up 17 new stations for *26 Men* in the last 2 weeks. The series is now in 176 markets . . . Ziv's *Bat Masterson* will be launched as a comic strip character in 125 newspapers Sept. 7 by Columbia Features. The daily strip will parallel Masterson's NBC-TV adventures.

Trans-Video Productions Ltd., of which ex-N.Y. TV producer Robert Maxwell is production head, plans to shoot 26 telefilm episodes of *National Velvet*, based on the old MGM movie, in Canada this season, using an all-Canadian cast. No network or syndication deal has been made for the series in the U.S., however.

NTA's package of 160 newly-released 20th Century Fox films has been bought for the CBS-TV o-&o stations in N.Y., Phila., L.A. and Chicago for a total purchase price reportedly near \$6 million. Further film activity at o-&o WCBS-TV involves pre-emption of *The Late Show* Aug. 29 by Schaefer Brewing Co. for the third fully-sponsored *Schaefer Award Theatre*. The local special film will be "Arsenic & Old Lace," with Cary Grant.

Rod Serling, who signed a 3-year contract with CBS-TV last week, joins the list of top creative talent being signed by the networks for next season's "special" sprint. NBC signed Robert Alan Aurthur last June for executive producer duties on the *Sunday Showcase* series . . . Joseph A. Brandt, TV film investment consultant and ex-NTA controller, has opened offices at 250 W. 57th St., N.Y.

Robert M. Fisk, ex-ABC Films mgr. of film operations, has joined Fremantle International, as a supervisor, Latin American sales . . . Lloyd Burns, v.p. & gen. mgr. of Screen Gems Ltd., Toronto, appointed v.p. in chg. of SG international operations . . . Walter Lowendahl, ex-Transfilm executive, has joined Wilding Inc. as an exec. producer in the N.Y. div.

Fremantle International has added Nigeria to its growing list of foreign markets buying American TV programs. A telefilm package sold to Nigeria TV in Ibadan includes *Hopalong Cassidy*, *Animal Parade*, and *Movie Museum*.

Philip Besser promoted from program dir. to production coordinator (East), ITC; Herb Lazarus promoted from sales planning mgr. to sales coordinator.

HOLLYWOOD ROUNDUP

Four Star's June Allyson series had no trouble finding a suitable lead for the hostess-star of the anthology show. It signed her husband—Four Star pres. Dick Powell. His appearance with her in an episode will be the first time they will have been seen together in a picture in 10 years . . . Lenwil Productions will produce Screen Gems' *Stakeout* in partnership with SG . . . George Draine Enterprises are planning a new series, *Assignment 7 Seas*.

Phil Saltzman has been named story editor of *5 Fingers* at 20th-Fox TV . . . Patricia Smith, ex-Screen Gems, ITC, is now story editor of NBC's *Bonanza* series.

John B. Cron, ex-Screen Gems, named pres. of Great American Publications' new subsidiary set up to produce TV film & tape programs . . . William Hillpot and Jack Flax named v.p. for natl. sales and v.p. for syndication sales respectively, Video International.

Producer Jack Chertok has the go-ahead from NBC to produce the 60-min. pilot of *Trace Hunter*—a possible Jan. starter on the network. Chertok's now casting . . . ABC Films will syndicate 39 episodes of *Bandido*, to be filmed by Ron Gordon productions in Mexico.

Production combine of Arthur Gardner, Jules Levy and Arnold Laven (*Captain of Detectives*, *The Rifleman*, *Tales of the Plainsmen*), preparing 3 pilots—*Lariat* (Western), *Miss Penny* (comedy), *Attorney General* (documentary). The last-named may be 30- or 60-min., the others are 30-min. Levy tells us the properties may be ready for Jan. sales. Arthur N. Nadel, ex-McCann-Erickson, has joined the company as associated prod.

Anthony Veiller plans to produce a TV series, *The Adventures of Inspector Chafik of the Baghdad Police*, in London . . . 20th-Fox TV now has 64 writers scripting.

Merger negotiations between Screen Directors Guild in Hollywood and Screen Directors International Guild will resume in N.Y. in 2 weeks. "Complete agreement" has been reached on some points, we were told by Joe Youngerman, exec. director of SDG. In addition, SDG is close to a merger with Radio & TV Directors Guild, which, if successfully concluded, would be the first talent-group merger in TV.

Screen Gems is currently considering a list of potential series for the 1960 season, we're told by production v.p. Harry Ackerman. A possible starter is the Writers Guild of America West anthology, but until WGAW delivers 39 scrips in Sept.—as required by its contract—no decision can be made on that property. Unsold pilots being groomed for possible year-end sales are *The Big Walk*, *The Blandings* and 60-min. *The Fat Man*.

Africa Corp. has been formed by Pete Barnum to film a TV series in South Africa. Ed Love & Eugene Trope are partnered with Barnum in the company . . . PEM Productions, owned by Norman Retchin, plans *Young Man With a Badge*, starring Tommy Cook, as a co-production series with Desilu.

Betty Hutton established some sort of record last week by acquiring her third producer on her *Goldie* series which doesn't debut until the fall. Newest producer, William Harmon, succeeds Stanley Roberts and Frank Baur (Vol. 15:32) . . . Fletcher Markle, ex-CBS-TV producer, has joined Hubbell Robinson Jr. as one of his assistants on the Ford specials . . . Leon Mirell, ex-CBS, has been named head of MGM-TV's business affairs dept., replacing Fred Wile, who remains with MGM-TV in a production position.

Trade Report

AUGUST 17, 1959

TUBE SALES HERALD SPURT IN TV OUTPUT: Manufacturers' optimism about fall TV sales is more than just press-release talk. One of best indicators that it's backed by firm plans is the boom now being enjoyed by the picture-tube industry.

Although first-half factory sales of all picture tubes (including replacements) showed a 17% increase over last year—4,370,535 vs. 3,689,587—production rate is being stepped up even more by all picture-tube manufacturers. And they all say increase is more than seasonal.

TV-set inventories are in excellent shape this year, so there's plenty of pipeline-filling following introduction of new models. But since production schedules have considerable lead time, it's obvious that manufacturers are already counting on good consumer acceptance of 1960 lines.

While tube production capacity may be strained in some instances this fall, most picture-tube manufacturers don't predict any shortages—even if 1959 should turn out to be a 6-million-set year, which now appears more of a possibility than ever.

"The set makers' anticipated schedules are heavier than I've ever seen at any time," one large independent tube manufacturer told us. "Every one of our customers, large & small, is increasing his orders. Some are ordering twice as much as earlier this year. The pipelines seem to be completely dry. The industry is operating at a rate of 6 to 6½ million sets."

Said one of the largest picture-tube makers: "Business is up appreciably this year. The whole tenor of business is very strong—especially since June. But we still can turn out more product if we have to."

Another big manufacturer agreed that business was well up over last year, and said that the confused size-&-shape picture (Vol. 15:32) is his biggest worry. Still another said that orders are very high, but "there's adequate capacity in the industry to handle even more of an increase."

ELECTRONICS 2ND-QUARTER PROFITS UP 29%: Sharing in biggest over-all nationwide profit surge since end of World War II, representative electronics firms enjoyed aggregate 2nd-quarter profits 29% higher than the same 1958 period.

This is indicated by our quarterly comparison of financial statements of 23 firms in various electronics fields. The 29% increment is considerably below the 75.6% rise for 428 U.S. corporations in all fields reported recently by the Wall Street Journal. But on other hand, aggregate electronics profits fell far less during the first-half-1958 recession than did corporate earnings generally (Vol. 15:12), so there's a relatively higher base for 1958 comparison.

Diversified electronics firms, with their heavy concentration of military business, suffered least during 1958 recession—and in our tally their large relative size obscures dimensions of dramatic comebacks made by firms heavily in consumer electronics & components—the consumer group reporting an aggregate 317% increase in profits, components group increasing by 101% in the period.

Here are vital statistics for the 23 "weathervane" electronics firms in 2nd-quarter and first-half 1959 as compared with same 1958 periods:

All electronics groups—aggregate 2nd-quarter sales up 11%, profits up 29%. Total first-half sales up 10%, profits up 27%.

Seven large diversified electronics companies aggregated 8.6% increase in sales for 2nd quarter, accompanied by 21% profit increase. For first half, sales were up 8%, profits up 20%. All 7 showed profit increases for both periods, 6 of the 7 reporting increases in sales in both 2nd quarter & first half.

Seven companies known primarily as TV-radio manufacturers (although some are widely diversified) reported these sales & profit trends for 2nd quarter: Sales up 28%, profits up 317%. For first half, as compared with same 1958 period, sales were up 31%, profits up 326%. One reason for huge profit increases is fact that 3 of the 7 reported losses in first-half 1958, two in 2nd-quarter 1958, and in arriving at 1958 aggregate profits, these loss figures were subtracted from totals. All 7 companies were profitable in both 1959 periods, and every company bested 1958 figures in both sales & profits during the 1959 periods.

Nine component manufacturers aggregated 24% increase in sales, 101% rise in profits over 1958 during 2nd-quarter 1959, with 22% higher sales and 158% more profits during first half.

Companies represented in our tabulation: Diversified group—Daystrom, GE, General Telephone & Electronics (first-half tabulation only), RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse. Consumer electronics group—Admiral, Hoffman, Motorola, Packard-Bell, Philco, Wells-Gardner, Zenith. Components—Erie Resistor (first half only), General Instrument (2nd quarter only), Globe-Union, International Resistance, P. R. Mallory (2nd quarter only), Muter, Oak, Standard Coil (first half only), Tung-Sol. Where only first-half or 2nd-quarter results were used, compatible companion figures weren't available.

Second half of 1959 will show continued gains over 1958, in opinion of nearly all electronics industry leaders, although probably at lower rate of increase—because business had started to come out of recession about this time last year.

TV-RADIO PRODUCTION: EIA statistics for the week ended Aug. 7 (31st week of 1959):

	July 31-Aug. 7	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	121,581	91,507	114,556	3,251,244	2,569,811
Total radio	184,692	191,895	168,196	8,121,616	5,457,483
auto radio	39,219	47,436	42,693	3,195,472	1,711,627

CAPEHART SOLD TO DYNAMIC: The old-line TV-radio-phono name of Capehart is due for a spirited revival early next year as a result of the purchase of the Capehart Corp. by up-&-coming hi-fi manufacturer Dynamic Electronics-New York Inc. The company was purchased from Benjamin & Robert Gross, who had acquired it from ITT in 1956 (Vol. 12:18-20, 24). ITT, in turn, had bought the ailing Capehart-Farnsworth Corp. in 1949, still operates the remaining Farnsworth Electronics Co. as part of its Federal Radio & Telephone div.

Dynamic purchased the stock & all trademarks and rights to the name Capehart, including the Capehart Corp. and Capehart International Corp. It plans to bring out a complete line of Capehart hi fi—both packaged & component systems—next January. The line will include complete TV combinations (with stereo phono & stereo AM-FM). Pres. Jack M. Winer told us the company will now emphasize the Capehart line, maintaining the Dynamic trademark for a secondary line. He said his company currently is "interested in TV only in conjunction with stereo," has no thought at present of making TV-only models.

Capehart products will be made in the Dynamic plant at Richmond Hill, Long Island. Dynamic inherits no new manufacturing facilities in the transaction. Capehart's recent hi-fi lines had been produced in England, and its small TV output made by U.S. private-label manufacturers. Dynamic originally operated a chain of appliance stores, which was discontinued in 1952 when the firm went into the electronics manufacturing business. In addition to its hi-fi business—50% of which is private-label for department & furniture stores—Dynamic is engaged in military & industrial electronics production. It also is a large producer of TV accessories such as indoor antennas. A recent expansion increased its plant area to 125,000 sq. ft.

Winer told a stockholders meeting last week that the Dynamic hi-fi line, which now is priced from \$179 to \$495, will eventually be realigned to the \$250-&-less bracket, with the Capehart line beginning at \$250. Capehart sets will be distributed on a direct-to-dealer basis.

For the year ended March 31, 1959, Dynamic reported total revenues of \$3,132,653, net income of \$225,834, as opposed to \$1,389,683 in revenues and \$83,606 in net profit for the fiscal year ending in 1958.

EMERSON IN JAPAN DEAL: Add the name of Emerson to the growing list of U.S. radio manufacturers selling Japanese-made transistor portables. Pres. Benjamin Abrams has signed an agreement with Standard Radio Corp. of Japan for 100,000 radios to be sold to Emerson's international div. Abrams told us that at least some of the sets will be sold overseas, and others may be sold in the U.S., "but not under the Emerson or Du Mont label."

GE, meanwhile, is preparing to market a new shirt-pocket 6-transistor radio using some Japanese components. A GE official told us that the set uses Japanese parts (including the speaker) in sizes & designs which are unavailable in the U.S. The set—"designed, engineered and manufactured in GE's Utica, N.Y., radio plant"—will list at \$34.95. Shipments will begin next month.

Other U.S. set manufacturers now buying Japanese radios and/or radio components include RCA (buying only for resale in overseas markets, at least for the time being), Motorola, CBS's Columbia phono. dept., Olympic. All other radio makers are surveying the situation carefully, and most now have representatives stationed in Japan looking over the field. Undoubtedly, other not-yet-publicized deals have already been concluded.

If Emerson does market Japanese sets in U.S. under a new trade name, it may well establish a new have-your-cake-&-eat-it trend toward dual radio lines—a simon-pure, made-in-U.S. line and a secondary line to compete with other Japanese-made radios. The move is reminiscent of Philco's old lower-priced (but American-made) Transitone table-model line, which, in pre-TV days, competed with off-brand sets.

Bucking Japanese-made sets, Admiral is readying a new low-priced 7-transistor set designed to "out-Japanese the Japanese." Using all American-made components, Admiral is understood to be planning to offer it at a "price better than any Japanese set."

Miniaturization project started last year by RCA under a \$5 million Signal Corps program will be expanded under a new \$2.38 million contract. With the initial micro-module project approaching an automated production stage, the new electronic-equipment agreement with the Signal Corps provides for development & use of a wider variety of micro-elements.

Semiconductor Picture Tube? A combination of the properties of the transistor & the electron tube may some day lead to a simplified TV picture tube in which heater & cathode are replaced by a small semiconductor crystal, consuming a negligible amount of power. So say Westinghouse scientists—who add that it all depends on whether they can make practical use of a new effect they have found in semiconductors.

A recent discovery—that a constant flow of electrons can be obtained directly out of the surface of certain semiconductor materials—has spurred researchers to determine how to use this electron-emitting property to substitute unheated semiconductors for heated cathodes in tubes. One semiconductor which yields this flow of electrons—silicon carbide—provides an electron density equal to that in the average tube.

Says Westinghouse research director Dr. Clarence Zener: "One can visualize a tube in which the usual heated cathode is replaced by a small semiconductor crystal having a built-in 'junction' like a transistor. The crystal would consume a negligible amount of power and would yield electrons instantly & indefinitely when a small electric voltage is applied across it, [combining] into a single operating unit many of the inherent advantages of both semiconductors & vacuum tubes."

He says electron emission from silicon carbide produces currents up to one millionth of an ampere—a density of electron flow "quite comparable to that from the cathode of a typical vacuum tube." Adds Dr. Zener: "It is particularly interesting that this perfectly adequate flow of electrons originates from a tiny, pinpoint source. Such a source would have many advantages in the construction of complicated tubes. It would simplify focusing of the electron beam and eliminate much of the complicated tube construction now employed for this purpose."

Mislabeled TV cabinets, fashioned from simulated materials but advertised as hardwood, are causing "a large number of complaints" from consumers, FTC Chairman Earl W. Kintner reported last week. Testifying at a Senate Commerce Committee hearing on a bill (S-1787) by Sens. Capehart (R-Ind.) & Hartke (D-Ind.) prohibiting misbranding of furniture, Kintner said existing law "is inadequate so far as protecting the consumer at the retail level." But he declined to take a stand on the Capehart-Hartke measure or on a similar House bill (HR-5778) introduced by Rep. Bray (R-Ind.) in March (Vol. 15:13). Congress should make up its own mind whether new legislation is needed, Kintner said.

New co-op ad plan calling on manufacturers to give dealers more flexibility in promotion of their own stores was drafted by NARDA's board of directors last week in Washington at its 5th annual management clinic. Details of the plan will be submitted at NARDA's marketing convention next Jan. in Chicago.

Conrac Inc. plant No. 2 at Glendora, Cal., housing assembly lines for Fleetwood TV receivers and broadcast & industrial monitors, was destroyed by fire Aug. 11. Rebuilding within 3 months is planned.

Emerson ad campaign for 1960 TV-radio-stereo lines will embrace large newspaper ads in 100 key distributor markets, and 24-sheet outdoor posters nationally, via agency Friend-Reiss.

New addition to Hoffman TV line: Saddle-stitched leather-bound portable at \$240.

Admiral Booming, Too: To the upbeat statements of TV manufacturers quoted last week (Vol. 15:32), add this report from Admiral pres. Ross Siragusa: The company's current backlog of orders totals \$80 million, 33% higher than the \$60 million outstanding at this time last year. (Consumer products comprise 90% of Admiral's business, the remainder being military & industrial electronics.)

The firm's TV production is now running at a rate 50% higher than last year, and Admiral's Harvard, Ill., plant is on a 6-day 2-shift basis, with 8 production lines in operation. Siragusa attributes the TV upturn to the 23-in. picture tube and new portables with remote tuning.

Admiral will show its new line of color sets to distributors next week. The sets, which feature front tuning, will start at \$595 (RCA's lowest price is \$495), with 5 basic models available in a variety of finishes.

* * *

Olympic TV-radio sales last month set a record for July, pres. Morris Sobin announced last week. During July, he said, TV sales were up 44%, stereo up 216% and radio sales up 123% over July 1958. "We have the largest August backlog of TV in company history—some 300% above August last year," he added.

"What's Wrong With Color TV?" asks NARDA chairman Mort Farr in his column in the Aug. *Electrical Merchandising*. The Upper Darby, Pa., retailer, who has made a big success in color-TV sales, gives these answers: (1) Not enough set makers in the act. (2) Anti-color-TV attitude of some manufacturers, service technicians and retail salesmen—including some RCA dealers. (3) Some dealers' "fear of all high-ticket items." Nevertheless, says Farr, in Dec., his color-TV gross amounted to 40% of his total TV-stereo-appliance volume. "More important, this business was done at a profit, and every sale included the sale of a service contract." As for prices, he says: "The boat industry doesn't hesitate to ask thousands of dollars for their product, and \$500 isn't too high to ask for an outboard motor. The auto industry adds \$600 to \$800 in extras to the price of every car and our customers gladly pay it. The price of color TV is not too high; we are just selling our b&w sets too cheaply."

New Sylvania transistor plant will be established in a 25,000-sq. ft. building at Manchester, N.H., formerly occupied by Arrow Needle Co. The newly purchased one-story plant, on a 10-acre site, will employ 800 to 1000 after manufacturing operations begin early next year. Robert M. Wood, mgr. of Sylvania's Woburn, Mass., plant, will be mgr. of the new facility. Sylvania semiconductor div. v.p.-gen. mgr. Dr. William J. Pietenpol, in announcing the purchase, predicted that transistor sales will increase fivefold from this year's anticipated 91 million units at more than \$231 million to an annual rate of about 409 million at \$396 million in the next 5 years.

Minnesota Mining's on a slow boat to Japan. Its Jan.-filed joint application with 14 Nippon firms to form a \$1.5-million subsidiary for producing magnetic recording tape among other products is still being studied by the Japanese govt., reports Aug. *Fortune*. "The original application proposed a 50-50 capital split between Minnesota & its Japanese partners, with 3M receiving a 10% royalty payment for its knowhow," says *Fortune*. "But the Japanese govt. feels that Minnesota should have only a 15% interest in the company so it won't 'dominate the Japanese market.'"

Latest edition of GE's tube handbook, *Essential Characteristics*, features specifications of 1392 receiving & special-purpose types and 399 TV picture tubes.

EIA's Program Promotion: Better-than-ever TV shows are in store for viewers in the upcoming season, EIA exec. v.p. James D. Secrest assured nearly 40,000 set dealers in kicking off the manufacturers' precedent-making program-plugging campaign (Vol. 15:30) last week.

In a special letter to the dealers, accompanying promotional kits for the Aug. 15-Sept. 15 set-selling drive ("Coming—The Finest Shows of All on TV This Fall"), Secrest said many families will "want to purchase new receivers and many thousands of others will want to buy 2nd sets to use in other rooms."

"All TV manufacturers who are members of the Assn. [every major set maker except non-member Admiral] are supporting this program, and you can count on a great deal of assistance from your broadcasting stations," Secrest told the dealers. He said the campaign—backed by NAB & NARDA as well as EIA—should "improve substantially your profit opportunities this fall."

Motorola enters hearing-aid business through the purchase of the Dahlberg Co., privately-owned Minneapolis manufacturer of hearing aids & hospital communications systems. Present owners Kenneth H. & Arnold R. Dahlberg will be paid an undisclosed amount of Motorola stock in exchange for both Dahlberg Co. and Dahlberg Inc., sales subsidiary. Motorola pres. Robert W. Galvin said executives and other personnel of Dahlberg will be retained. Dahlberg's 1958 sales totaled nearly \$5000. It employs 220 in a 40,000-sq. ft. plant near Minneapolis.

Technical knowhow from Europe is disseminated monthly by English-language *European Technical Digests*, summarizing noteworthy articles culled from more than 1000 European technical publications. It's published by intergovernmental European Productivity Agency of the Organization for European Economic Cooperation. Information & subscriptions (6 months \$6, one year \$12) are available from the OEEC Mission, publications office (suite 1223), 1346 Connecticut Ave., N.W., Washington 6.

Closed-circuit "tour" of Sylvania's Altoona tube plant was taken by a group of IBM & Sylvania executives meeting at N.Y.'s Savoy Hilton Hotel last week. Purpose of the meeting was to demonstrate improvements in design & manufacture of tubes. The video-taped plant tour, handled by Theatre Network TV, will also be shown to other industry groups.

Motorola's new TV camera line (Vol. 15:32) will include 4 industrial-TV units and one view-finder camera designed for studio & educational use. Two monitors, 14- & 21-in., will also be offered. Due to go on sale in late fall, the cameras & associated equipment will be handled by the company's communications & industrial electronics div.

Research advisory committee, comprising scientists from 3 universities, has been named by Westinghouse to counsel top management on matters of basic research. Its members: Dr. Cyril Stanley Smith, professor of metallurgy, U. of Chicago; Dr. J. A. Stratton, pres., MIT; Dr. J. C. Warner, pres., Carnegie Institute of Technology.

Four new ceramic receiving tubes have been introduced by GE: type 7266, a high frequency diode; type 7486, a triode for uhf oscillator & Class C power amplifier; type 7462, a print-board version of the type 7077 high-mu uhf triode; and type 7296, a high-mu triode for vhf & low uhf oscillator, mixer or amplifier service.

Raytheon has received a \$90,000 Air Force contract for an initial study on conversion of microwave energy into heat energy to keep sky stations hovering above the earth.

Trade Personals: Dr. Kenneth G. McKay appointed systems engineering v.p., Bell Labs . . . Kenneth A. Waldron, ex-GE, named govt. sales mgr., CBS Electronics; Howard P. Munday, ex-CBS Labs personnel mgr., named CBS Electronics supervisor of personnel, Danvers headquarters.

David G. Christie promoted from wage & salary administration mgr., Sylvania Electric's industrial relations, to industrial relations dir.; Joseph D. Kenrick promoted from tax dept. asst. mgr. to mgr.; J. Marshall Smith promoted from Sylvania's fluorescent plant manufacturing superintendent to metal base plant mgr. . . . Robert F. Schulz, ex-Motorola, and former Sylvania reconnaissance systems lab mgr., promoted to special programs mgr., Sylvania Mountain View, Cal., operations, succeeded as lab mgr. by Paul O. Engelder, promoted from electronic defense lab technical liaison dept. mgr.; Alden L. Hart promoted from field engineer to research & development sales mgr., Sylvania special tube operations; George Emerson named Sylvania Home Electronics Seattle district sales mgr., covering Washington, Utah and Montana.

Albert C. Handschumacher, ex-Rheem v.p., rejoins Lear as pres., succeeding James L. Anast, resigned. Handschumacher had been a Lear senior v.p. prior to joining Rheem . . . Carl Schladen promoted to Orr Industries manufacturing div. mgr. . . . Wood T. Henry joins Motorola's Washington office as regional representative in military electronics div. . . . F. Swift Gibson promoted from sub-contract coordinator, Raytheon govt. equipment div., to div. purchasing agent; John E. Gagnon appointed Raytheon employee relations dir.

Raymond F. Wulfe, ex-Douglas Aircraft Co., named dir. of Telechrome Mfg. Corp.'s new southwestern engineering div. office, Dallas . . . Harry Laur appointed to head Texas Instruments' new regional personnel office in Elizabeth, N.J. . . . Alfred H. Chatten appointed gen. mgr., Philco Distributors Inc., N.Y. . . . Warren C. Dunn named mktg. mgr., Stromberg-Carlson-San Diego . . . Dr. Francis B. Silsbee has retired as chief of National Bureau of Standards electricity & electronics div. after 48 years with the Bureau.

Max F. Balcom, former Sylvania chairman and now director & consultant, renamed chairman of EIA's legislative policy committee; J. A. (Shine) Milling, pres. of Howard W. Sams & Co., reappointed chairman of EIA distributor relations committee.

Allan W. Greene, former v.p. of Detroit Harvester Co., named Heath Co. pres. . . . Ross E. Hupp, former owner-mgr. of Hupp Instrumentation Co. (acquired by Erie Resistor in 1958, and renamed Erie Pacific), named Erie Pacific gen. mgr. . . . Leo E. Williams, *Home Furnishings Daily* adv. dir. since its first issue in 1931, resigns as of Jan. 30, 1960, assuming the post of special adviser to Fairchild Publications . . . Arthur Glenn Jean, chief of National Bureau of Standards' low frequency-very low frequency research section, and Jack A. Kemper, asst. chief, cited by Commerce Dept. for meritorious service awards.

Philco-MGM Records tie-in, announced last week: All MGM Records distributors have been franchised to handle Philco radios & portable phonos. Philco marketing v.p. Henry E. Bowes said the distributors will primarily service the 8000 record stores in the U.S.—a market "handling an increasing share of the radio business each year."

Another transistor price-cut has been announced by Raytheon. Nine types used in commercial equipment were reduced 11% to 20%, with an average reduction of 85¢. Ten military types were cut 21% to 36%, the average reduction being \$2.25.

Three-beam picture tube, developed by Multi-Tron Lab, Westchester, Ill., is headed for the market this fall, says pres. Nicholas Glyptis. Under development for 6 years, the b&w tube contains a special electron gun which splits the electron stream into 3 beams, resulting in a sharper spot with clearer picture & greater contrast, according to Glyptis. He says the tube will be introduced this fall on the replacement market at a price comparable to brand-name tubes—\$19 to distributors in 21-in. size. Some industry engineers have expressed skepticism about the production possibilities of the tube, but Glyptis claims he's negotiating with other tube firms interested in licenses.

Finance

CBS Sales & Earnings Up: For first-half 1959 both sales & earnings increased for CBS by 6% compared with the corresponding 1958 periods, chmn. William S. Paley & pres. Frank Stanton reported last week. For 6 months ended June 30:

	1959	1958
Net sales	\$215,089,500	\$201,433,378
Net income	13,318,871	12,521,556
Earned per share	1.64	1.59
Shares outstanding	8,129,481	7,881,400

Magnavox sales for 3 months ended June 30, last quarter of the fiscal year, totaled \$23,448,000, and were 75% higher than the \$13,383,000 for the same period last year, pres. Frank Freimann announced. "We are forecasting sales in the first fiscal half at about 40% above the \$44.2 million recorded in the 6 months ended Dec. 31, 1958," he said, predicting an 80% increase in military sales, 20% in consumer products. He said the company hopes to establish a 25¢ quarterly dividend policy following the upcoming 2-for-1 stock split (Vol. 15:32), equivalent to a \$2 annual rate on present shares (present rate is \$1.50).

Howard W. Sams & Co., technical publisher, announced plans to merge 3 Sams companies—Howard W. Sams, Waldemar Press and The Howard Co.—into one firm under the corporate name of Howard W. Sams & Co., subject to stockholders' approval Aug. 18. Bobbs Merrill Co. will remain a subsidiary. Pres. Howard W. Sams announced that sales & earnings of all 3 companies are at an all-time high, net sales totaling \$5,202,098 for the year ended June 30 vs. \$4,430,878 for the same period last year.

Trav-Ler Radio Corp. sales for the first fiscal quarter ended July 30 totaled about \$5.2 million, 86% above the \$2.8 million reported in the same quarter last year, pres. Joe Friedman told the annual meeting in Chicago. He predicted \$11-\$12 million in sales for the first fiscal half, compared with \$7.8 million in the year-ago period. Stockholders approved an increase in authorized common shares to 2 million from 1 million shares. Friedman said the company had no present plans to issue new shares, but the increase may be used for expansions or acquisitions.

RCA chairman David Sarnoff sold 10,000 shares of his company's common stock in July, he reported to SEC last week in a regular accounting of transactions required of corporation officers & directors. Most of the shares were sold in dribbles, but he disposed of 5,000 July 21, when RCA stock closed at 67½—off ¼. In July RCA stock was quoted at 70½ high, 65¼ low, 66¼ last.

Stromberg-Carlson div. is having its best year, and its sales volume has doubled since General Dynamics took it over 3½ years ago, General Dynamics chmn. Frank Pace Jr. told the N.Y. Society of Security Analysts last week.

ITT reports higher first-half & 2nd-quarter sales & earnings. For 6 months ended June 30 (1958 per-share earnings adjusted to reflect 2-for-1 stock split):

	1959	1958
Net sales	\$331,141,811	\$298,380,325
Net income	14,015,737	12,346,828
Earned per share	93¢	86¢
Average capital shares ..	15,120,671	14,353,368
For 3 months ended June 30:		
Net sales	\$174,116,109	\$155,555,447
Net income	7,628,622	6,320,635
Earned per share	50¢	44¢

Siegler Corp. reports record sales & earnings for the fiscal year ended June 30. Pres. John Brooks said that the current quarter, which ends Sept. 30, is running ahead of last year in both profits & sales. He added that Siegler, which is the parent of Olympic Radio and Bogen-Presto, "is in various stages of negotiations with 6 different companies aiming toward major acquisition." Siegler's report for the year ended June 30:

	1959	1958
Sales	\$77,074,442	\$72,955,449
Net income	2,203,022	1,215,930
Earned per share	1.36	80¢
Shares outstanding	1,624,815	1,514,968

General Precision Equipment Corp. reports substantial sales & profits gains for 6-month & 3-month periods to June 30. Its June 30 backlog totaled \$206 million, \$28 million higher than March 31 and \$38 million over the Dec. 31 figure. For the half-year ended June 30:

	1959	1958
Net sales	\$102,301,439	\$85,440,928
Net income	2,063,121	754,934
Earned per share	1.34	16¢

Philips Electronics Inc., due to be merged into Consolidated Electronics Industries (Vol. 15:30), reports for 6 months ended June 30:

	1959	1958
Net sales	\$9,917,648	\$6,816,203
Net income	1,058,676	390,853
Earned per share	1.17	43¢
Shares outstanding	899,272	896,872

Consolidated Electronics Industries Corp. reports for 9 months ended June 30:

	1959	1958
Net sales	\$21,106,213	\$19,930,010
Net income	1,226,079	1,055,885
Earned per share	1.56	1.34
Shares outstanding	787,500	787,500

Amphenol-Borg Electronics reports increased sales & earnings for 6 months ended June 30:

	1959	1958
Net sales	\$27,923,936	\$22,413,703
Net income	1,303,224	990,913
Earned per share	1.12	85¢

Standard Coil reports strong upswing in sales & earnings for 6 months ended June 30:

	1959	1958
Consolidated sales	\$35,221,567	\$29,049,520
Net income	639,703	24,844
Earned per share	34¢	2¢
Shares outstanding	1,904,779	1,470,000

Erie Resistor Corp. reports slightly lower profit on increased sales volume for 24 weeks ended June 14:

	1959	1958
Net sales	\$10,579,110	\$9,384,450
Net income	190,413	207,237
Earned per share	20¢	22¢

Public offering of 206,500 shares of common stock of Television Shares Management Corp. is being made at \$25.50 a share by a group headed by White, Weld & Co. The shares are being sold for stockholders, none of the proceeds accruing to the company. Television Shares Management is sales agent & service company for Television-Electronics Fund Inc., big open-end investment company.

Hoffman Net & Sales Up: Hoffman Electronics' 6-month net earnings increased 34% and its sales increased 20% compared with first-half 1958. For the 2nd quarter, earnings were up 48% and sales were up 27%. Pres. H. Leslie Hoffman announced that sales of the semiconductor div. were approximately \$5 million for the 6 months vs. \$5,751,000 for all of 1958. The laboratories div. (military & space projects) reported an undelivered backlog of some \$75.5 million June 30 vs. \$25.2 million a year earlier. Contract schedules call for delivery of \$67 million of this backlog by the end of 1960. For 6 months ended June 30 (per-share earnings adjusted to reflect 100% stock distribution June 26):

	1959	1958
Sales	\$22,345,189	\$18,573,513
Net earnings	1,111,705	831,747
Earned per share	74¢	56¢
Shares outstanding	1,506,022	1,475,756
For 3 months ended June 30:		
Sales	\$10,912,712	\$8,613,449
Net earnings	585,432	396,529
Earned per share	38¢	26¢

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
CBS	—	\$0.30	Sep. 11	Aug. 28
Hoffman Electronics ..	Q	.15	Sep. 30	Sep. 11
Indiana Steel Products	Q	.30	Sep. 10	Aug. 19
I-T-E Circuit Breaker.	Q	.45	Sep. 1	Aug. 14
Lear Inc.	—	.10	Sep. 1	Aug. 14

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STATION EARNINGS REPORTS: Three more TV-radio broadcasting corporations have reported first-half sales & earnings to their stockholders (see also Wometco Enterprises and Taft Bestg., Vol. 15:31). Two of them report declines in net income for the 6-month period.

Storer Bestg. Corp., whose profit figures were printed here earlier (Vol. 15:30), told its stockholders in an interim report that its TV-station revenues increased 6.8% and radio revenues increased 11.5% over first-half 1958, and that "all bank loans & other long-term obligations have been paid in full." Included in the 2nd-quarter & first-half 1959 net income figures is a net gain of \$582,417 on the sale of radio WAGA Atlanta. Billings figures were not disclosed. Storer's report for first 6 months:

	1959	1958
Income before capital gain .	\$4,608,912	\$3,740,660
Net income	2,714,549	1,729,620
Earned per share.....	1.10	70¢
Shares outstanding	2,474,750	2,474,750
For 3 months ended June 30:		
Income before capital gain .	\$2,346,429	\$2,092,406
Net income	1,690,366	978,416
Earned per share	68¢	40¢

WJR, The Goodwill Station Inc. (WJRT Flint & radio WJR Detroit) reported lower profit on increased sales for the first half, as compared with 1958's same 6-month period. But pres. John F. Patt said sales for June 1959 totaled \$319,959 vs. \$261,886 in June 1958, and "we are ahead of our earlier projections for this period because of the surge of business for WJR radio in the last 2 months since we severed our association with the [CBS] network." First-quarter results, he said, "were not promising due to depressed economic conditions and work stoppages in Detroit & Michigan." He predicted a stronger showing in the 2nd half because of the area's economic recovery.

Lower earnings were due to "the heavy costs incident to inaugurating our elaborate TV service," he declared. "We anticipate healthy sales & profitable operations for our TV station in the 4th quarter of this year," with 1959 as a whole "a little better than last year." For 6 months ended June 30:

	1959	1958
Sales	\$1,966,867	\$1,660,868
Net profit	134,284	196,341
Earned per share	22¢	32¢

Gross Telecasting Inc. (WJIM-TV & WJIM Lansing) reports decline in revenues & net income for the half-year ended June 30.

	1959	1958
Operating revenue	\$1,261,601	\$1,372,402
Other income	30,058	32,420
Net income	304,431	357,420

Buckeye Corp.'s diversification into TV film commercials (Transfilm Inc.) and telefilm production & distribution (Pyramid Productions; Flamingo Telefilm Sales) seems to be paying off. Buckeye's total gross (including its poultry equipment & outdoor sporting goods sales) was \$11,877,401 for the year ended April 30, an increase of over 100% as compared with the preceding year. Net income after taxes was \$190,052 vs. \$85,827 a year before.

Reports & comments available: Television Shares Management Corp., prospectus, White, Weld & Co., 20 Broad St., N.Y. 5 . . . Hudson Radio & TV Corp., prospectus, J. A. Winston & Co., 11 Broadway, N.Y. 4 . . . GE, pamphlet Bache & Co., 36 Wall St., N.Y. 5 . . . Beckman Instruments report, Eastman, Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Gray Mfg. Co., report, Parrish & Co., 40 Wall St., N.Y. 5 . . . Laboratory for Electronics, analysis Gregory & Sons, 72 Wall St., N.Y. 5.

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SUMMARY-INDEX OF WEEK'S NEWS

Congress

EQUAL-TIME VICTORY WON by TV & radio as House follows Senate in reversing FCC's Lar Daly rule. But broadcasters still face political trouble (pp. 1 & 3).

BLACKOUT THREAT LIFTED from baseball TV as bi-partisan Senate team lines up behind Kefauver sports bill covering only football, basketball, hockey (p. 2).

HOUSE QUIZ SHOW is still unset, although Rep. Harris (D-Ark.) and his oversighters may decide to stage fall hearings on last year's TV program scandals (p. 4).

FCC "REFORMS" APPROVED by Senate, which passes 6 of 7 Commission-endorsed procedural & housekeeping bills, including one cutting "protest" red tape (p. 4).

Networks

INSIDE CBS: Cowan & Katz map plans for 1960; prepare to pick daytime v.p.; talk about trends & "specials" (p. 5).

WHEN MANHATTAN'S LIGHTS went out last week, networks & stations rose quickly to the occasion (p. 6).

Stations

CANADIAN TV POTPOURRI is stewing vigorously with pre-application scramblings for licenses and agitation over proposed 55% Canadian-content programming edict (p. 7).

20TH CENTURY-FOX TV PAYS \$3.5 MILLION for KMSP-TV Minneapolis in deal with NTA. It's firm's initial venture into station ownership (p. 7).

Manufacturing & Distribution

GE EXPLORING TUNNEL-DIODE TV for battery portable. Labs developing possible circuits in which new semiconductor replaces transistor. Engineers silent on possibilities (p. 15).

BULLISH FORECASTS OF TV SALES for 1959 from industry leaders & Govt. now place volume at 6 million sets or higher, against background of healthy sales pace (pp. 15 & 16).

JAPANESE TRANSISTOR FLOOD may result as Cornell-Dubilier becomes exclusive U.S.-Canada distributor for Toshiba transistors, and plans to import some 25 million units in 12 months (p. 17).

Advertising

HOW SPECIAL IS A SPECIAL? About one out of 2 network specials draws a rating that's actually lower than that of the regular show being pre-empted, a Nielson study shows (p. 12).

Programming

TV's MOVIE SITUATION: independents beginning to see shortage ahead; with the o&o's, which own big backlogs, it's another matter—for the time being (pp. 2 & 10).

Film & Tape

7-LEAGUE TAPE BOOTS donned by producers today call for a world map to keep track of planned productions that range in locale from Bermuda to Moscow (p. 13).

Other Departments

FCC (p. 4). **EDUCATIONAL TV** (p. 9). **FOREIGN** (p. 19). **AUXILIARY SERVICES** (p. 20).

LAR DALY DOWNED, BUT HE'LL HAUNT STATIONS: Victory for broadcasters in their 6-month battle to overturn FCC's Lar Daly doctrine was at hand last week following House passage of its bill exempting "bona fide" news shows from Communications Act's political equal-time requirements (see p. 3).

But still unsettled are many nettlesome issues of broadcast news policy which nuisance-maker Daly stirred up. No matter what final House-Senate conference version of Sec. 315 amendments is written into law, industry is in for long period of suspicion, challenge and questioning by Congress.

Pre-Lar Daly newscast days may never come again. There's no chance now that legislation will repair Communications Act to point where broadcasters will risk equal-time harassments only when candidates make campaign speeches over their facilities—which was relatively happy condition for stations for 25 years before FCC handed down its newscast dictum in Feb. Thanks to Daly, repeal of Sec. 315 probably is farther away than ever.

Threats of new Congressional probes of much-investigated TV & radio were heard in House even as it gave broadcasters vote of confidence that they won't play politics with Sec. 315-exempted news shows.

Debate on House bill included such questions as these: (1) When are newscasts not newscasts? (2) Don't Republican publishers manipulate news policies of stations they own—and don't newspapers control too many of them? (3) Don't networks discriminate against Democrats? (4) Aren't broadcasters chronically guilty of slanting news? (5) Are station owners qualified to air editorial opinions on public issues?

House expressions of lack of trust in broadcasters more than matched those which characterized equal-time debate in Senate when it approved Sec. 315 amendments last month (Vol. 15:31). Lar Daly may be licked, but his jeers will echo for long time to come.

BLACKOUT THREAT LIFTED FROM BASEBALL TV: One of broadcasters' bigger legislative bugaboos—chance that Congress will give major baseball clubs unrestricted power to order TV blackouts of games (Vol. 15:33)—virtually has been eliminated for this year, at least.

Big league promoters & Congressional baseball enthusiasts won't give up fight to take all professional sports out from under anti-trust laws, thereby permitting club owners to cut off telecasts at will. But baseball blackout advocates were nearly struck out in this session by powerful bi-partisan Senate team which took to the field last week.

Baseball was ignored entirely in new sports bill (S-2545) exempting pro football, basketball & hockey from some applications of anti-monopoly law. Quickly supported by dozen other Senators, measure was introduced by Chairman Kefauver (D-Tenn.) of Judiciary anti-trust & monopoly subcommittee, who held hearings on subject (Vol. 15:31-32). He said his subcommittee couldn't agree on any overall bill which covers baseball, that new proposals were intended only to bring other 3 sports in line with monopoly immunities already held by baseball in such practices as player contracts, etc.

* * * *

Kefauver abandoned his own baseball brownout bill (S-886) which would have permitted "reasonably necessary" restrictions on telecasts of major games to protect minor-league gates. Joining with him in sponsoring new measure were Sens. Dirksen (R-Ill.) & Hennings (D-Mo.), who originally were co-sponsors with Sen. Keating (R-N.Y.) of much broader baseball TV blackout bill (S-616). Others lining up with Kefauver included Sens. Murray (D-Mont.), Bridges (R-N.H.), Randolph (D-W.Va.), McCarthy (D-Minn.), Kuchel (R-Cal.), Mundt (R-S.D.), Jackson (D-Wash.), Saltonstall (D-Mass.), Humphrey (D-Minn.). Their enlistment with Kefauver left Keating standing almost alone as baseball's do-or-die champion in Senate.

Limited control of telecasts of pro football, basketball & hockey still would be permitted in new Kefauver measure. It would legalize rules enabling a team to ban other game telecasts within 75 miles of its home community on its regularly scheduled game day. It also would permit 2-team splits of TV revenue from such telecasts. But new bill poses no such TV threat as Keating's measure. Baseball blackouts authorized by it could deprive 44 million viewers of chance to see games, according to NAB pres. Harold E. Fellows (Vol. 15:31).

Broadcasters haven't won game for sure, however. Blanket TV blackouts of baseball still are specified in half-dozen House bills which will get hearings Sept. 2-3 before House Judiciary anti-trust subcommittee headed by Rep. Celler (D-N.Y.). More than dozen broadcasters already are lined up to testify against them. But Celler himself opposes giving such carte blanche to club owners, and it will take revolt in subcommittee to overwhelm him. Safe bet: No baseball blackout bill will get to first base this year.

TV's MOVIE SITUATION: Although they began running on TV 10 years ago, Hollywood's old movies have held up surprisingly well, defying prognosticators who kept saying the supply would run out. However, a check of the 7-station Los Angeles market reveals some independents are beginning to feel the pinch and they expect an acute shortage of oldies in a year or 2. Situation is better at network outlets, because (1) they don't run movies in prime time; and (2) they have the cash to buy up major studio pre-1948 backlogs. Network o&o's expect no shortage for 6 or 7 years, figure that by then Hollywood's 2,500 post-1948's will be on the market.

Big question-mark in the whole picture is—what will replace the old movies when the supply is depleted? Answers evoke a variety of conjecture. Some believe 60-min. telefilms now being made for networks may be answer. Others expect tape to fill the gap. (See p. 10.)

Congress

More about

EQUAL-TIME VICTORY: After noisy debate over broadcasters' integrity & competence as newsmen (see p. 1), the House last week joined the Senate in reversing FCC's decision that newscasts are subject to political equal-time demands under Sec. 315 of the Communications Act.

With little vocal dissent in an unrecorded voice vote, the House passed unchanged a bill (HR-7985) by Commerce Committee Chairman Harris (D-Ark.) to exempt "bona fide" news shows from the law's requirements. One floor amendment was withdrawn, another defeated. Then the House substituted its language for that in the bill (S-2424) passed by the Senate and sent the measure into conference with the Senate.

Quick House-Senate agreement on final terms of Sec. 315 amendments—possibly in time to clear them to the White House this week for President Eisenhower's signature—was expected by Harris & Chairman Pastore (D-R.I.) of the Senate Commerce communications subcommittee. They head the conferees. Harris said differences between the 2 measures aren't "of major proportion." Author of the Senate bill, Pastore said the House measure "is much more restrictive [but we can] resolve the differences."

The House-Senate compromise probably will look more like the Harris bill than the Pastore bill. House & Senate objectives in overruling FCC's Lar Daly ruling are the same: To free legitimate news shows from Sec. 315 requirements (as interpreted by FCC) that a candidate's appearance entitles his opponents to equal time. But there's more language in the Senate version—and more latitude for newscasters.

Principal differences in House & Senate measures: The Pastore bill includes news documentaries among exempt programs, has a tacked-on admonition to broadcasters to observe "the public interest" in handling controversies, and provides for Congressional & FCC reviews of Sec. 315.

The Harris bill, stripped down by his committee before it reached the floor (Vol. 15:30), limits exemptions to "bona fide" newscasts, news interviews and on-the-spot coverage of such events as political conventions. Neither measure exempts panel shows, although Harris said panels & documentaries could come under his bill's exemptions—an interpretation hotly disputed on the floor by Rep. Moss (D-Cal.), a top-ranking Commerce Committee member.

Rep. O'Hara (D-Ill.) offered a floor amendment instructing FCC to hold station licensees "to a strict accountability" for their news operations. But he withdrew it when Harris objected on grounds that "the Communications Act itself makes that requirement."

Another amendment proposed by Rep. Coad (D-Ia.) would have opened up equal-time opportunities to any "representative of any political or legislative philosophy" as well as to candidates whose opponents used station facilities for campaign speeches. The House voted it down.

Commerce Committee members Mack (D-Ill.) & Hempbill (D-S.C.) argued that the bill should provide definitions of "qualified" candidates entitled to make equal-time claims on stations. They also wanted equal-time provisions applied only within 45 days prior to primaries and 90 days before general elections. But they offered no amendments.

Otherwise debate in the House ranged all over the spectrum of politics, news and the capabilities—and lack of them—of TV-radio operators. But nearly all agreed that

legislation was required to prevent any TV-radio black-outs of political news in the 1960 Presidential campaign year under the Lar Daly rule.

Majority floor leader McCormack (D-Mass.) said: "We all know that many newspapers throughout the country control radio & TV stations, and we, being practical men, know what we are up against." He protested "slanting of the news" by newspapers against the Democrats, warned that they "are going to project it into TV & radio."

Rep. Celler (D-N.Y.) concurred: "I will say that the press of the country, and I can almost agree that the radio & TV facilities likewise are more or less slanted in the Republican direction and not in our direction. That is unfair." For instance, Celler said, CBS, NBC & ABC were guilty of "misuse" of their networks when they refused equal time to a Democratic spokesman to answer President Eisenhower's labor-law speech (Vol. 15:32). He urged the Commerce Committee to "plumb the depths of the subject" in a special investigation.

Rep. Moss said: "I lack confidence in the complete objectivity of the broadcasting industry." He deplored "unconscionable handling" by the networks of the Eisenhower TV-radio speech incident. It raised "serious doubts," he said, adding: "I want to say if the [Senate] does undertake to broaden this legislation, then I will do everything in my power to defeat it."

To Rep. Hoffman (R-Mich.) the Harris measure "is a dangerous bill." But he supported it despite its "dangerous grant of power" to broadcasters. "We can take care of that—when it becomes oppressive," he assured the House.

Rep. Vanik (D-O.) said there was "need for legislation to clarify the right" of broadcasters to editorialize on public issues and endorse candidates. Few are "really equipped" for such ventures, he argued: "Many radio stations are manned by a disc jockey, an engineer who doubles as a news commentator, and an owner-manager who probably heads up the advertising department. More & more TV stations operate with an engineer, a movie projector and a box of old film."

Nor did 3 House members who have backgrounds in broadcasting spring to the defense of the industry.

Rep. H. R. Gross (R-Ia.) said: "Having spent nearly 15 years in this business of news broadcasting, I would just make this comment. This bill may work out all right. I do not know. I doubt it very much." He worked for radios KXEL Waterloo, WHO Des Moines, WLW Cincinnati and WISH Indianapolis before running for Congress.

Rep. Paul C. Jones (D-Mo.), who proudly lists himself as gen. mgr. of radio KBOA Kennet, Mo. since it opened in 1947, said the Harris bill "applies only to helping the large network stations." He wanted something done about "so-called" commentators—the type "who gets up there & gives his opinion as an editorial writer." Equal time to answer them should be assured, he said.

Rep. Samuel S. Stratton (D-N.Y.) said Sec. 315 should have something more in it than the Harris amendments to make sure that TV & radio "are not denied to candidates generally in the course of primary & election campaigns." He was a commentator on WTEN & its radio WROW Albany, and radios WPTR Albany and WSNY Schenectady.

On the other hand, another graduate of broadcasting—Rep. Catherine May (R-Wash.)—used statements by CBS Inc. pres. Frank Stanton as the text for a floor speech urging more freedom for broadcasters. The Harris bill, she said, provided only "a minimum essential." Mrs. May used to do news & special events for radios KMO Tacoma, KOMO Seattle and KIT Yakima.

HOUSE QUIZ SHOW UNSET: Tentative target dates for House Commerce legislative oversight subcommittee hearings on 1958 TV quiz show scandals (Vol. 15:31-33) are late Sept. or early Oct.—but there's been no decision yet to stage them. This was the only news bulletin coming out of the oversighters' probe last week. The only reported activity was by subcommittee staffers who continued their chore of digging through a mass of testimony piled up in a 9-month investigation of the defunct big-money programs by a N.Y. Grand Jury—which indicted nobody for operating or participating in the quizzes.

Members of the House group headed by Rep. Harris (D-Ark.) were reported by one subcommittee source as "unanimous" in wanting to go ahead with public sessions. The question hadn't yet been put to a vote, however. It's unlikely that the subcommittee will get around to it this week, and there's little chance that anything will be scheduled before adjournment of this Congressional session, which may come around Labor Day.

As for what a House rehash of last year's newspaper sensations can produce beyond a rerun of old headlines, there was no sure word from the investigators. Chief subcommittee counsel Robert W. Lishman told us: "If—and that's a big if—the American public has been deceived, and if there are some persons who have derived an unfair competitive advantage from the quiz shows, then the FCC or FTC should exercise some kind of authority." But Lishman added hastily: "We don't want to get into a situation where the FCC would censor or exercise controls over programming."

Meanwhile the Senate Commerce Committee chaired by Sen. Magnuson (D-Wash.), who announced he was moving into the quiz show field last month at the same time Harris did, was doing nothing toward putting any public probe on its active agenda. Magnuson's communications expert Nicholas Zapple, who spent several days earlier going over the N.Y. Grand Jury minutes, was back in Washington again with little to report.

FCC 'REFORMS' APPROVED: In routine fashion, the Senate last week passed & sent along to the house 6 of 7 FCC procedural bills—including one revising "protest" rules—which had been recommended by the Commerce Committee (Vol. 15:33).

First proposed by the Federal Communications Bar Assn., then re-drafted to suit FCC, the approved "protest" measure (S-1898) would amend the Communications Act to provide for filing of pre-grant objections to TV & radio station awards made without hearings.

Also passed by the Senate without debate or discussion were FCC-proposed measures to permit Commission members more latitude in consulting with review staffers (S-1738), reduce oath-taking red-tape in the filing of some FCC documents (S-1736), and expand FCC's regulatory authority over point-to-point circuits (S-1740).

Two days later the Senate swiftly put through 2 more FCC-requested Communications Act amendments (S-1735 & S-1737) which would (1) Repeal the law's authorization to Commission members to collect "honorariums" for outside writing & speeches. (2) Set up fines for violations of FCC regulations in common carrier & special fields. Still pending in the Senate is a bill (S-1734) tightening "ex parte" rules in adjudicatory cases.

Chances that the House will complete action on the measures before adjournment of this session are dim.

The FCC

FCC Emergency Crew: FCC last week announced 18 appointments to its unit in the Natl. Defense Executive Reserve. Authorized by Congress in 1955 & activated by executive order in 1956, the organization is comprised of former govt. officials & qualified industry men who are trained for handling federal agency problems in event of a national emergency.

Named were: Warren E. Baker, Washington lawyer and ex-FCC gen. counsel; Joseph E. Baudino, Westinghouse Bestg. Co. v.p.; Martin B. Campbell, Dallas Educational TV Foundation member; F. Stanley Hoffman, Gettysburg (Pa.) College business mgr.; James L. Howe, owner of radio WIRA Fort Pierce, Fla.; Harold R. Huntley, AT&T chief engineer; Louis E. Kearney, Assn. of American Railroads communications engineer; Dr. Richard T. Mara, Gettysburg College science professor; Leonard H. Marks, Washington communications lawyer; John E. McCoy, Storer Bestg. Co. v.p.; Lt. Gen. Willard S. Paul (ret.), Gettysburg College pres.; Kempster Warren Pyle, gen mgr. of radio KSIR Wichita, Kans.; Dr. George R. Town, Ia. State College engineering research dir. and exec. dir. of TASO; James P. Veatch, RCA frequency bureau mgr., Washington; A. Prose Walker, NAB engineering dept. mgr.; Vincent T. Wasilewski, NAB govt. relations dept. mgr.; Lawrence Webb, Station Representatives Assn. mgr. & dir.; Jack S. Younts, pres. & gen. mgr. of radio WEEB Southern Pines, N.C.

FCC rules & regulations in new loose-leaf Vol. III will be off the presses next month, the Commission reported. Combining part 3 (radio broadcast services) and part 4 (experimental, auxiliary and special broadcast services), the volume will be available about Sept. 18 from Supt. of Documents, Govt. Printing Office, Washington, at \$4.50 (\$5.75 foreign), including subsequent changes & amendments. This is the 3rd volume printed in the new style, Vols. II & V having already been placed on sale by the GPO (Vol. 15:17, 23).

Rising TV profits of 2-year-old WWL-TV New Orleans are expected to enable owner & operator Loyola U. to balance its \$1.8 million budget this year. Long a commercial broadcaster (radio WML since the mid-1920's) to earn the funds necessary for academic survival, Loyola turned to TV when its radio profits slumped. This spring, after 5 years of outfighting opponents through the FCC & the Supreme Court, the U. won clear title to its WWL-TV operating license, winds up with a TV concern market-valued at around \$6 million. Loyola's communications activities are tax exempt, enabling WWL-TV to offer time rates some 10% under those of competitors.

Pointing up the fatuitousness of Sec. 315, KRON-TV gen. mgr. Harold P. See last week announced that San Francisco mayoral candidate Russell L. Wolden was, by the station's arithmetic, entitled to 26 seconds of equal time (on silent film). He invited candidate Wolden to contact program mgr. Doug Elleson for "suitable equal opportunity for access to our visual facilities." The 26 seconds, he said, was the difference in time devoted to the 2 candidates in newsfilm coverage.

Citing "economic reasons," WBPZ-TV (Ch. 32) Lock Haven, Pa., notified FCC last week that it will go off the air Sept. 4 for 3 months.

Networks

INSIDE CBS: CBS pres. Louis G. Cowan and newly appointed network program v.p. Oscar Katz were in Hollywood last week, discussing program plans for 1960 with agents, producers, and packagers. Cowan & Katz took time off from their hectic schedule to tell us about CBS plans specifically, and air their views on TV generally. They also explained why CBS reversed itself on a successor to ex-program v.p. Hubbell Robinson, after initially deciding not to name a successor.

Explained Cowan: "Originally we were not going to fill Hub's job, and [exec. v.p.] Jim Aubrey was going to handle it. However, this siphoned off a tremendous amount of his time, and so it seemed the logical thing to appoint Oscar." A successor to Katz—who had been daytime v.p.—will be picked after CBS v.p. Mike Dann returns from his vacation this week, inasmuch as the new man will work under Dann's supervision. Explaining the new lineup of this CBS executive echelon, Cowan said Coast program v.p. Bill Dozier and Dann will be responsible for program activity in their areas, Bob Weitman will be v.p. in charge of obtaining outside packages and all 3 will report to Katz.

Cowan & Katz have been in continuous huddle on programming for 1960. Cowan, reluctant to give details for fear of tipping off the opposition, did say they were planning "a new concept"—a 60-min taped show tentatively called *The Laugh Makers*, being created by Nat Hiken. It would be a weekly series—"a fun show," Cowan said. Also, a pilot script is being prepared for a Spring Byington situation comedy.

Cowan expects more informational shows in 1960. Pointing to 8 being produced for CBS by Fred Friendly, he said he expected 1960 would bring 16. Cowan said the *Woman* daytime special series, created by Katz, had proved "fabulously successful," and may result in a new trend.

Katz opined it was difficult to forecast trends, but the best thing is to start them, and the way to do this is to engage in "intelligent experimentation." This he plans to do with his newly established *CBS Drama Workshop*, which will be under Dozier's supervision. Workshop will develop new talent in writing, directing and acting. "We may commission 20 or more scripts, but we won't know our budget until we know which scripts are worth producing," explained Katz. "If they tape 13 such shows the budget will be \$500,000, making 26 would run us to \$1 million. We hope to tape enough shows for the series to serve as a summer replacement. That way, we'll have developed our new talent, and at the same time stimulated summer viewing."

Asked what they thought of 40 Hollywood telefilm series being cancelled each spring, neither seemed to think it was a bad thing for TV. Said Katz: "Such shows usually fall into 2 categories, the old which are worn out & the new which haven't caught on. I think it's a healthy thing for the public to make its decisions on these series—that's democracy in action. In addition, the cancellation of these series means opportunity for new talent. It's like the movies—some catch on, some don't."

CBS has about 60 specials coming up next season, but both Cowan & Katz made it clear they feel the word "special" has been abused. Said Katz: "A special is a show which the audience considers something special. If it's a weekly series with approximately the same cast, how can it be considered a special? A special is a show like 'Wonderful Town,' with the original cast. The term is becoming so loosely-defined, CBS could call its *Playhouse 90* series 'specials'—but it doesn't."

Network 'Orphans': At least 4 regular & 3 rerun series will switch networks this fall as advertisers & packagers play TV checkers with programs they're determined to keep on the air, despite loss of present network slots.

The largest crop goes to ABC-TV which has adopted *Black Saddle*, reruns of *Restless Gun*, and *The Bob Cummings Show* from NBC-TV, and *Keep Talking* and reruns of *The Gale Storm Show* from CBS-TV. (*The Untouchables*, a series based on 2 CBS *Desilu Playhouse* hours, also becomes an ABC regular next season, although it doesn't represent a direct series move-over.) Cummings and Storm are being slotted in weekday participation strip periods. Saddle moves over to ABC complete with its NBC sponsor, Liggett & Myers.

NBC meanwhile is due to inherit 2 orphaned CBS shows, *Bachelor Father* & *Richard Diamond*. Four Star Productions negotiated the Diamond switch after P. Lorillard failed to renew on CBS. American Tobacco Co., CBS backer of *Bachelor Father*, continues as an alternate sponsor on NBC. A unique switch to NBC is *The Gene Kelly Show*, originally telecast on CBS April 24 as a one-shot Pontiac special. It will be tape-repeated via NBC next May 13 as part of the Pontiac series of 8 specials.

CBS's sole adoption this fall from the other networks is George Gobel, ex-NBC star, whose half-hour comedy show will alternate with Jack Benny on Sun. evenings.

Mutual Bestg.'s 3-part reorganization plan (Vol. 15:33) under Chapter XI of the Bankruptcy Act, gained the required creditors' acceptance in N.Y. Federal Dist. Court last week. Sept. 2 has been set by bankruptcy referee Asa Herzog as the date when Mutual's special counsel Benjamin Weintraub will introduce a written motion for formal acceptance. Among the creditors filing in acceptance is the F. L. Jacobs Co., which 11 months ago was Mutual's parent company. Meanwhile, Mutual lined up a new affiliate, WMEX, Boston replacing RKO Teleradio's WNAC which failed to renew its contract.

NETWORK SALES ACTIVITY

CBS-TV

Eye Witness to History, 14 half-hour live-tape-film programs on coverage of the exchange visits of President Eisenhower and Soviet Premier Khrushchev, starting Aug. 27, 7:30-8 p.m. *Firestone Tire & Rubber Co.* (Campbell-Ewald)

NBC-TV

Annual Bake-Off, cake recipe contest, Sept. 22, 4:30-5 p.m. *Pillsbury* (Campbell-Mithun)

Treasure Hunt, alt. Mon., 3 telecasts, plus alt. Thurs. of 4-4:30 p.m. period. *Kleinert* (Grey)

Treasure Hunt, alt. 15-min. segs., 3 telecasts, plus alt. 15-min. segs. of *The Price Is Right*. *Edison Electric Institute* (Fuller & Smith & Ross)

Circus Boy, alt. 15-min. segs. over 52 wks., Sat. 11:30-noon. *Miles Labs* (Wade)

The Price Is Right, alt. wk. 15-min. segs., plus *Treasure Hunt*, alt. wk. 15-min. segs., 52 wks. *Nabisco* (McCann-Erickson)

Queen for a Day and *Treasure Hunt*, 15-min. segs. on alt. wks. over 52 wks., plus renewals of alt. 15-min. segs. in *It Could Be You*, *Concentration*, *Tic Tac Dough*, and 4:30-5 p.m. period. *Chesbrough-Pond's* (JWT)

Treasure Hunt, *Price Is Right*, *County Fair*, and *Tic Tac Dough*, renewals of 15-min. alt. wk. segs. *General Mills* (BBDO)

When the Lights Went Out: New York's biggest power failure hit nighttime sets-in-use for a 10% drop last Mon. night. Nearly one of every 3 Manhattan TV households was affected. People drank warm beer by candlelight and listened to battery-operated portable radios.

Paradoxically TV-set usage bounded up 7% in the afternoon, following the 3 p.m. burn-out of 7 big Consolidated Edison cables that left a 500-block area without AC supply on Aug. 17. Reason: households in unaffected areas were tuning in for news of the unexpected blackout.

Of the 3 major networks, only ABC-TV was really caught with its power supply down, the network's West 66th St. headquarters being in the power-short area. Flagship WABC-TV was knocked off the air for 25 min., starting at 2:49 p.m., when studios & film facilities were put out of action, although the Empire State Bldg. transmitter south of the area was not idled. Radio flagship WABC also came off the air, but only for the few moments needed to switch to recorded music from its transmitter in N. J.

Working in the humid network headquarters (no air-conditioners, of course), shirt-sleeved ABC-TV officials quickly evolved an emergency procedure for *Pantomime Quiz*, 9-9:30 p.m. EDT, the only live N.Y. origination in the network's Mon.-night schedule. Using a mobile unit which had been in action to provide news summaries, ABC moved Mike Stokey & the show's participants to the sidewalk of Central Park West, and staged the show, with portable lights, as an unscheduled *al fresco* event.

Other stations & networks pitched in to help. Independent outlet WPIX used an extra film chain to feed WABC-TV's station-break film commercials from its still-operating studios (on E. 42nd St.) to the ABC station's transmitter. CBS and NBC sent over copies of incoming news teletype copy, since ABC's printers were out.

CBS-TV took the power failure in stride, although 2 of NBC-TV's afternoon tape shows (*Young Dr. Malone*, 3-3:30 p.m. & *From These Roots*, 3:30-4 p.m.) were replaced with *I Take Thee*, a 60-min. film, when NBC's tape studios at 67th & Broadway were hit by the power drop.

On the radio front, only WINS (whose studios are just north of the 59th St. power boundary on Broadway) was really jarred from its usual program routine. Operating with some bravado with battery-powered equipment (after turning down a power offer from WNEW), WINS' roster of nighttime disc jockeys talked & talked through the night, their TC turntables & pop records silent.

With one out of 10 N.Y. TV viewers suddenly forced to turn to other forms of entertainment to struggle through the warm night, neighbors threw impromptu parties to eat up tons of cold cuts & fast-melting ice cream, and pedestrians strolled the moonlit streets or stopped in at candlelit taverns for London-temperature drinks while Peter Gunn sleuthed unseen & Betty Furness sold Westinghouse appliances, unheard.

ABC-TV on Wednesday was quick to cash in promotionally on the power failure. It sent agency men & the TV press a boxed "emergency kit for your desk drawer" which contained a candle, holder, match folder, and promotion letter from sales development dir. Bert Briller. He led into the latest ABC-TV Nielsen figures with the phrase "And not wanting to hide our candle under a bushel. . ."

Also in the aftermath of the blackout, ABC-TV was preparing make-goods and/or rebates to advertisers in the network's daytime *Beat the Clock*, *American Bandstand* and *Gale Storm Show* for commercials missed prior to AT&T re-routing of ABC-TV shows to Chicago film originations. The 2 blacked-out NBC-TV daytime serials caused no advertiser problems, both shows being sustained, and none of CBS-TV's Monday lineup was affected.

Stations

New NAB Code Study: Quietly circulated among network, agency & broadcast executives in N.Y. last week was an as-yet-confidential report which distilled the thinking of NAB's Code Review Board on personal-product advertising. Although much of the book-sized report (prepared by the group of which Westinghouse Bestg.'s Don McGannon is chmn.) is re-statement of previous NAB commercial policies, it drew close attention from TV officials, many of whom have been contacted recently (Vol. 15:32) by the code group in an attempt to head off "Preparation H"-type disputes before they arise.

Now, apparently, NAB has firmed-up its commercial policies for fall, and won't make any further changes unless there's an overwhelming reason. Cited as problem areas in the report are commercials dealing with such products as laxatives, deodorants, paper tissues, depilatories, corn & callous removers, and foundation garments. And, the theme of NAB's viewpoint might be expressed as "keep 'em in the best of taste, or watch out for NAB disapproval."

The report was supervised by a 3-man subcommittee of NAB's regular code review group, headed by E. K. Hartenbower (KCMO-TV Kansas City). The others: Gaines Kelley (WFMY-TV Greensboro) and McGannon (Westinghouse). Distribution of the new report and some special presentations of its contents will continue for another month.

TIO Finds a Home: Headquarters in N.Y. for NAB's Television Information Organization will be at 666 Fifth Ave., where TIO has a 3-year lease with option for a 6-year renewal. That's one of the key items settled by the new PR group in its latest meeting, held in N.Y. Aug. 19, in preparing for the scheduled fall start of the industry-supported image drive.

Still not settled last week was the question of a TIO dir., although the original list of some 67 names has now been trimmed to no more than a half-dozen. The finalists in the job selection process, according to one network official attending the Aug. 19th meeting, "are all from within the TV-radio industry," and are being approached by TIO. Target date for the naming of a TIO dir. is Sept. 15, and the organization's next meeting is Sept. 2.

"Break-even point" for KBLR-TV (Ch. 10) & KBLR Goodland, Kan., purchased in April by a group headed by Leslie E. Whittemore (Vol. 15:16), should be reached within 6 months. That's what creditors of the station have been advised by the new management. In a letter reporting that the sale (\$5,000 plus \$400,000 in liabilities for KBLR-TV, \$145,000 plus \$25,000 for KBLR) finally had been consummated after 5 months of delays, Whittemore asked the creditors to be patient in order "to avoid the consequences of a bankruptcy action." He said it would be "necessary to forego paying any previous indebtedness of the stations for a period of 6 months." Since April, expenses of operating the Goodland stations "have far exceeded income," according to Whittemore, and additional liabilities of \$28,000 have been incurred. "We hope in the near future to acquire additional capital & long-term financing," he told the creditors.

Hometown Free TV Stations, organized to fight CATV (Vol. 15:6), is asking regular members for \$200 initiation fee and their one-hour rate every month for 18 months. Donations are also being asked of associate members.

CANADIAN TV POTPOURRI: Although the nature of Canadian TV won't begin to change officially until mid-Sept., when the govt. opens its cities to competitive commercial stations (Vol. 15:31), TV there is already stewing vigorously. Keeping the pot boiling are the scramblings for licenses, and the agitation over the proposed Board-of-Broadcast-Governors regulation that programming be at least 55% Canadian.

The Dominion's departure from the one-station-per-city policy (born with Canadian TV in Sept. 1952) is historic, but hardly an open-sesame. The new policy is still limiting—only one additional station per city will be licensed—and there will be considerably more demand for, than supply of, new Canadian stations. Result: all sorts of mergers & strange-bedfellow get-togethers are cooking. Vancouver's various radio stations, it's reported, for example, will forget their competitive differences and apply jointly for the lone new TV license available there. Toronto, a TV prize in anybody's market, is expected to be a major battleground. More than a dozen powerful interests are known to be eyeing that one new upcoming channel. Some of the contestants are TV-radio-newspaper magnate Roy Thomson whose British-U.S. interests include Scottish TV Ltd. & the St. Petersburg (Fla.) *Independent*; Famous Players Canadian Corp., which will conduct a pay-TV test in suburban Toronto in midwinter (Vol. 15: 25, 33 & p. 20); Standard Radio Ltd., operator of radio CFRB Toronto. Similar pools & battlegrounds are forming all along Canada's TV front.

Fireworks can also be expected when BBG opens its Nov. 2-3 public hearings in Ottawa on various proposed regulations, one of which is the 55% Canadian-content programming edict that is irksome to many. Reportedly, this regulation stems from complaints of Canadian interests & organizations that north-of-the-border stations are using too many American films & network shows. CBC programs roughly half Canadian, half American.

One of CBC's top TV producers, Norman Sedawie, recommends that Canada slap a tariff on imported TV-radio programs & records for broadcast use in order to help CBC and the Dominion's entertainment business. "Available from American sources," he points out, "are slick, recorded drama & comedy shows—sold to Canadian buyers at impossible competitive fees. How can live talent exist when, for example, a half-hour drama—complete—can be purchased for under \$500 on TV?"

"The essence of the Canadian problem has been the strong public determination that Canadian TV should be original, at least to some extent, rather than a mere extension of the American chains," points out *Montreal Star* editor G. V. Ferguson. "That has cost the taxpayer a lot of money, as the large [CBC] deficit indicates [Vol. 15:30]. But it will be remembered that Canada's national TV network is a costly 4200 miles long—from Newfoundland to British Columbia. It serves a total of [only] 17 million people. . . . Small wonder there's a deficit. . . . particularly so because 80% & perhaps 90% of the total Canadian population can get U.S. TV on their receivers."

To keep its viewers from tuning south-of-the-border, CBC has been required to program top U.S. network shows. The proposed BBG regulation will mean not only more Canadian TV programming for viewers, but more of it in prime evening time. To meet this need, more programs will be filmed in Canada; imports from Britain will increase. In recent months, additional film companies have been established in Canada by Canadian, U.S. and British interests. Also with an eye to burgeoning Canadian TV,

Atlantic Trade Associates Ltd. was formed in London recently (Vol. 15:33) to facilitate sponsorship of Canadian TV shows by British sponsors.

Key man in the whole 55%-Canadian TV picture, of course, is the Canadian TV viewer. Today, Yankee-made TV is the most popular in the Dominion. Hamstrung by the 55% edict, the upcoming independent competitive stations may find advertising support hard to come by.

In addition to the popularity & availability of American programming, the problem is further complicated, as Ferguson sees it, by the fact that "American sponsors seldom wanted a Canadian-produced show. . . . Few Canadian sponsors, moreover, are able or willing to pay the full cost of a network show." The public heretofore has paid the big tab for Canadian programming. "But what will happen when competition is permitted in all the big centers of population? . . . Where will private TV find the sponsors?" The answers won't start coming in until mid-1960, when the first of the new stations will be airborne.

KMSP-TV Sale Terms: A price of \$3.5 million cash plus assumption of \$600,000 in film commitments is being paid to Natl. Telefilm Associates by 20th Century-Fox TV for KMSP-TV (Ch. 9) Minneapolis-St. Paul (Vol. 15:31), it was disclosed last week. This is the initial venture of the wholly-owned subsidiary of 20th Century-Fox Film Corp. into the TV station ownership field.

Control of the station was acquired by NTA in Nov. 1957 when it purchased 75% from United TV Inc. for \$650,000 (Vol. 13:47). The film distributor gained 100% control the following Feb. when it bought the remaining 25% held by Loew's Inc. for the exact amount which Loew's paid for the stock in 1956—\$138,411.36 (Vol. 14:7). NTA continues to own & operate WNTA-TV (Ch. 13) & WNTA N.Y. Its parent National Theatres operates WDAF-TV (Ch. 4) & WDAF Kansas City, Mo.

Merger set: Ex-Rep. Clinton D. McKinnon's KOAT-TV (Ch. 7) Albuquerque is merging with KVOA-TV (Ch. 4) Tucson, in which he holds a 25% interest, according to an application filed with FCC last week. McKinnon, purchasing 5% from each of the other owners (Bernard Weinberg, Harold B. Garfield and Arthur A. Desser) for \$45,000, will be pres. & 40% owner of the surviving Alvarado TV Co. The others will retain 20% each, and assume part of the obligations McKinnon incurred when he bought KOAT-TV from A. M. Caldwell-Walter Stiles group (Vol. 13:6).

Negotiations for sale of control of KCIX-TV (Ch. 6) Nampa-Boise, Ida., are under way between KCIX-TV owner-pres. Roger L. Hagadone and owners of KTLE (Ch. 6) Pocatello (Howard D. Johnson group). Involved in the discussion is the possibility of raising funds for a move of KCIX-TV's transmitter to Deer Point Peak, location of other Boise area TV towers. Sources close to the principals say no price has been mentioned, but that a deal—with KTLE probably acquiring 80% of KCIX-TV—may be closed some time in Sept.

NBC affiliation value of about \$1.4 million was set last week by Time Inc.'s Intermountain Bestg. & TV Corp. for KTVT (Ch. 4) & KDYL Salt Lake City, which have been sold to Columbia Pictures for \$3 million-plus (Vol. 15:31). A balance sheet for the stations, filed with FCC, listed total assets of \$1.8 million; current liabilities \$113,604. Time plans to acquire another TV station, broadcasting v.p. Weston C. Pullen Jr. said at the 4-day Minneapolis conference of the company's station managers.

More Millionaire Engineers: The second pair of TV-radio consulting engineers to achieve millionaire status within a year are James O. Weldon and Lester H. Carr, pres. & v.p. respectively of Continental Electronics Mfg. Co., Dallas, which was sold this week for \$3,600,000 to Ling-Altec Electronics Inc., Culver City, Cal. The latter was recently formed by the merger of Ling Electronics and Altec-Lansing (total assets: \$17,632,320).

Co-equal owners of the Dallas manufacturer of super-high-power transmission equipment, including custom-built broadcast apparatus, they sold out for \$3,350,000 cash, 10,000 shares of Ling-Altec common, and \$125,000 in 5% notes. Both retain their present positions in the Continental subsidiary, which has a backlog of orders amounting to \$40,000,000 of the parent corporation's \$57,000,000. Weldon operates in Dallas, where he moved from Washington about 10 years ago, and Carr continues in Washington where he is not only a prominent broadcast consulting engineer but pres. of Developmental Engineering Corp., of Washington and Leesburg (Va.). He holds a Navy moon-relay system contract and is also pres. of Scatter Communications Inc. of Washington.

The first multi-million dollar deal involving Washington TV-radio engineers was Northrop Corp.'s acquisition in Feb. (Vol. 15:8) of Page Communications Engineers Inc., now a wholly owned subsidiary, for \$3,000,000 tax-free exchange of stock (100,000 shares) whereby chief owners E. C. Page and Joseph A. Waldschmitt each received 33,000 shares of Northrop, then valued at around \$1,000,000 to each. Partner John Creutz received a substantial amount of Northrop stock, as did various employees and counsel Edward P. Morgan. "P.X." Page and "Wally" Waldschmitt continue as pres. and exec. v.p. of the Northrop subsidiary in Washington, which plans & builds communications systems throughout the world. Creutz & partner David L. Steel devote all their time to the separately owned broadcast consulting engineering partnership of Page, Creutz, Steel & Waldschmitt, Washington. Before the war, in which he rose to an Army Signal Corps colonelcy, Page was partner of George C. Davis, Washington radio-engineering consultant. He became v.p. & chief engineer of Mutual after the war, and about 10 years ago returned to Washington to set up his practice. He is married to the former Virginia Erwin, a graduate radio engineer & onetime member of the FCC staff.

NAB and National Community TV Assn. are co-operating in EIA's promote-fall-TV programs drive (Vol. 15:30, 33). NAB has sent its TV membership a detailed outline of the Aug. 15-Sept. 15 program, including a sample of the posters which were mailed to some 40,000 TV dealers. NCTA sent similar material to its members.

New NAB "Engineering Handbook"—5th edition of the technical guide which was last revised in 1949—has gone to press. McGraw-Hill, N.Y., is the publisher of the book, which runs to 3,000 manuscript pages and 47 chapters, 39 of them wholly new. Distribution to NAB members is scheduled for mid-1960.

Purchase of WHTN & WHTN-FM Huntington, W.Va. for more than \$100,000 by Chicago sales executive Wayne Geyer from Cowles Bestg. Co., which retains WHTN-TV was announced last week by broker Blackburn & Co.

"TV—In Focus with Modern America" will be the theme of National TV Week Nov. 15-21, co-sponsored by NAB & TvB. Tied in with the promotion will be NAB's new film "In Focus" (Vol. 15:31).

2-Color TV at Engineering Meet: First technical paper on color-TV experiments following the new color theory developed by Polaroid pres. Edwin Land (Vol. 15:27,32) (the production of full-color images using only 2 color sources) will be delivered in Washington Sept. 25 at the start of the 2-day 9th annual IRE-AIEE broadcast symposium. The paper—"Some Slide & Color TV Experiments Using Land Technique"—will be presented by color-TV experimenter Dr. William L. Hughes, Iowa State College.

Other papers at Sept. 25 session, moderated by Lucien Rawls, L. H. Carr & Associates: Measurements of new WOAI (San Antonio) Anti-Fading Antenna, Stephen Kershner & Charles Jeffers, of A.D. Ring & Associates; World-Wide Frequency Standard Broadcasting, A.D. Watt, Natl. Bureau of Standards; New WXYZ-TV-AM Plant in Detroit, by an ABC engineer.

Sept. 26 morning session will be devoted to papers on TASO, moderated by Dr. George Town, Iowa State College, former TASO director: Vhf-Uhf Measurement Techniques, Ogden Presholdt, CBS; Effects of Trees & Forests in Vicinity of Uhf Antennas, Howard Head, A.D. Ring & Associates; Correlation of Picture Quality with Signal Strength, Knox McIlwain, Burroughs, Corp.; Tropospheric Fields, Phil Rice, Natl. Bureau of Standards; TV Signal-to-Interference Ratios, Gordon Fredendahl, RCA; TV Receiver Characteristics, to be announced.

Sept. 26 afternoon session, Frank Bias, GE, moderator: TV Antenna System Measurements Based on New Pulse Technique, D. W. Peterson, RCA; Rejuvenation of Image Orthicon Tubes, Benjamin Wolfe, Westinghouse Bestg. Co.; Video Quality Control by Means of Optical Wedge, ABC engineer; Preset TV Studio Lighting Facilities, to be announced; New Equipment for Measuring Envelope Delay, E. N. Luddy, RCA.

Need still pictures? Some 400 sources for millions of pictures useful in TV and advertising, arranged by subject, constitute *Picture Sources: An Introductory List* (115 pp., \$3.50), just published by Special Libraries Assn., 31 E. 10 St., N.Y.C. 3.

TV covers a murder trial for the first time—at West Covina, Cal. Los Angeles stations received permission from Municipal Judge William P. Martin to shoot the preliminary hearing of a case in which Carole Stregoff will stand trial with Dr. Bernard Finch on a charge of murdering his wife. KTTV, KTLA, KCOP and NBC & CBS covered. Judge Martin ruled that while the cameras might cover the arguments of prosecution & defense, and record his verdict, they would not be allowed to film his face. This decision was to avoid the impression that he sought personal aggrandizement. KTLA televised another real trial's proceedings recently when, with Judge Byron J. Walters' permission, it made a live pickup of the jury in an eviction case witnessing pertinent films being shown them in one of KTLA's theaters.

A Long Island dentist is using TV to ease the pain of his patients—while the dentist drills, his TV set thrills. Dr. Sidney L. Freed reports "the psychological effect is remarkable. They get so absorbed in the TV [a screen suspended from the ceiling] that they don't pay any attention to what I'm doing." He rates quiz programs as top painkillers for adults & children alike, but points out that "rock-&-roll dances are unquestionably the best for teenagers; they have a relaxing effect." One complication: some patients insist on keying visits with favorite TV shows.

Spot Boom for Westinghouse: With 979 spot TV advertisers buying time or programs in June on the 5 Westinghouse Bcstg. Co. TV outlets (373 local, 606 national) as against the June 1958 figure of 781 (310 local, 471 national), total spot TV gross sales jumped 12.7%. So reported A. W. Dannenbaum Jr., WBC v.p. in charge of sales in a special mid-year business summary last week.

Total spot TV gross for the first 6 months of 1959, compared with the same period of 1958, showed a 6.3% jump and a 10% rise in spot-radio billings, Dannenbaum added. Unbilled orders for the coming season are up 7.3% in TV and 9.5% in radio for WBC over July 1958.

A major factor in WBC's upward sales curves, company officials say, is the boom in leisure-time activities. Among the new spot advertisers buying time on WBC outlets, the largest single category was advertisers for entertainment. About 33% of these were local movie theaters (see story on rising movie attendance, p. 13) which once shied away from broadcast advertising. Other new sponsors included magazines ranging from *Reader's Digest* to *Alaska Life*, legitimate theaters, nightclubs, ballrooms & dance studios, sports events, sporting goods and hobby equipment.

Food & confectionery products, travel concerns, hotels and such new-to-spot accounts as Leonard Exec. Personnel Service, Manpower Inc., Compania Mexicana, and Oshkosh B'Gosh Inc. also helped form what WBC pres. Don McGannon described as "a pattern of growth for TV & radio which, I am convinced, will continue into the future."

Spot radio's biggest customer in 1959's first 6 months is Ford Motor Co., RAB reported last week—\$3,250,000. Among the top 10 spot advertisers are 4 tobacco companies (Liggett & Myers, R. J. Reynolds, P. Lorillard and American Tobacco Co.), 3 auto firms (General Motors, Chrysler and top-ranking Ford), 2 brewers (Anheuser-Busch for Budweiser and Joseph Schlitz) toiletries manufacturer Thos. Leeming & Co. RAB estimates that the top 50 national & regional spot radio advertisers spent a net of \$44.4 million in the year's first half.

Independent radio stations top their competitive network affiliates in overall audience impact in 39 of the nation's 60 major markets, concludes an appraisal by Adam Young Inc. These areas account for more than half of all U.S. retail sales. CBS, NBC, and ABC stations were first in 8, 6, and 5 markets respectively; NBC & CBS tied in one market, and CBS & 2 independents tied in another. (Mutual stations are listed as independents.) The study used latest Pulse data on average daytime ratings & audience shares for each station. Key cities captured by independent radio: N.Y., L.A., Chicago, Boston, San Francisco, Washington.

New FM sales & programming policies have been established by Jack Wrather's KFMB-FM San Diego. Time will be sold only in units of half-hours, and announcements of one min. or less. Only live copy will be accepted. No more than 3 commercials per quarter-hour will be permitted; there will be no double-spotting. New program format will consist of "genuinely great jazz" for the entire broadcast day—2 p.m. to midnight.

KETV Omaha scored a whopping 77.1% gain in ad dollar volume during first-half 1959, compared with the same 1958 period. KETV v.p. & gen. mgr. Eugene S. Thomas also reported that July business has been mounting at a pace expected to more than double the comparable dollar volume scored in July 1958.

Educational Television

FUNDLESS ETV SHELVED: A "superb" but expensive ETV film-course—devoted to the humanities and intended to replace a full year of 11th grade English—has been abandoned suddenly by sponsoring Fund for the Advancement of Education after a pouring of some \$410,000 into the 2-year project. The ETV series, made possible by a Ford Foundation grant, had been planned for showing in schools throughout the nation and scheduled to start rolling early next year.

After previewing a 12-program pilot series of the course (which took 24 months to make), Fund officials hailed its quality but flailed its cost. An additional \$700,000 would have been required to complete the proposed programs of 30-min. color TV films for daily presentation. The filmed humanities course embraced literature, fine arts, drama, the dance, and featured narration by Clifton Fadiman, among others, and dramatics by the Stratford Shakespearean Players of Canada.

Stunned by the abrupt withdrawal is the Council for a TV Course in the Humanities for Secondary Schools, a Boston-based non-profit group, devoted to cultural advancement (associate dir. Angela McDermott is widely known in ETV circles) which produced the pilot series at the behest of FAE. Council exec. dir. Floyd Rinker told us: "We're as surprised as anyone. We can't understand it. Everyone who has seen the series likes it. ETV people tell us it's a genuine breakthrough, a benchmark in TV education. The only answer is that the Fund simply has changed direction. It was their idea, but they've changed their thinking."

Lost in the shuffle of statements regarding the program's excessive costs, Rinker explained to us, is the fact that the Fund eventually would have recouped much of its investment. The plan was to sell the TV course to state boards & municipal school systems. In fact, the pilot series of 30-min. films, photographed by Encyclopaedia Britannica Films Inc., is still available from EBF. Rinker said the package of twelve 30-min. color films is priced at \$2880; \$1440 in b&w.

The pilot course of 12 films, produced for less than \$200,000 (Rinker said the balance of the \$410,000 investment went to general project & administrative expenses, classroom manuals, workshops, and other program essentials), was tested this spring in Boston & St. Louis, and previewed in Chicago—all with acclaim from educators & students. Under the now abandoned schedule, the council would have had 40 films ready for ETV telecasting by next Spring; a total of 96 films by early 1961; more later.

Educational WGBH-TV Boston, participant in the spring test, told us that the abandonment, while extremely disappointing, would cause no serious dislocation of its immediate in-school programming, as reported. Program mgr. Robert Larsen pointed out that only the 12 pilot films are presently available. Should the station decide to repeat the series this fall, he said, it would re-run the films over a 3-week period.

Although the Fund's withdrawal seemingly writes finis to the ambitious project, all may not yet be lost. Rinker said the Council for a TV Course in Humanities has voted to stick with the idea for as long as possible, in hopes of raising funds from other sources to carry the project through to completion.

Third academic year for WCBS-TV's *Sunrise Semester* will begin Sept. 28. Offering fine arts & history, the show will be on 3 hours a week, including 7:30-8 a.m. Sat.

Programming

More about

CONDITION OF TV's MOVIE RESERVOIR: Since 1949, when the first batch of old movies was sold to TV, the medium's insatiable appetite has voraciously been gobbling up some 9,000 old movies. In the backlog of movies made by Hollywood and foreign producers TV found ready-made programming—ideal home-screen entertainment offering big names & big production. Currently available to TV are 7,535 pre-1948 movies and 1,588 post-1948s (878 of the latter being U.S.-made).

All good things must come to an end, and for some channels the end appears not far off—a year, perhaps 2. When we checked the stations of Los Angeles (one of the prime buyers & consumers of old movies), we found 3 of the 4 independent stations anticipating a shortage of movies within that year-or-2 span. They hold little hope that the major studios will release their post-1948 backlogs during that time, although this is a problem of some immediacy, tying in as it does with the entire economics picture of the depressed movie industry.

While unloading of the post-1948s on TV would be a boon for both seller & buyer, there are complexities (Vol. 15:14). No leading studio executive wants to see these "new" oldies do further damage to a boxoffice already badly mauled by the pre-1948s and some 800 post-1948s. The decision to sell, however, will not be made in Hollywood, but arrived at by directorates in the N.Y. home offices, and dictated by the overall economy of the individual organizations. There have been reports that one or 2 major studios face liquidation, with outright sale of their assets. Such reports would have been termed absurd a few years ago, but not today—with RKO now a TV studio (Desilu); Republic sold; Universal-International studios purchased (and now Revue's home); Eagle-Lion now housing Ziv TV.

When the signal is eventually given for disposal of the post-1948s, the network-owned channels will probably have the inside track, because, at least in Los Angeles, it is they who are buying the costly packages these days. The only L.A. independent not expecting a shortage in the near future is *Los Angeles Times*-owned KTTV, which anticipates no scarcity for 4 years. (A reassuring figure, but CBS-owned KNXT, which recently acquired the Paramount backlog, is stocked for the next 8.)

Film buyers we talked to express some skepticism as to the quality of the post-1948s. They point out that they cover the era when the movie depression began, and they mark the advent of CinemaScope, VistaVision, and other wide-screen pictures which are not readily adaptable to TV. Moreover, the best product of the post-1948 era will probably be retained by the movie companies for re-issue theatrically (Metro's "Gone With the Wind" is an example of a multi-run boxoffice winner.)

Many pre-1948 movies are washed up on TV, because of repetition. But some have always been unusable—made before the production code was established, they are considered too risqué. Every movie loses viewers for the reruns. KNXT ran "High Noon" May 3, 1958, for an impressive 39 ARB, but its rerun on Oct. 17 drew only 18.

Film buyers estimate there are about 2,500 post-1948 & 300 pre-1948s (the latter including 45 by Samuel Goldwyn) not yet on TV. But there appears to be no strong effort to get these movies. Buyers theorize that the majors will wait until a film shortage enables them to demand stiff prices, but yesterday's eagerness to "get those movies" has been replaced by more emphasis on cost.

Here's how executives of 6 stations sum it up:

William Alcine, KNXT prog. dir.: "There are about 1,000 old movies that people won't even look at anymore. They were nothing to begin with. Our Paramount backlog has some pictures made in 1929 which we will never run. They are very dated. We have independent-produced films, however, made as recently as 1957. Everybody's talking about the post-1948s as though they are the greatest ever made, but there's an awful lot of dogs in that group. They were made when the movie industry first began suffering at the hands of TV."

Chet Brouwer, KTLA film dir.: "We have a plentiful supply now, but within a year there'll be a shortage. Fewer old movies are being offered, mainly because the network stations have the major studio backlogs tied up. Several hundred pre-1948s are available, but most are pretty bad. I think taped shows will eventually replace the movies. We have a vault full of taped, syndicated shows to be sold."

Howard Lipstone, mgr. film dept., KABC-TV: "We have a good backlog, and we only run our movies at midnight, so we anticipate no shortage. We have about 600-700 titles. We run a movie 15 to 20 times if it's a good print."

Richard Woollen, KTTV film dir.: "In 4 years our supply of movies will be exhausted. Stations will be able to rerun the really good movies forever, but they may as well burn the others. When we're out of movies, the answer may be 60-min. telefilms, if stations can afford them. NBC solved its problem with the *Jack Paar Show*. More live, taped and syndicated shows may be the answer."

Al Flanagan, KCOP v.p. & gen. mgr.: "We run prints 6 or 7 times, but a print can be run as many as 10 times. I think reruns of 60-min. telefilms like *Cheyenne & Maverick* will eventually replace TV's movies. We'll be out of them in a year unless the post-1948s are released. Only a limited number can be rerun, actually, because many weren't worth running the first time. The Class A picture will be rerun, but not the rest."

Jim Higson, KHJ-TV prog. dir.: "We don't have enough movies, but we run the same picture every night of each week so we'll be okay for 2 years. I'm not worried about it. Post 1958s will gradually become available. The better movies can be run almost in perpetuity."

More Feature Films Due: Our prediction this spring that United Artists Associated would launch a new late-summer package of feature films drawn from recent J. Arthur Rank releases on the feature-hungry TV market (Vol. 15:14) is drawing close to reality.

Acquired by Lopert Films (an offshoot of parent United Artists) when Rank folded its U.S. distribution subsidiary early this year, the package is now being groomed for TV distribution by UAA and is expected to be a feature of UAA's next sales meeting, in about 2 weeks.

Some recent American features may be added to the package to remove some of the all-British aura that surrounds the Rank product. Titles in the Rank group include some of Britain's biggest film efforts in the past couple of seasons, such as "A Night to Remember," "Pursuit of the Graf Spee," the color feature-length "Bolshoi Ballet," "The Spanish Gardener," "Windom's Way," "Carve Her Name with Pride," "An Alligator Named Daisy," and "Robbery Under Arms."

S.O.S. Cinema Supply Corp. has acquired Toledo Cine Engineering and has taken over the manufacture & distribution of the TCE line of Bolex 400-ft. motion-picture camera magazines & accessories.

Television Digest

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Personals: Arthur C. Schofield, ex-Storer Bcstg. v.p. and advertising & sales promotion dir., joins Peoples Bcstg. Stations (KVTV Sioux City, Ia., & radios WRFD Worthington, Ohio; WTTM Trenton; WMMN Fairmont, W.Va.; WGAR Cleveland; WNAX Yankton, S.D.) as dir. of advertising & sales promotion . . . Alvin G. Flanagan, KCOP v.p.-gen. mgr., named v.p. in charge of all TV stations owned by NAFI Corp. (KPTV Portland & KOBV San Francisco), which is buying the Los Angeles independent.

Gene Godt, ex-WCCO-TV, Minneapolis, named adv.-promotion mgr., KYW-TV Cleveland, succeeding E. Robert Nashick, appointed to a similar position at KTLA-TV Los Angeles; Leslie Biebl promoted from KYW-FM exec. dir. to KYW-TV public affairs dir. . . . Warren Wright, ex-WCAU-TV Philadelphia, named program mgr., WFBM-TV Indianapolis, succeeding Bill Fall, appointed to new post of WFBM-TV & WFBM program operations mgr.

Philip G. Lasky promoted from West Coast exec. dir. to West Coast v.p., Westinghouse Bcstg. . . . Al Browdy, chief engineer of KCOP Los Angeles, named dir. of engineering & industrial relations for radio & TV for broadcast div. of NAFI Corp. . . . John B. Letterman, D.C. lawyer, joins FCC rules & standards div. as attorney adviser.

Norman Louvau, former sales mgr. of KRON-TV San Francisco who joined Columbia Pictures last April, named v.p.-gen. mgr. of Columbia Pictures Electronics Co. Inc., subsidiary which will operate KTVT & radio KDYL Salt Lake City, being acquired from Time Inc. (Vol. 15:31). Other officers of Columbia Pictures Electronics: A. Schneider, pres.; Leo Jaffe, first v.p.; Nathan Cohn, John Mitchell & Jerome Hyams, v.p.'s; Burton Hanft, treas.; Russell Karp, secy.

Dean Behrend named sales development supervisor, WCBS-TV N.Y. . . . William G. Rambeau has resigned as pres. of Rambeau, Vance, Hoppie station reps, to become a broadcast consultant (10 E. 43rd St., N.Y., OXford 7-8896) . . . Arthur J. Keeley, CBS news div. budget director, married Diann Munson in Canandaigua, N.Y.

Clardy H. Moore, for 32 years supt. of Clarksville, Tenn. schools, joins U.S. Office of Education as special staff asst. to review & appraise ETV research & other programs under National Defense Education Act; Dr. C. Walter Stone promoted from consultant to dir. of educational media branch . . . Loftus E. Becker, ex-State Dept., rejoins RCA-NBC counseling firm of Cahill, Gordon, Reindel & Ohl as resident partner in European office in Paris. . . . Orville F. Burda, ex-KDIX-TV & KDIX Dickinson, N.D., named KXJB-TV Valley City-Fargo commercial mgr.

James R. Taylor joins Washington communications law firm of Wilkinson, Cragun & Barker after serving as law clerk to Chief Judge Marvin Jones of U.S. Court of Claims . . . Omar F. Elder Jr., ABC-TV gen. counsel, re-appointed chairman of NAB's copyright committee by pres. Harold E. Fellows; Joseph E. Baudino, Westinghouse Bcstg. Co., and Daniel W. Kops, radio WAVZ New Haven, renamed editorializing committee co-chairmen . . . Norman Ross, WBKB Chicago commentator, will receive an honorary doctorate of humane letters from Lincoln College, Lincoln, Ill. Sept. 6.

Jerry Hamovit transferred from litigation div. of FCC gen. counsel's office, to Justice Dept. tax div. . . . William Holm of radio WLPO LaSalle, Ill. and John W. Jacobs Jr. of radio WDUN Gainesville, Ga. appointed by NAB pres. Harold E. Fellows to 3-year terms as directors of Assn. for Professional Bcstg. Education, replacing Ward Quaal (WGN-TV & WGN Chicago) and Lee W. Ruwitch (WTVJ Miami), respectively . . . Peter A. Whipple promoted from office mgr. & personnel dir. to sales-traffic mgr., WTTG Washington.

U.S. TV-radio entries in the 11th annual international *Prix Italia* competition Sept. 1-16 at Sorrento, as selected by the Bcstg. Foundation of America: TV documentary—"Meet Mr. Lincoln" (NBC-TV) and "A 'Sound' Life" (WSB-TV Atlanta). Radio documentary—"Eulogy for 3 Non-adjusted Men" (WFMT Chicago). Musical composition with words—"The Glittering Gate" (radio WNYC N.Y.) and "Elegy for a Dead Soldier" (radio KFMQ Lincoln, Neb.). Members of BFA's advisory committee on the entries were chairman Edward Stanley (NBC), John Daly (ABC), Harold E. Fellows (NAB), Irving Gitlin (CBS), Carl Haverlin (BMI), Donald H. McGannon (Westinghouse Bcstg. Co.), Romney Wheeler (USIA), John White (National Educational TV & Radio Center), Seymour N. Siegel (WNYC).

Meeting this week: Okla. Bcstrs. Assn. (Aug. 28-29) at Lake Murray Lodge, Ardmore; W.Va. Bcstrs. Assn. (28-30) at Greenbrier, White Sulphur Springs; Miss. Bcstrs. Assn. sales management conference (29) at Heidelberg Hotel, Jackson; AP breakfast preceding meeting of N.M. Bcstrs. Assn. (29) at Desert Sands Hotel, Albuquerque. Judge John Brett, presiding judge of Okla. Criminal Court of Appeals, whose decision favored court broadcasting, will address the Okla. group. FCC Comr. Ford & NAB presidential asst. Howard H. Bell will speak at the W.Va. meeting. Next week: N.C. AP Bcstrs. annual meeting (Sept. 3) Charlotte; Texas AP Bcstrs. convention (4-5) Rice Hotel, Houston.

Southern Cal. Bcstrs. Assn. pres. Robert M. Light was in New York last week for meetings with agencies & advertisers in the cause of Southern Cal. radio. He will work his way back to the Coast with calls in Detroit, Chicago, Minneapolis, St. Louis, and the Pacific Northwest.

Dr. Frank Stanton, CBS pres., speaks this week at the 9th annual meeting of the Assn. for Education in Journalism, U. of Oregon (Aug. 25-29).

Obituary

Earl J. Hudson, 67, AB-PT v.p., died Aug. 21 in Los Angeles of aplastic anemia. From Feb. 1953 until Dec. 1958 he was v.p. in charge of ABC's western div. Since then he had served in an advisory capacity to successor James Riddell and as AB-PT's representative on the board of Disneyland. He is survived by his wife and 3 daughters.

Joseph T. Connolly, 47, CBS radio v.p. & former radio WCAU Philadelphia gen. mgr. (Vol. 15:31), died Aug. 17 in that city. He is survived by his wife and 3 sons.

Advertising

How Special is a Special? A network special has slightly less than a 50-50 chance of achieving a higher audience-level than the regular network show it's replacing. That's the key finding in a study prepared for us by A. C. Nielsen Co. of the rating behavior of the 37 network specials telecast this year in the Jan.-April period. Details:

- **Larger audiences:** A little less than half (46%) of the specials drew a larger number of TV homes than the "bumped" shows. Of the 17 shows that bettered the regular mark, 14 pulled a 10% or more increase, 3 drew less than that percentage gain.

- **Same-size audiences:** Of all 37 specials, only 2 (5.4%) drew the same-size audience as the shows they pre-empted.

- **Smaller audiences:** On the minus side, 18 specials (48.6%) drew smaller audiences. This is slightly more than the number that boosted audiences. Of those lowering ratings, 16 (43% of the 37-show total) went down 10% or more; the other 2 had decreases of under 10%.

Thus it's about even-money that a sponsor will reach—or not reach—a larger audience with a special than with the routine, regularly-scheduled show—even when the special (as most are) is backed with a heavy promotion campaign. And, with 350 "specials" due in the upcoming season, the odds aren't likely to get better.

Whether specials raise or lower ratings of the time period occupied, however, is not just a question of how good or bad they are. In the general figures cited above, the 2 specials that pulled the largest increase & decrease respectively happened to be only a few rating points apart.

The biggest increase was scored Mar. 2, 1959 by a Bing Crosby special on ABC-TV with a 22.8 Nielsen national rating, representing a 178% gain over *The Patti Page Show* which it pre-empted. The previous Nielsen rating of Miss Page's show had been only 8.2.

By contrast, the largest rating decrease was scored by DuPont's adaptation on CBS-TV March 28 of "The Human Comedy," which scored a rating of 20.5—only 2.3 rating points below the Crosby special. However, the DuPont show fell 42% below the rating level of the replaced shows, largely because they happened to be the high-rated *Have Gun, Will Travel* & *Gunsmoke* Westerns.

As one Nielsen executive put it to us: "If you're replacing a top-rated regular show with a special, it has to be a pretty hot special to top the regular show's rating. Therefore, the performance of the pre-empted show has to be considered, as well as the potential of the special, in estimating how well a special's going to do."

What attracts sponsors to specials (apart from the opportunity to conduct merchandising & promotion drives at dealer level with some big star names) is the fact that the best of them do very well indeed. Here are Nielsen's national figures for the best-viewed specials that made the "Top 10" show lists between Jan. & June:

"Top 10" Network Specials

First Half of 1959

Special	Date	Nielsen Total Audience	
		%	(000)
Some of Manie's Friends	March 3	40.1	17,116
Academy Awards	April 6	55.7	24,200
Bob Hope Show	April 15	34.9	14,916
Emmy Awards 10 p.m.	May 6	37.6	16,465
Emmy Awards 10:45 p.m.	May 6	38.9	16,999
Jack Benny Special.....	May 23	33.6	14,641
Bob Hope Show	May 15	32.3	14,062
Summer On Ice	June 8	37.2	15,976
Holiday U.S.A.	June 10	29.9	13,039

More Special Conflicts: The latest *brouhaha* to flare in the field of network specials is between William Morris agency and CBS Films. Some weeks ago, the latter made plans to syndicate a 60-min. film special featuring advance Paris showings of new fashions by France's top designers, filmed there by a crew from WBBM-TV Chicago. (The station had Perma-Lift bras lined up as a sponsor.) Last week, CBS Films and o&o WBBM-TV got a nasty shock, after most of the fashion footage was in the can. Morris, they learned, had a contract covering exclusive rights to a couturier special, and was serving notice that it intended to package just such a show, now that demand for network specials is at an all time peak. (The Paris project is actually far from new. An ABC-TV special on Paris fashions was discussed—but not activated—for Peter Pan bras as far back as spring, 1956.)

This newest conflict (see "Traffic Jam in Specials," Vol. 15:30) follows closely the announcement by Talent Associates' David Susskind that he plans a Nov. 9 "Don Quixote" for the *DuPont Show of the Month*, thus leaving at the post a previously-announced TV project by Desilu to film a musical "Don Quixote" based on the unproduced movie script purchased from the late Mike Todd's estate and a music score by ex-MGM musical dir. Johnny Green.

* * *

Preoccupation with specials is extending this season even to the regular TV series. Last week, NBC-TV announced the season premiere of *The Loretta Young Show* on Sept. 20 will be "a full-hour dramatic special" titled "The Road." The filmed-in-Europe, extra-length one-shot will be the first 60-min. film in 247 episodes of Miss Young's show. Co-sponsors for the series are Toni Co. (North Adv.) and Philip Morris (Benton & Bowles). Quipped one NBC exec.: "with a one-hour show, they'll have to twirl Loretta through 2 sets of doors."

* * *

Newest star-contract twist at the network level is to gain the services of a top personality in exchange for buying into the star's Broadway show. Last week, in return for a \$20,000 investment in "The Sound of Music," NBC-TV got a contract with Mary Martin for 2 major TV appearances, as yet unscheduled, as well as the recording rights to the show for RCA Victor. NBC also owns a majority interest in the forthcoming Howard Keel-Carol Lawrence "Saratoga" musical, and a minority interest in the current Gwen Verdon "Redhead," including recording rights.

In Other Media: Magazine ad linage in Aug. increased 8.8% over the Aug. 1958 figure, reports *Printers' Ink*, pushing Jan.-Aug. 1959 ahead of the same 1958 period by 5.9% . . . Five major newspapers with a total daily circulation topping 2 million have formed Million Market Newspapers Inc. to bolster their national ad linage through joint representation to national advertisers. The papers: *Boston Globe*, *Milwaukee Journal*, *Philadelphia Bulletin*, *St. Louis Post-Dispatch*, *Washington Star*.

People: Ira Gonsier, named Sullivan, Stauffer, Colwell & Bayles associate media dir. . . . Anson C. Lowitz, ex-Ted Bates, named Doherty, Clifford, Steers & Shenfield v.p. . . . Hooper White, ex-J. Walter Thompson, appointed commercial production mgr., Leo Burnett . . . Michael Hicks, managing dir., Canadian BBDO, elected a v.p.

Sylvester (Pat) Weaver Jr., chmn. of McCann-Erickson Intnatl. and L. F. Weyand, exec. v.p. & marketing dir., Minnesota Mining & Mfg. Co., will address the Assn. of Natl. Advertisers intnatl. advertising workshop Oct. 8.

Film & Tape

Less-than-13 Is Also Unlucky: TV film producers are becoming increasingly wary of short-term deals for 13 weeks or less. It's great for the sponsor—if a show doesn't make the grade, he can cancel out & buy another—but it's financially tough on the producer. Nevertheless, there are a number of 13-week deals coming up next fall, although few will admit it—and in fact, most are announced as 39-weekers.

When producer-director-writer Jack Webb expressed the view some time ago that the Hollywood producer should gamble with the 13-week deal, not one of his colleagues agreed. Ironically, Webb subsequently accepted a 6-week deal (*Pete Kelly's Blues*) that was cancelled after an unsuccessful run. Producer Jules Levy of the production combination of Levy-Arthur Gardner-Arnold Laven (*The Rifleman*, *Tales of the Plainsmen*, *Captain of Detectives*), tells us that another objection to the 13-week deal is the difficulty of getting quality into a short venture: "If you build a street set, for instance, for \$50,000, it can easily be amortized in a series of 26 or 39 episodes. You can also use live music—which costs more, but helps the show. Another factor is that you usually have 8 or more films in the can before you hit the air, so that by the time you get the benefit of viewer reaction, it's too late to correct much in a 13-week deal. It usually takes time to build a successful show. Look at *77 Sunset Strip*, which got nowhere in its first 4 months, and then became one of the season's successes. The same happened in Loretta Young's first year—to Ann Southern last season—and to many other series." Levy's group, which has co-production deals with Four Star Films, holds a 39-week firm contract for *The Rifleman*; its Robert Taylor *Captain of Detectives* series is for 32 first-runs and 7 repeats; and *Tales of the Plainsmen*, although sold to NBC and firm for next season, is still being sold by the network to sponsors.

Nationwide movie attendance, which tumbled in the past decade largely because of TV competition, bounded back to a level of 82.3 million the week ended Aug. 1, with 63% in drive-in theaters, reports Sindlinger & Co. The summertime movie boom may carry over into fall, too, says Sindlinger, because "more people are choosing film fare on a regular basis, giving some solid footing to the summer attendance rise." Although not mentioned by Sindlinger, TV stations have lately been enjoying an upbeat in spot-TV advertising for movies, notably for "Hercules," "North by Northwest," "Say One for Me" and South Pacific."

Maurice Duke has filed a \$450,000 damage suit in Los Angeles against Johnny Desmond, Daniel Winkler and 3 John Does, alleging they interfered with a contract to produce a TV series based on the life of the late Russ Columbo, for NBC. Duke contends he owns the rights to Columbo's life story and that he planned a series to be called "Prisoner of Love." Action claims the defendants unjustifiably interfered with the project by threatening to sue if such a series was made, so that NBC cancelled.

Worldwide TV Sales has sold its taped *Major League Baseball Presents* series to WABC-TV N.Y., WTAE Pittsburgh, WMCT Memphis and WGN-TV Chicago, so far. The 26 hour programs are composed of highlights of this season's top baseball games and produced by Peter De Met productions, Chicago.

Jimmy Durante, currently taping a Zerex-sponsored special to be seen on NBC-TV Sept. 25, will also star in a Dec. 6 special which will be sponsored by Shaeffer pen.

7-League Tape Boots: You need a world map to keep track of video-taped location shows today. Mobile Video Tape Productions has been signed to tape a high-seas dance sequence with Gene Nelson aboard the Furness Lines' Queen of Bermuda during her trip this weekend (Aug. 29) to Hamilton, with the ship's vacationing passengers as audience. It'll be telecast in the Coca-Cola-sponsored Sept. 18 "America Pauses in September" NBC special.

The N.Y. Philharmonic's peripatetic Leonard Bernstein will be taped in London, Venice and Moscow concerts this summer by Robert Saudek and Intercontinental TV for Ford-sponsored telecasting this fall on CBS-TV. The same network's *Person to Person* series, with Charles Collingwood as host, will also don 7-league tape boots to journey to major world capitals this fall for face-to-face interviews with statesmen and theatrical personalities. Victor Borge, TV's unmelancholy Dane, is preparing a musical special to be taped in Copenhagen for Oct. 16 presentation on NBC-TV under Pontiac sponsorship. Hubbell Robinson Jr. plans to tape several Ford specials for NBC-TV in England & France with Charles Laughton & others. And Ed Sullivan, who still hopes to bring the Bolshoi ballet to sponsored network TV, is planning to tape a special in Moscow this fall, featuring the Soviet dance troupe.

Two surveys covering the overall economics of telefilm programming & commercials will be undertaken within the next few months by Screen Actors Guild. SAG will employ an independent research group to make the surveys, which will be used in the Guild's new contract negotiations later this year. The survey of commercials may be a joint venture with AFTRA. Meanwhile SAG also reported that residual payments from TV films during July totaled \$425,936.87, as compared to the record June total of \$449,211.25. The new payments bring the total amount of residuals paid SAG members since 1953 to \$10,686,189.84. The total for the 9-month period since SAG's fiscal year last Nov. 1 is \$3,184,237.01.

CBS Films' anthology series, *Rendezvous*, has been bought by Schilling div. of McCormick Co. for KABC-TV Los Angeles and KRON-TV San Francisco. Both stations will billboard it as *The Schilling Playhouse*, with CBS's permission. It's the first TV program buy for the coffee-spic manufacturer. Meanwhile, Procter & Gamble has bought CBS Films' *San Francisco Beat*, *I Love Lucy*, *Trackdown*, and *Mr. Adams & Eve*, for programming on 29 stations of the Canadian Bestg. Corp. The P&G order, which represents close to \$500,000 of new CBS Films business, is for 52 episodes of each series. All are former CBS-TV network shows.

Revue Productions' *Whispering Smith* series, starring Audie Murphy, may begin on NBC-TV around Jan. 1, we're informed by Revue pres. Taft Schreiber. Revue's commitment with the network gives it sponsor & time-slot approval. NBC had planned to put the show on in the fall as a sustainer, but Revue objected. Meanwhile, with 4 or 5 episodes completed, production has been suspended until Murphy fulfills his movie commitments.

Film entrepreneur Joe Levine, who purchased "Hercules" in Italy for some \$150,000 and who now expects a U.S. theatrical gross of nearly \$6 million on his feature film starring muscleman Steve Reeves, has prepared a 27-min., cut-down version of the corny-but-commercial movie as the pilot of a projected *Hercules* series. It's currently being shown to agencies on a saturation basis in N.Y. and arousing considerable interest. If bought, Levine will produce the series on location in Europe.

HOLLYWOOD ROUNDUP

At Ziv TV Mort Fine & David Friedkin will produce an untitled Western series starring Broderick Crawford . . . At Revue, *Whispering Smith's* new producer is William Alland, replacing Joe Hoffman . . . Frank O'Connor, ex-Ted Bathe v.p., has joined CNP as coordinator of new program development . . . David Heilweil, former *Richard Diamond* producer, joins Westinghouse-Desilu Playhouse as staff producer . . . ITC has signed writer Lou Derman to produce *The Gale Storm Show*, as replacement for Alex Gottlieb . . . Charles E. Skinner, ex-producer *Sergeant Preston*, named exec. producer in charge of Filmaster Inc. industrial & public relations film div.

Telepix Corp. has signed a co-production deal with Trans-Tapix Corp., new company which specializes in location taping of commercials & programs. Telepix produces filmed commercials.

ABC Films begins production of its new series, *Counterthrust*, in Manila, Sept. 1. Lynn-Romero Productions will produce the series which stars Tod Andrews & Diane Jergens . . . Sharpe-Lewis Productions has signed John Vivyan to star in its new series, *Mr. Lucky* . . . *The Bodyguard* is the title of a series being prepared by Clarence Greene and Russell Rouse.

Desilu Productions is preparing a pilot of *Homicide Squad*, a semi-documentary, for a possible Jan. sale; Mort Briskin producing . . . NBC will hold a world-premiere of its new Western, *Bonanza*, in Reno, Aug. 22-23, with stars & guest-stars on hand. David Dortort produces.

Irving Pincus, creator-producer of ABC-TV's *The Real McCoys*, has bought Charlotte Paul's novel, "Minding Your Own Business," to prepare "as a half-hour comedy series for sale in the 1960-61 season." The novel concerns a city couple who buy a country newspaper.

Archer Zambloch, ex-Hal Roach studios mgr., joins Jerry Stagg's Blue J Productions as business mgr. . . . Diane Adler named coordinator of TV commercial div. of Martin Manulis Productions at 20th-Fox TV . . . James V. Melick named dir. of cost coordination for CBS-TV films.

Children's TV Fare Is Hit: TV programs aimed at tots & teens are shorter than ever on quality and longer on trash, glumly reports the Natl. Assn. for Better Radio & TV (NAFBRAT) in its 9th annual report covering programs on 7 TV & 4 radio stations aired in Los Angeles during May's first week. NAFBRAT's evaluation committee scored 24 hours, 55 min. of "excellent" programming, compared with 34 hours, 30 min. last year and 22 hours, 45 min. in 1957 (Vol. 13:32). Overall, favorable programming (good to excellent) dropped to 62 hours from the 68 hours, 15 min. last year; while "fair" to "most objectionable" increased to 37 hours, 40 min. from 1958's 35 hours, 15 min.

"Excellent" ratings went to 19 TV series: *GE College Bowl*, *Lassie*, *Leave It to Beaver*, *Mickey Mouse Club*, *Dick Clark Show*, 14 others. Sixteen shows were scored as "good." Rated "objectionable" were 17: *Disneyland* ("excellent" in 1957), *Buster Keaton*, *Captain Grief*, *Crusader Rabbit*, *Jet Jackson*, *Jim Bowie*, *Lone Ranger*, *Our Gang*, *Rin Tin Tin*, *Robin Hood*, *Roy Rogers*, *Sgt. Preston of the Yukon*, *Sheena*, *Sky King*, *Three Stooges*, *Wild Bill Hickok*, *Whirllybirds*, *Zorro*. Only 2 were tagged as "most objectionable," both repeaters: *Superman* & *Texas Rangers*.

NEW YORK ROUNDUP

NBC's diversification: Interview with NBC chairman Robert W. Sarnoff in *New York Times* states that the network has a team of planners exploring "areas into which the company may profitably move—including some that may be far afield from either electronics or entertainment." The interview also reveals that NBC plans to produce 2000 taped TV commercials next year, and that it is "considering the possibility of restoring to legitimate playhouses some theaters it has converted into studios."

UPI's TV-reviews changed hands last week as Fred Danzig took over from William Ewald, who resigned to become TV-movie writer for *Newsweek*. Ewald, writer of sharply critical TV reviews, said he was "tired of working from 60 to 70 hours a week, watching TV day & night." Danzig, UPI TV-radio dept. news & features writer, has done the column during Ewald's vacations for the past 2 years. (AP, as was announced here (Vol. 15:32), will also have a new TV columnist—in Cynthia Lowry.)

Radio WRCA N.Y., to achieve programming identity, last month introduced "wall-to-wall music" ("a rich, full-dimensional sound combined with a brilliance & excitement that only luxuriously orchestrated selections can provide"). Taking no chances on being called on the carpet for being musically out-of-date, reports *Printer's Ink*, rival DJ's Finch & Klaven revised their kick-off to come on the air with: "This is station WNEW—bringing you scatter-rug music."

Ziv's telefilm production staff, occupied in filming 6 series for fall viewing (3 for network exposure, 3 for syndication) now includes over 350 camera, technical, lighting & wardrobe personnel. Location shooting for the 6 series, Ziv reports, is scattered throughout southern Cal., while studio shooting is occupying the entire Ziv American National lot, plus rented space at Goldwyn and Republic.

That \$5 million music deal by Jack Wrather's ITC to buy Mills Music (Vol. 15:15) has now apparently fallen flat, although there's an outside chance it may still be revived. One problem, we are told, has been an excess of specialized demands by Mills executives concerning distribution of publishing royalties & ASCAP funds. The deal would have made ITC the first telefilm major to have its own music publishing subsidiary.

Dr. Joyce Brothers, WRCA-TV N.Y.'s late-late lady psychologist, although resoundingly panned by peppery *Journal-American* TV critic Jack O'Brian (who termed her 1 a.m. domestic-relations show as "instant Freud" and carpied at her low necklines), is having the traditional last laugh all the way to the bank. Despite the late hour, her show is currently sold out to Revlon, Wesson Oil, Burry Biscuits, Tropicana Orange Juice and Eureka Vacuum Cleaners on a spot basis.

Vic Tanny Enterprises neared completion last week of negotiations whereby the health club operator will become the largest stockholder in Guild Films (Vol. 15:29). Final details of the stock swap between the 2 firms have not been resolved. Tanny ownership "should promise increased Guild production," Irving Feld, v.p. of Guild subsidiary Inter-World TV Films, told us.

Alvin E. Unger, ex-Arrow Productions administrative mgr., has been promoted to gen. mgr. of the special projects div. of ITC, Arrow's parent company.

Trade Report

AUGUST 24, 1959

GE EXPLORING TUNNEL-DIODE BATTERY TV: GE's TV receiver dept. has lost no time in snatching from the lab one of year's most sensational electronics developments—the tunnel diode, described in these pages last month as "made to order for TV" (Vol. 15:30).

The tiny developmental diode, a substitute for the transistor which promises to overcome many of transistor's disadvantages in battery-operated TV (including cost), isn't commercially ready yet, of course—but GE advance TV development engineers have been working with it for some time, exploring possible TV circuits to be developed around it.

How much promise tunnel diode holds for simple & inexpensive battery TV GE's engineers aren't saying—it's too early. But the company's recent silence about plans for transistor TV set may be significant. You'll recall that GE showed a humdinger of a transistor portable last Nov.—neat, compact, handsomely packaged, showing good picture on new type of 8-in. direct-view tube (Vol. 14:44). Yet at a time when some other set makers are announcing plans for transistor TV, there are indications that GE is undecided.

Best bet is that GE thinks battery TV is still premature until all possibilities of substituting tunnel diode for transistor are explored—and that may take some time. Like rest of industry, GE is peering cautiously over its shoulder at progress being made by Japanese in TV field (even though it has substantial ownership in, and is good customer of Toshiba). Dr. Leo Esaki, inventor of tunnel diode (sometimes called the Esaki diode) and semiconductor research chief of Sony Corp., is quoted in Aug. 20 Electronic News as saying that the Tokyo firm is "seriously studying" use of the diode in TV & FM sets but more time is needed.

Other U.S. semiconductor manufacturers are accelerating tunnel-diode development—and GE isn't the only set maker playing with TV circuits designed around the new gadget.

Activity in transistor industry, meanwhile, is being aimed at wider use in TVs & radios. Some activities this week are Texas Instruments' introduction of new germanium mesa transistors for use at TV & FM frequencies and the same firm's announcement of quality audio-frequency transistors made to sell for as low as 50c as well as Cornell-Dubilier's big-scale entry into transistor import business (see p. 17).

BULLISH FORECASTS OF YEAR'S TV SALES: Estimates of total 1959 TV set sales are being revised upwards by market research depts. of most set manufacturers in view of TV market pickup and general indicators of nation's economic health.

U.S. Commerce Dept., through its Business & Defense Services Adm.'s electronics div., headed by Donald S. Parris, last week predicted record \$8.5 million in factory output of electronic equipment & components, and made this forecast on consumer electronics production for 1959:

"Anticipated output of consumer electronic equipment, at factory prices, should reach \$1.7 billion in 1959, or about 30% above 1958. Phono records should contribute an additional \$190 million in sales. With a normal seasonal upturn in retail sales, 1959 black-&-white TV receiver production should reach 6.4 million units. Radio receiver production may reach 14 million units if automobile sales follow predictions—a level reached only twice during the past 10 years.

"Production of other consumer electronic products—phonographs, recorders, hi-fi equipment, color TV, etc.—will contribute almost one-third of the total 1959 value of consumer electronic equipment output. Present sales of miscellaneous consumer electronic products such as garage-door openers, electronic toys, auto headlight dimmers and related devices are only the beginning of the extensions of electronic control & processing techniques to the vast consumer market. If cost reductions keep pace with consumer demands for further leisure and improved ways of doing things, this market could surpass receivers in another decade." (For more on Commerce Dept. electronics forecast, see p. 16).

These are typical of the revised TV sales estimates now being given by industry leaders:

Admiral pres. Ross D. Siragusa—He has revised his estimates upwards, now foresees sales of "pretty close to 6 million TV sets this year."

Hoffman Electronics consumer products v.p. Ray Cox—"It looks as if the industry is headed for more than 6 million sets this year, and it might hit 6.5 million. Everybody in the industry is reporting substantial in-

creases in shipments & production. Our shipments are running much heavier than usual. I believe the upbeat in the industry is due to promotion & styling."

Motorola consumer products exec. v.p. Edward R. Taylor—He's sticking by his prediction last month that industry will sell 6 million sets (Vol. 15:28).

TV chief of another large company, however, takes minority view: "People who predict a 6-million-plus year may be paying too much attention to distributor & dealer sales. When you look into the retail end, the prediction has to be closer to 5.6 million or possibly 5.8 million. Much of today's selling is pipe-line-filling."

Background for optimism is found in govt. statistics on economic well-being of the nation: (1) Total personal income from all sources rose to new peak in 2nd quarter and to a new monthly high in July. (2) Disposable income—personal income minus the tax bite—was \$22.4 billion greater than last year's 2nd quarter. (3) Rate of consumer spending during same quarter was highest level ever reached in any 3-month period. (4) Installment buying in June had its largest monthly increase since Sept. 1955, with total credit outstanding at all-time high. (5) Retail sales hit new record in first half of 1959.

Only dark cloud on horizon is steel strike, whose economic effects are just beginning to be felt. If it continues for any considerable amount of time, entire economy will suffer unscheduled setback.

TV-RADIO PRODUCTION: EIA statistics for the week ended Aug. 14 (32nd week of 1959):

	Aug. 7-14	preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	149,314	121,581	124,527	3,400,558	2,696,693
Total radio	261,210	184,692	227,114	8,382,826	5,702,831
auto radio	69,288	39,219	45,565	3,264,760	1,772,356

More about

Electronics' 1959 Outlook: Electronics div. of Commerce Dept.'s Business & Defense Services Adm. forecasts a 1959 electronics output of \$8.5 billion at factory prices (excluding \$1.5-\$2 billion in research & development expenditures). This is a 20% increase over last year's \$7 billion. The division gives this analysis:

Consumer products—Output should reach \$1.7 billion (see story on p. 15).

Military equipment—"The greatest upsurge in volume during 1959 has been in military electronics production, which comprises over half of total electronics activity if research & development expenditures are included . . . Unless the international situation changes, military electronics activity should continue to increase."

Commercial & industrial—After leveling off late in 1957 & early in 1958, upward trend began late in 1958 and is continuing.

Tubes—Total output should increase 10% above 1958 levels, most of the rise being in transmitting a special-purpose tubes. Receiving tubes should show only a moderate increase, with total electron tube output reaching new high of around \$9000 million for increase of \$100 million.

Semiconductors—Output is expected to rise about 40% over 1958 from \$210 million to more than \$300 million.

Other components—Preliminary data indicate that 1959 will be a record year, with an increase of at least \$250 million or 20% over 1958.

Hewlett-Packard Co., Palo Alto maker of electronic measuring instruments, has acquired all outstanding stock of Boonton Radio Corp., Boonton, N.J. manufacturer of signal generators & other test instruments. Boonton, which will become a subsidiary, has an annual sales volume of about \$2.5 million & 150 employees. Hewlett-Packard's sales have been running at \$40 million. It employs 2,000.

Land 2-color technique and its applications to TV (Vol. 15:27, 32) are being studied in Hoffman Electronics' advance products lab in Santa Barbara, pres. H. Leslie Hoffman told West Coast Electronics Mfrs. Assn. in San Francisco last week in a speech in which he pleaded for new breakthroughs in consumer electronics. Another field under study by Hoffman lab is a low-cost home video-tape recorder. Said Hoffman: "I think the public is waiting for a major new development in color TV." He stated that the electronics industry should devote more research to non-military developments—particularly home electronics, a field which he called "wide open." He pointed out that home entertainment electronics products have grown only from \$2.3 billion to about \$2.6 billion this year. New products, he said, can hike volume 47% to \$3.8 billion by 1970.

Automobile phonos will be offered by Plymouth, De Soto, and perhaps other Chrysler autos in 1960 models. RCA Victor is supplying 45-rpm changers which will accommodate 14 records providing up to 1¼ hours of music with one loading. This move will mark the 2nd time Chrysler has offered phonos as optional equipment with its cars. The 1956 Chrysler line featured "highway hi fi" as an extra, using a Columbia-developed 16-2/3-rpm phono mounted beneath the dash and providing 35 min. of playing time on each 7-in. record (Vol. 11:38-39). Highway hi-fi wasn't a smash hit—but apparently Chrysler believes the current record boom makes it worth another try, with readily available standard 45-rpm discs.

Speer Carbon Co., St. Marys, Pa. producer of electronic components, is buying the electronics div. of Onondaga Pottery Co., Syracuse, N.Y., a leading producer of ceramic printed-circuit packages. The printed-circuit business will be continued in Syracuse under the name of Onondaga electronics div. of Speer Carbon, with William G. Fehrenbach, now head of Speer's Jeffers electronics div., as gen. mgr.

Educational grants by GE Foundation total more than \$1,350,000 for 1959, compared with \$1,105,000 in 1958.

Transistor Price Breakthrough: A new semi-mechanized production method developed by Texas Instruments now makes possible the production of a series of all-purpose economy germanium transistors, some types selling as low as 50¢ in economy lots. This is the latest development in the fast-moving field in which price reductions are announced as often as 4 or 5 times a year—as the state of the art advances.

Texas Instruments has its eye on transistorized TV sets in another development announced last week at the WESCON show in San Francisco—the forerunner of a complete line of TI mesa transistors designed for TV & FM sets. Both developments were made possible by TI's new manufacturing process which bonds an all-glass header to the metal transistor case, permitting almost complete use of mechanized production techniques.

The economy line of transistors includes 10 for general purpose industrial uses and 6 entertainment types for use in amplifier circuits. The 2 new high-frequency mesa units, feature high gain & low noise at 100 & 200 mc, and are scheduled to be followed by a complete "family" of TV-FM transistors for use in RF amplifier, oscillator, mixer, IF amplifier and other applications. They'll be available in production quantities this fall.

Despite the almost continuous price reductions, nearly all transistor types are considerably more expensive than the tubes they're designed to replace.

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New U.S. census of housing starting next April 1, in conjunction with the 1960 population count, will include first-time data on how many households have 2 or more TV & radio sets. Preliminary reports from the surveys by 170,000 temporary employes of the Census Bureau probably will be released in the summer & early fall of 1960, followed by final state & city reports at intervals during the next year. In the last census in 1950 householders were asked only if they owned a TV or radio set.

Income tax deferment on payments to TV-radio-appliance and other service contractors under long-term agreements is provided in a bill (HR-8688) introduced by Rep. Riehlman (R-N.Y.). He told us the purpose of the measure is to give a break to servicemen who now are subjected to taxes on contract income in the year in which agreements are signed—although the contracts may run 18 months, 2 years or longer. His proposed amendment of the Internal Revenue Code was referred to Ways & Means Committee.

Conley Electronics Corp., new combine headed by Chicago financial consultant Edgar N. Greenebaum Jr. & John M. Rau (Vol. 15:19, 31), is understood to have reached an agreement to purchase Industrial Development Engineers Associates Inc. (IDEA Inc.), Indianapolis manufacturer of Regency radios and industrial & communications electronics equipment for an undisclosed amount. Earlier, Conley purchased phono-maker Waters Conley Co. and tape-player & cartridge-maker Fidelivox-Fidelipac.

Moon-bounce radio relay in the Navy's new U.S.-Hawaii communications project (Vol. 15:14) will be in regular operation before the end of 1959 instead of next year, the Navy reported last week. The system will operate with transmitting stations at Annapolis, Md. & Opana on Oahu Island, receiving stations at Cheltenham, Md. & Wahiawa, Oahu.

Institute of Radio Engineers will co-sponsor with the American Institute of Electrical Engineers a special technical conference on non-linear magnetics & magnetic amplifiers Sept. 23-25 in Washington's Shoreham Hotel.

JAPANESE TRANSISTOR FLOOD? Old-line electronic-component firm Cornell-Dubilier stepped into a new & significant role last week as exclusive marketing agent for Toshiba transistors in the U.S. & Canada. Pres. Octave Blake said that the deal with Nippon's big Tokyo Shibaura Electric Co. will get under way in mid-Sept., will bring in some 25 million transistors in the following 12 months.

The South Plainfield (N.J.) firm said distribution would be handled via its nationwide & Canada-wide network of distributors & authorized agents, would not disclose the types or pricing of the Toshiba transistors.

The significance of C-D's planned importation of 25 million Japan-made transistors in the next year is underscored by the fact that total import of Japanese transistors during the first 4 months of this year was only 113,833 units (Vol. 15:32) and that total U.S. output last year was 47 million.

Toshiba's was not the only Japanese straw in the wind last week. Matsushita Electric Co. reportedly was dickering with Bulova Watch Co. for sale of some 100,000 transistor radios to be U.S.-marketed under the Bulova brand. Unconfirmed was a report from Matsushita that the deal is ready for signing and that shipments will start next month.

Meanwhile, in N.Y., Intnatl. GE said it is planning to increase its financial interest in the Toshiba firm. IGE currently owns 7.3% of the Tokyo firm's stock, is believed to be its largest single shareholder. A Toshiba spokesman said that IGE will add 13,225,000 shares to its present 22,042,300 holdings. Toshiba last spring received a \$2.5 million IGE order for transistor radios & electronic components for overseas sales (Vol. 15:21).

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RCA called it quits amicably with Kenyon & Eckhardt last week "because of the differences of opinion on marketing philosophy." The account, which had been at K&E for 6 years, will shift to J. Walter Thompson following the Jan. 1, 1960 official termination of the K&E contract. JWT, meanwhile, announced the resignation of its Sylvania account (which would have conflicted), with Sylvania shifting to Kudner. RCA's 1959 ad spending is estimated at \$10.5-\$12 million, Sylvania's in the 4-million range.

Production contract topping \$11 million has been awarded to RCA by Navy BuShips for a transportable search radar to be used by the Marine Corps in amphibious assault operations. RCA said that the equipment, designed by its missile & surface radar div., has twice the detection range & half the weight of comparable units.

All military procurement of common electron tubes—which totaled more than \$48 million in fiscal 1959—is being handled by the Air Force under a new Defense Dept. integrated-contract policy. Asst. & Defense Secretary Perkins McGuire instructed the Air Force to have the policy "fully implemented" by next March 31 in coordination with the Army & Navy.

Capehart TV-hi-fi line, acquired by Dynamic Electronics-New York Inc. (Vol. 15:33), will add \$6-\$8 million to Dynamic's sales next year, according to pres. Jack M. Winer. Dynamic's sales for the year ended March 31, 1959 totaled \$3,123,653.

IUE is being sued by Warwick Mfg. Corp. in a \$425,000 breach-of-contract action which charges that the union & its local chapter are engaged in illegal slowdown activities at Warwick's Zion (Ill.) TV plant. The plaintiff claimed in a suit filed in Chicago Federal Court that the alleged slowdown has been going on since last Sept.

Trade Personals: Dr. William M. Webster promoted to dir. of RCA Labs' electronic research lab, succeeding Edward W. Herold, named research v.p. of Varian Associates . . . Everitt A. Carter, ex-Curtiss-Wright, appointed Oak Mfg. pres., succeeding Robert A. O'Reilly, who will be board vice-chmn. & exec. committee chmn.

Jacob B. Taylor promoted from General Telephone & Electronics finance v.p. to exec. v.p.-finance; Leon C. Guest Jr. promoted from controller of GT&E subsidiary Sylvania to v.p.-controller, GT&E . . . Dr. Edward N. Clarke, one of the founders of Natl. Semiconductor Corp., named operations v.p.; Donovan H. Tyson, ex-Du Mont, appointed treas. . . Richard M. Ross promoted from semiconductor sales mgr. to new post of semiconductor div. mktg. services mgr., Sylvania.

Zembry P. Giddens, ex-Servo Corp., named to new post of exec. v.p., Dynamics Corp. of America . . . Harold A. Wheeler, pres. of Hazeltine subsidiary Wheeler Labs (Vol. 15:30), named v.p. & a dir. of Hazeltine . . . Frederick R. Lack, retired Western Electric v.p., elected a director of Sprague Electric Co.

James L. Clark, former staff asst. to the Asst. Secy. of Defense, appointed purchasing & inventory control mgr., Sylvania Electronic Systems . . . Martin P. Rosenblum, former *Home Furnishings Daily* radio-TV editor and currently on the advertising sales staff, named ad director, succeeding Leo E. Williams, who becomes special advisor to parent Fairchild Publications (Vol. 15:33), effective Jan. 30 . . . Michael York, named corporate ad. mgr., Beckman Instruments.

Dr. James R. Wait, National Bureau of Standards radio propagation lab consultant, awarded Commerce Dept.'s Gold Medal for exceptional service; Carroll Stansbury, NBS electronic instrumentation engineer, given Silver Medal; Vincent E. Heaton, radio broadcast service physicist at Boulder, Colo. labs, cited for meritorious service . . . Edward Diamond, secy.-gen. counsel of General Dynamics' Stromberg-Carlson div., is U.S. rep. on international panel on nuclear hazards in Vienna this month.

Dr. Allen M. Peterson, Stanford Research Institute's communications & propagation lab mgr., received the IRE 7th region achievement recognition award . . . Dr. W. Crawford Dunlap, Raytheon semiconductor research dir., named editor-in-chief of new publication, *Solid State Electronics* . . . William H. Thomas, James B. Lansing Sound, elected pres. of Electronic Industry Show Corp. (for 1960 Electronic Parts Distributors Show), succeeding William S. Parsons, Centralab; George E. Wedemeyer, Wedemeyer Electronic Supply Co., Ann Arbor, Mich., named v.p.; Mrs. Helen S. Quam, Quam-Nichols Co., appointed secy.; Edward Rothenstein, Arco Electronics, named treas.

John Fritz Medal, highest award granted by engineers, goes this year to Gwilyn A. Price, Westinghouse board chmn., for "personal initiative in . . . the cause of developing atomic power for the national defense & for the human welfare." (Westinghouse developed the atom plant for the USS Nautilus.) The 4 engineering societies participating in the award are: American Society of Civil Engineers; American Institute of Mining, Metallurgical and Petroleum Engineers; American Society of Mechanical Engineers; and the American Institute of Electrical Engineers.

Obituary

Fleet Adm. William F. (Bull) Halsey, 76, Second World War hero of the Pacific campaign, died Aug. 16 on Fishers Island, N.Y. After he retired from the Navy in 1947, he was chmn. of ITT subsidiaries Mackay Radio and All American Cables & Radio Corp. until retirement in '57.

Finance

Metropolitan's Record Gains: Metropolitan Bestg. Corp., the former Du Mont Bestg. Corp. (WNEW-TV & WNEW N.Y., WTTG Washington and radio WHK Cleveland), reports a new high in revenues & earnings for 6 months ended July 5—with profits 3 times as high as in the same 1958 period and gross revenues up 19.2%.

Pres. John Kluge attributed the improvement largely to a 28% increase in revenues of the 2 TV stations, which showed heavy losses during the first half of 1958 and now show substantial profits. He said that \$1,850,000 of long-term bank debt has been paid off in the last year, reducing bank loans to \$70,000—which should be paid off by the end of this year. He added that the banks have agreed to waive all dividend restrictions on earnings because of the reduction in the debt. Metropolitan's report for 26 weeks ended July 5:

	1959	1958
Gross revenues	\$8,074,096	\$6,774,437
Net earnings	1,004,252	306,194
Earned per share	65¢	20¢
Shares outstanding	1,546,512	1,541,137

Paramount Pictures' net earnings for first-half & 2nd quarter 1959 were down from the comparable 1958 figures. Special income in the table below includes profits on liquidation of investments. For 6 months ended June 30:

	1959	1958
Net from operations	\$2,493,000	\$2,565,000
Special income	2,767,000	7,706,000
Total net income	5,260,000	10,272,000
Earned per share	3.07	5.58
Shares outstanding	1,714,116	1,839,216

For 3 months ended June 30:		
Net from operations	1,175,000	1,160,000
Special income	440,000	760,000
Total net income	1,615,000	1,920,000
Earned per share	94¢	1.04

Tele-Broadcasters Inc. (Scott Killgore group—radios WPOP Hartford, WPOW N.Y., KUDL Kansas City, KALI Pasadena) reports profitable operation & an increase in broadcast revenue for the 1959's first half. WPOW was sold July 14, after the close of the period, and the capital gain is not included in the statement. For 6 months to June 30:

	1959	1958
Broadcast revenue	\$493,132	\$445,081
Non-operating revenue	1,366	1,913
Net profit (loss in '58)	25,576	(34,660)
Earned surplus (or deficit)	2,695	(26,413)

British Industries Corp., U.S. merchandisers of Garrard changers, Wharfedale speakers and other British hi-fi components, reports slightly decreased sales & earnings for 6 months ended June 30:

	1959	1958
Sales	\$3,804,849	\$3,993,926
Net income	248,008	250,501
Earned per share	79¢	80¢

Capitol Records reports all-time high sales & slightly reduced profit for the fiscal year ended June 30. Merchandising & sales v.p. J. K. Maitland said that stereo discs already make up from one-quarter to one-third of Capitol's LP sales. The report for the year ended June 30:

	1959	1958
Sales	\$49,266,860	\$43,694,818
Net income	2,756,770	2,777,755

Sylvania will borrow \$25 million through the sale of 25-year straight debentures underwritten by a group headed by Paine, Webber, Jackson & Curtis. Although Sylvania is a division of Gen. Telephone & Electronics, it will borrow the funds on its own name. The debentures probably will be marketed late in September.

Skiatron Electronics & TV has filed an SEC registration (file 2-15483) for 142,242 common stock shares issued under warrants or options. The Skiatron prospectus also covers 30,000 shares owned by pres. Arthur Levey which will be offered for sale through brokers. Distribution of the 142,242 shares: 125,000 to Skiatron TV Inc.'s Matthew M. (Matty) Fox, who has bought 75,000 at \$3 per share and owns 1956 warrants for purchase by Oct. 3 of 50,000 more at \$3; 15,000 to chief engineer William J. Shanahan at \$3.37 per share under a 1955 option; 1,000 to public relations counsel Tom Compere at \$4.12 per share under a 1956 option; 1,000 to dir. Robert A. Hall at \$4.50 per share under a 1956 option; 13,742 "to various persons in lieu of cash for services rendered." Cash proceeds of \$238,696 from the exercise of the warrants & options have been added to Skiatron Electronics & TV's working capital. Proceeds of \$150,000 expected from exercise of additional warrants also will go to working capital. The company will receive no part of the proceeds from sale of stock owned by Levey, who owns 270,431 of 1,424,559 outstanding common shares and holds an option for an additional 100,000 shares. The SEC registration statement said 250,000 shares are reserved under warrants issued in an April 1957 agreement with Skiatron TV Inc.

Four NBC engineers & one NBC labor-relations exec. in Los Angeles are floating a \$1 million stock issue for Trans-Tapix Corp., new mobile video-tape company they have formed. Funds from the stock issue will be used to buy 2 mobile tape units. Frederick J. Cudlipp, in NBC labor relations on the Coast, is pres. and he tells us he & his colleagues will leave NBC as soon as his company has the financing. They are floating 200,000 Class B shares for themselves, for services rendered in organizing the corporation. Proceeds of the issue are figured at \$800,000 after brokerage fees & selling expenses. Howard E. Duhamel is exec. v.p.; and v.p.'s are David B. Graham, John Agalsoff, and Louis Fusari.

Transcontinent TV Corp. stockholders approved a 2-for-1 split of presently authorized shares in Buffalo Aug. 18. They also voted an increase of 500,000 in the number of shares authorized, bringing the total to 1,520,000. Transcontinent's merger with Marietta Bestg. Inc. in May (Vol. 15:20) provided one-management operation for WGR-TV & WGR Buffalo; WROC-TV Rochester, N.Y.; KFMB-TV & KFMB San Diego; KERO-TV Bakersfield; 60% of WNEP-TV Scranton-Wilkes-Barre; 50% of WSVA-TV & WSVA Harrisonburg, Va. The Harrisonburg stations are being sold to the *Washington Evening Star* (Vol. 15:32).

Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa, *Better Homes & Gardens, Successful Farming*) reports net income of \$4,255,770 (\$3.28 a share) for the year ended June 30, vs. \$3,850,307 (\$2.97) for fiscal 1958.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AT&T	Q	\$0.82½	Oct. 10	Sep. 10
Famous Players				
Canada	Q	.37½	Sep. 11	Aug. 26
General Industries ...	—	.20	Sep. 15	Sep. 4
Globe-Union	—	.25	Sep. 10	Sep. 2
Hazeltine (new)	—	.20	Sep. 15	Sep. 1
Sprague Electric	Q	.30	Sep. 14	Aug. 28
Storer Bestg.	Q	.45	Sep. 15	Aug. 29
Storer Class B	Q	.06	Sep. 15	Aug. 29
Time Inc.	interim	.75	Sep. 10	Aug. 26
20th Century-Fox	—	.40	Sep. 26	Sep. 11

Foreign

TV sets in Sweden exceeded 400,000 at the end of June, compared with 150,000 a year earlier, according to the Aug. 10 issue of the Commerce Dept.'s *Foreign Commerce Weekly*. Official estimates predict 718,000 licensed sets by mid-1960, and 1.4 million by 1964. Domestic producers supply half the sets sold in Sweden. Leading exporters to Sweden in the first 4 months of 1959 were West Germany, Netherlands, Denmark & U.S. The present 16-station network is expected to expand to 32 stations by the end of this year and 50 by 1962. Color TV is not foreseen before the middle 1960's. Licensed radio sets at the end of 1958 totaled 2.82 million, are increasing by 75,000 annually.

Sweden has ordered 16 TV transmitters & 20 FM transmitters from British Marconi, which said it won out "in the face of extremely fierce competition, at least 10 firms bidding for the business." The order, placed by the Royal Board of Swedish Telecommunications, includes four 10-kw, four 4-kw and eight 500-watt TV transmitters. All 20 FM transmitters will be 5 kw. When the \$818,000 contract is completed, Marconi says, it will have supplied "100 transmitters for Sweden and 31 broadcasting stations will be equipped with Marconi TV or FM transmitters, or both."

TV censorship is softening in Saudi Arabia: bona fide female voices are now permitted on TV screens, reports AP. Prior to the Saudi govt.'s okay, the o&o station of Arabian American Oil Co. (Aramco) at Dhahran, was required to have men impersonate the voices of female characters in movies, since Saudi Arabian women are permitted to take part in few public activities. The Aramco station, operated primarily for its 17,000 employes, continues under a rigid self-imposed censorship to conform with Saudi traditions: no scenes showing kissing, dancing, gambling or liquor.

Yugoslavia is readying TV-expansion plans to bring service to 70% of the nation's 18-million population, reports Reuters. Relay stations are projected for central & southern Yugoslavia and a possible link-up of Macedonia & Montenegro with the Italian TV network. Currently, the national TV network links Belgrade, Zagreb, and Ljubljana, provides some 20 hours of program time weekly, including programs piped in from the Italian & Austrian TV systems.

German Reds ban free TV: It's a crime now for TV viewers in Communist East Germany to watch programs originating in West Germany. A Communist court at Erfurt, acting in separate cases, has sentenced 2 defendants to imprisonment at hard labor—terms not disclosed—for looking at shows from West German stations and inviting friends to watch them, too.

Nigeria's first commercial TV stations are expected to go on air in Oct., with transmitters at Ibadan & Ikeja producing primary coverage for some one million persons in the Lagos-Ibadan-Abeokuta areas. WN-TV network, owned jointly by Britain's Overseas Rediffusion and West Nigerian govt., will be the first commercial TV station in Africa originating complete programming.

Outlets in Curacao & Aruba have Dec. & Jan. targets, now that negotiations have been completed by Hemisphere TV Corp., which also is planning Nov. start for Haitian TV station in Port au Prince (Vol. 15:30). Hemisphere owners are J. Elroy McCaw's Gotham Bestg. Co., Bartell Bestrs. Inc. and Haitian industrialist Mike Rosenberg.

Japanese TV specialist Hiroshi Saheki, broadcasting chief of the Osaka TV Co., is on a 3-month professional & cultural tour of the U.S. as the guest of the State Dept. & WRC-TV Washington.

Auxiliary Services

Ford's new Falcon will be introduced Sept. 2 at a 21-city closed-circuit 2-way TV press conference to which 2000 newspaper, TV and radio representatives have been invited. Theatre Network TV Inc. is setting up the system for the 2-hour event so that Ford officials in Dearborn can be queried about the compact car by reporters in the viewing locations. Falcons will go on sale in early fall. Regular network & spot TV advertising campaigns for Falcon are expected to roll in late summer (barring production tie-ups caused by the steel strike) to get the jump on fall ad plans of other Detroit small cars and import models (Vol. 15:31).

"Scanoscope" wide-screen closed-circuit TV system, developed by Grimson Color Inc., 381 Fourth ave., N.Y., is now available to retailers on a rental basis. A "basic system"—7 x 3 aspect camera, regulated power supply, monitor and cable—is offered at \$475 for one to 7 days, \$720 for 7 to 15 days, \$950 for 15 to 30 days. Rate card also provides for additional equipment.

Closed-circuit TV systems installed on C-133 cargo planes at the Andrews Air Force base in Md. are used to guard against icing conditions within the engines. TV cameras are aimed at inlet guide vanes of the turboprop engines in flight while crewmen watch screens inside the planes.

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Fights & Flights: Even if TelePrompTer gets a green light for a closed-circuit telecast of a return bout this fall between heavyweight champ Ingemar Johansson & Floyd Patterson (and it's about as "iffy" a prospect as you'll find in TV), it won't be held in N.Y.'s Yankee Stadium, as planned. That much, at least, was clear last week in the still-clouded, still-controversial aftermath of the June 26 title bout, following the revocation of the license of Rosensohn Enterprises by the N.Y. State Athletic Commission. Such a return match must now be held in some other state.

Not at all clear were a number of other developments:

(1) Air reservation traffic between N.Y. & Goteborg, Sweden (Johansson's home) was crowded with such back-&-forth passengers as TelePrompTer's pres. Irving Kahn; ousted promoter William P. Rosensohn; Vincent J. Vellela, new pres. of Rosensohn Enterprises; and light-heavyweight champion Archie Moore & mgr. Jack Kearns. All, presumably, were seeking a fight deal for Johansson.

(2) Rosensohn himself last week returned to N.Y. and was escorted by detectives to DA Frank Hogan's office for a quizzing on what he knows about possible underworld participation in the June 26 bout. "I have nothing to hide," stated Rosensohn.

(3) Earlier in the week, Jack Dempsey, famed "Manassa Mauler" of the 1920's, was named promotion dir. of Rosensohn Enterprises (in which Rosensohn now has no controlling interest). He, too, was reported planning a trip to Goteborg, presumably to talk up a planned fight between Patterson & Johansson. Informed in Copenhagen of Dempsey's entry into the now-crowded scene, Johansson stated that he wanted to wait until he had "studied all the details in this connection."

(4) Fight mgr. Jack Kearns was talking of still another TV-angled deal, and stated that he was prepared to offer \$1 million cash to Johansson for a bout with Archie Moore. Kearns estimates such a match would draw as much as a \$5 million take with "the gate, theater & arena TV, and movies thrown in."

Paramount's International Telemeter is taking no chances of offending theatrical exhibitors during the projected winter-season test of closed-circuit pay-TV in Toronto (Vol. 15:33) in cooperation with Bell Telephone Co. In N.Y. last week, Paramount pres. Barney Balaban announced that movie-theater owners in Toronto were being invited to participate financially in the 5,000-home project "in proportion to the economic power of their theater situations."

TelePrompTer Corp. has been awarded 4 Army contracts totaling \$375,000 for internal group-communication installations at Ft. Huachuca, Ariz.; Huntsville, Ala.; Dugway, Utah, and the Defense Atomic Support Agency headquarters at the Pentagon in Washington. The systems will include closed-circuit TV, slide projection systems and "Telemation" automatic operation devices.

Experimental co-channel booster KE2XXP, operated by WINR-TV (Ch. 40) Binghamton, will be moved toward Oswego under a CP granted by the FCC. Purpose of the grant is to "further test feasibility of employing vertical polarized transmissions to fill in 'shadows' in WINR-TV service area."

Brush & forest fire destroyed 10,000 feet of cable running from Spanish Mt. TV Corp.'s CATV antenna site near Ukiah, Cal., cutting off its service to the community. Also burned was the system's warehouse which housed extra cable & amplifiers.

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

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Auxiliary Services

BIG BUSINESS IN COMMUNITY ANTENNAS demonstrated again by \$1-million-plus sale of 4 Malarkey systems in Pa. & Va. (p. 1).

UP AT THE 9-COUNT bounced TelePrompTer last week, with a new contract for closed-circuit TV, radio & movie rights to a 1960 re-match between Johansson & Patterson (p. 9).

Congress

OVERTURN OF LAR DALY in final phase as Senate-House conferees swiftly approve compromise equal-time legislation (p. 2).

Networks

NBC TRYING TINTED B&W programs in quiet Philadelphia test, and seeking reaction of color-set owners to use of "color shading" in monochrome shows (p. 2).

NETWORK TIME BILLINGS up 9.3% (1959 vs. 1958) for first 6 months. Printer's Ink index also shows network TV advancing strongly in media-comparison chart (pp. 6 & 7).

Advertising

REPEAT-BY-REQUEST SPECIALS do a good job of drawing sizable share of TV audience, Nielsen's checkup for us shows (pp. 4 & 11).

RENAULT IS IN HIGH GEAR this fall, alone among import autos, with TV plans for specials, a Western, syndication and spot campaigns in the works to meet new Detroit rivals (p. 12).

Stations

NO ACTION ON CANON 35 taken by American Bar Assn. convention, which blocks move to ease courtroom ban (p. 7).

Manufacturing & Distribution

"GUESSTIMATES" OF 1959 TV RANKINGS, made for us once again by consultant Edgar Greenebaum, put Zenith first in production. Minimum output of 6 million sets forecast (p. 14).

NEW WESTINGHOUSE LINES stress furniture beauty, feature wood cabinets only. Long TV line has 35 distinct models and 23 models in stereo hi-fi line (p. 15).

MINORITY VIEW: 5.4 MILLION TVs will be sold in 1959, predicts Westinghouse's C. J. Urban, seeing only 5% gain over 1958 and disputing bullish forecasts (p. 15).

ADMIRAL LIMITS COLOR FRANCHISES to dealers who can adequately demonstrate, sell and service color sets; 5 basic models priced from \$595 to \$905 (p. 10).

FCC

FCC RULE-MAKING RULES raise no stir, only Federal Communications Bar Assn. and AT&T file comments (p. 3).

TV VILLAINS FOILED by FCC's "E" squad, which tracks down sources of signal interference (p. 3).

PROGRAMMING PROBES by FCC in communities are proposed by Comr. Ford to find answers to policy questions that plague Commission as well as public (p. 5).

ALLOCATIONS FREE-FOR-ALL (for 16) started by FCC's proposed rulemaking for Montgomery-Birmingham-Selma-Tuscaloosa-Columbus (Miss.) area (p. 5).

Other Departments

PROGRAMMING (p. 9). **PERSONALS** (p. 10). **FINANCE** (p. 13). **EDUCATIONAL TV** (p. 19). **BACKGROUND** (p. 20).

BIG BUSINESS IN COMMUNITY ANTENNAS: Trans-Video Corp. CATV systems in 4 communities changed hands last week in reported \$1-million-plus deal described by Denver broker Bill Daniels (who handled it) as "largest by far in the entire history of CATV operations."

As always, precise CATV sale price was kept secret. But transaction—in which Trans-Video's pres. Martin F. Malarkey Jr. turned over his systems in Pottsville, Schuylkill Haven & Minersville, Pa. and Harrisonburg, Va. to Hotel Operating Co.—at least attested to CATV's importance as valuable communications commodity (Vol. 15:23).

Previous biggest deals in annals of auxiliary TV service were reported to be sale of Joe Saricks' systems in Pa. & N.Y. to Dallas businessmen in Feb. (Vol. 15:8) and National Theatres' around-\$1-million buy of Williamsport (Pa.) TV Cable Corp. in June (Vol. 15:26).

CATV pioneer Malarkey will stay in business. He'll continue to head up Trans-Video Corp., name unchanged, and will go to Canada this week to close a personal deal to buy another CATV system. Malarkey started in Pottsville, had 10,393 subscribers when his 4 companies were bought as investment by Hotel Operating Co., which has hotels in S.C. & Fla. and is entering CATV field for first time. Indication of Malarkey's CATV success: He took over Harrisonburg system & 400 subscribers in 1956 for \$65,000, recently refused \$200,000 for it after it grew to 2,000 subscribers.

OVERTURN OF LAR DALY IN FINAL PHASE: Except for parliamentary rites, its all over for FCC's Lar Daly equal-time political broadcast doctrine after 6 short but turbulent months of regulatory life (Vol. 15:8 et seq).

Final Congressional formalities erasing rule from Commission's interpretive lawbook—but leaving indelible traces of dictum that newscasts are subject to candidates' demands for air time—are expected to be completed this week.

Quick Senate-House conference-committee agreement on language of amended bill (S-2424) in 2 editing sessions last week cleared way for floor routing to complete legislative action amending Communications Act's Sec. 315. Because measure technically is in possession of House, it must vote first. Majority leader Rep. McCormack (D-Mass.) may call up conference report Aug. 31 or Sept. 1. Then Senate will go through its motions to send bill to White House for President Eisenhower's signature.

Possibility of last-minute hitch was raised by Rep. Moss (D-Cal.), House Commerce Committee member. He was only one among 12 Senate-House conferees who refused to endorse compromise measure or sign report (No. 1069). Moss threatened to fight bill on floor because its exemption of news interviews from equal-time requirements invited "too many abuses" by broadcasters. "This opens it up to virtually unrestricted use of the exemption for panel-type programs," he said. There's little chance his stand will block House approval.

"Bona fide" are key words in amalgam of Senate-House conference language of Sec. 315 revision. It frees broadcasters from equal-time news show demands by candidates—but only so long as newscasts, interviews, documentaries and on-spot coverage of politics are "bona fide."

Potentially troublesome qualification was taken from language of House bill (HR-7985), which was drafted by House Commerce Committee Chairman Harris (D-Ark.) but rewritten by Moss before House passed it (Vol. 15:34). Accepted by House conferees, in turn, was the original Senate bill's exemption of news documentaries—and modified amendment by Sen. Proxmire (D-Wis.) calling on broadcasters to play fair in public controversies (Vol. 15:31). Hangover from Lar Daly, it warns newscasters to watch their steps & scripts.

Compromise bill doesn't mention panel shows (such as CBS's Face the Nation & NBC's Meet the Press) as such, but conference report makes it clear they're regarded as legitimate news interviews—if they're regularly-scheduled and not cooked up by broadcasters to put spotlight on favored politicians. From now on, burden of good-faith proof will be on broadcasters.

NBC TESTING TINTED MONOCHROME PROGRAMS: Clever but simple gimmick which could make black-&-white programs more enjoyable to owners of color sets is now undergoing first audience tests on NBC's WRCV-TV Philadelphia. The idea: A light tint or "color shading"—either constant or changing in hue—is added to normal monochrome shows.

"We might go into this on a large scale if the results are favorable," NBC planning & research v.p. Hugh M. Beville told us last week. "We think the process has some promise, but we have no preconceived ideas and will be governed strictly by public reaction."

Process has been christened "Electronic Color Effects" (ECE) and uses inexpensive NBC-developed equipment, requires no FCC approval. Initial testing is being done on 4 WRCV-TV programs—3 of them network film shows being originated from Philadelphia (simultaneously with their N.Y. unreeling) for purposes of the test. First 2 shows were last week—Aug. 25 Fanfare anthology show & Aug. 28 Jim Bowie. Process will be used again on Aug. 31 Buckskin & Sept. 1 Fanfare.

All known color-set owners in Philadelphia area were sent post cards with attached reply mailers informing them of the tests & asking for their comments—and pointing out that 2 of the shows will be telecast with "constant-tone" shading, 2 with "variable-tone."

Over-all effect was pleasant as we watched Aug. 25 Fanfare, which used variable shading—somewhat reminiscent of old one-color tinted movies. For example, night scenes were tinted blue, a brightly sunlit scene was yellow, scenes with excitement or violence (Japanese prison camp, a brawl in a nightclub) were pink & red. Constant-tone shows will be sepia in color.

Quality of picture as received on black-&-white sets is unaffected by process, NBC officials say. To receive tinted shows on color sets, regular color adjustment must be made. As with any program transmitted in color, the color may be tuned out by color-set owners who prefer to watch show in monochrome. Color shading can be transmitted over network lines, but can't be added locally to b&w network shows because regular color sync pulse must be supplied with picture.

First few telephone reactions were largely favorable, we have learned—but post-card balloting is what NBC is awaiting, to determine whether it should continue experimentation with the process. If public reaction should be highly favorable, it's conceivable that network might put color shading on all monochrome programs, giving color-set owners another plus on their investment and Papa RCA another selling point in its all-out color push.

FCC RULE-MAKING RULES RAISE NO STIR: Total of just 2 comments came in to FCC last week to meet its deadline for interested parties to object to—or agree with—proposed new rules to reduce any off-record influences on Commissioners in rule-making proceedings.

Usually-voluble broadcasters kept quiet on issue—brought to head by House investigators & Court of Appeals in Sangamon Valley case (Vol. 15:19-20, 22, 30)—of whether ex-parte contacts with FCC in rule-making as well as in competitive cases should be banned.

"When can you talk to a Commissioner—and about what?" was question posed for industry in aftermath of Sangamon Valley case. In May, Court of Appeals had vacated FCC's shift of Springfield, Ill. Ch. 2 to KTVI St. Louis on ground that station principal Harry Tenenbaum improperly discussed move with members of the FCC.

"Not as often as you have—and about less" was answer offered by FCC in July. It drafted changes in Sec. 1.212-1.218 of its long-standing regulations to comply with court's admonition that any rule-making involving "resolution of conflicting private claims to a valuable privilege" must be "carried on in the open."

Commission's plan to insulate itself further from industry it regulates evoked responses only from Federal Communications Bar Assn. and AT&T, however. With minor reservations, both applauded FCC's purposes in proposing that "ex parte consultation" be prohibited "with respect to matters at issue in such rule-making proceedings."

"Proposed revisions have merit," said FCBA v.p. Frank Fletcher. FCBA added in comments that changes "should not be interpreted so as to preclude inquiries of staff members concerning procedural matters or matters of public information in the files of the Commission, so long as these inquiries do not go to the merits of the matter at issue in the rule-making."

Rewriting of proposed off-record restrictions on FCC staffers was recommended by AT&T, which generally approved Commission's plan. AT&T suggested that ban on ex-parte communications with Commission employees should apply only to review staff and FCC members' own assistants & secretaries. AT&T also said it would be "manifestly unfair" if Commissioners themselves were permitted to get off-record advice from staffers (as FCC proposed) in rule-making which otherwise would be shielded from ex-parte approaches.

FCC's deadline for counter-comments on the 2 comments is Sept. 3. Commission will be back from vacation then, ready to act on rule-making rules.

TV VILLAINS FOILED BY FCC'S 'E' SQUAD: After hearing of exploits of FCC's field engineers, Washington Evening Star TV critic Bernie Harrison recently suggested a new TV detective series titled "I Was an E-Man for the FCC." Suggestion probably won't be acted upon but there's some good hot-weather reading, anyway, in sprightly new report which FCC information chief George O. Gillingham has put out in (vacation) absence of Commissioners, when the flow of opinions & orders is reduced to trickle.

True tales of derring-do & deduction by FCC field agents in tracking down TV-radio interference culprits are recounted by Gillingham in his summertime release (No. 77109), which he captions "Kilocyclopedia." Patrolling airways while mounted on mobile units, armed with such weapons as field-strength meters—or flying over disturbed-signal areas—engineers have solved such crimes as these:

TV & radio reception was terrible in 3 N. Y. apartment houses, where 60 families were subjected to annoyance every evening. Assigned to case, Commission agent noted that trouble started on schedule with return of one tenant from work. FCC's man enlisted aid of cop on beat, gained entrance to suspect's flat, found old sparking-commutator motor running. Suspect said he operated diabolical mechanism in retaliation against neighbor whose refrigerator he blamed for his own poor AM reception. FCC file on case was closed with: "He desisted upon warning."

President Eisenhower got bitter complaint from 10-year-old girl in Mo. that her family's TV set "goes put-put-put." She blamed boys playing with ham radios. White House alerted Commission to emergency. Field investigation exonerated young hams, proved that what family needed was new set.

Entire community suffered from "severe interference on Ch. 12" in Ky. Local TV repairmen as well as viewers were driven to distraction trying to remedy it. FCC engineer set out with mobile equipment, traced trouble to an amplifier used continuously by one viewer to bring in programs over long lead-in line. Amplifier oscillated so that it acted like transmitter itself.

Mysterious jamming disrupted air-to-ground communications at Colo. Air Force base. Commission E-man could find no saboteurs, however. Source of signal interruptions was nearby house where garage doors—labeled "His" & "Her"—were opened by old-type radio-controlled device. Man & wife were persuaded to install remote control system and take out FCC citizen's license.

Radio-equipped delivery trucks were rendered useless in Ohio town by blotting out of transmission every time office of firm tried to get in touch with drivers to speed orders to customers. Turned out that firm was former customer of licensed public-land station, where E-squad discovered unlicensed transmitter. To get even with firm for dropping account with station, transmitter was used "deliberately to jam the radio communication of the complainant."

Then there was case of clockless house. Station in Kan. protested that its broadcasts encountered constant interference. E-men got on trail, which led to man who kept ancient AM set on day & night to tell time because he had no clock. Defective tube in set "was, in effect, rebroadcasting the programs to which it was tuned. The owner bought a new receiver—presumably with a clock."

REPEAT-BY-REQUEST SPECIALS: What are a sponsor's chances of drawing audience with a repeat-by-request showing of a big network special? We put this question to A. C. Nielsen, whose figures indicate chances pretty good. (For details of individual special repeat ratings & shares, see p. 11.)

Average audience share is 82% of original, a selection of rating cases on repeated specials reveals. Some specials, notably *An Evening With Fred Astaire & Babes In Toyland*, actually gained a larger audience share for advertisers 2nd time around.

Costs for non-star talent are in line with audience potential on repeated specials, further checkup at AFTRA and SAG shows. If there is likelihood that special will be repeated, original star talent fee usually includes rights to rerun—stars' "special" salaries running so high these days that agents don't balk at including repeats in the contract. Highest repeat talent cost is AFTRA's 75%-of-original. However, technical unions get no rerun fees on specials.

Latest trend in specials is "planned repeats," we're told by network program executives. One reason is obvious mathematical attractiveness of rating performances of past shows. Also, growing scarcity of major properties & star names available for new TV specials. For example, of 12 specials in NBC-TV Sunday Showcase bought last week by John H. Breck (shampoo), 8 will be first-run shows, 4 will be repeats from the original 8. There will also be planned repeats in specials this season for Ford, Revlon & Pontiac.

Congress

Sports anti-trust exemption bill (S-2545) by Sen. Kefauver (D-Tenn.), which permits controls of game telecasts by professional football, basketball & hockey clubs, but excludes baseball (Vol. 15:34), won new support last week. Lining up with 11 other Senators who joined Kefauver in introducing the measure were these additional co-sponsors: Sens. Young (R-N.D.), Engle (D-Cal.), Kennedy (D-Mass.), Williams (D-N.J.), Case (R-S.D.), Allott (R-Colo.), Butler (R-Md.), Cannon (D-Nev.). Meanwhile Kefauver announced that his Senate Judiciary anti-monopoly subcommittee is going to have a look at another sport—boxing. He said "strange shenanigans surrounding the promotion & managements of the Johansson-Patterson fight" (Vol. 15:33) required Congressional investigation. Among other things, Kefauver wants to find out "exactly what happened to Mr. William Rosensohn, the promoter of this fight."

Committee replacements: Rep. Healey (D-N.Y.) has joined the House Commerce Committee to replace Rep. Dollinger (D-N.Y.), who resigned his membership. Dollinger is running for Bronx County district attorney.

CATV-booster legislation, explored in July hearing by the Senate Commerce communications subcommittee (Vol. 15:33), probably will be shelved until next year. With adjournment of this session of Congress nearing, the subcommittee headed by Sen. Pastore (D-R.I.) hasn't yet reported its recommendations to the full committee chaired by Sen. Magnuson (D-Wash.). Subcommittee staffers are drafting a report, but it's unlikely that the committee will act on it before the next session opens in Jan., and the House Commerce Committee headed by Rep. Harris (I-Ark.) has made no moves at this session to take up CATV booster control proposals.

Communications excise taxes on private-line inter-city telephone circuits handled through switchboards by broadcasters & other news-gathering agencies would be cancelled under a bill (HR-8725) by Rep. Harrison (D-Va) which was passed by the House last week. Unanimous approval by the House Ways & Means Committee, the measure is intended to correct a Treasury Dept. interpretation of the Excise Tax Technical Change Act of 1958 which imposed excise charges on the previously-exempt private-line services. The interpretation had been protested NAB (Vol. 15:19).

The FCC

PROGRAMMING PROBES: An FCC "investigatory proceeding on programming on a community basis" was proposed last week by Comr. Ford as a grass-roots approach to finding answers to a question that has long vexed the Commission: Why doesn't FCC do something to make TV & radio better? Addressing the W. Va. Bestrs. Assn. in the Greenbrier Hotel, White Sulphur Springs, Ford said "no one at the Commission has the slightest desire to tell any broadcaster that he should or should not broadcast any particular program."

But noting that "thousands of letters complaining about specific programs" have been received during FCC's 25 years of existence—and that its "authority or lack of authority in this area" has been debated heatedly during all those years—Ford said it's time to try something new.

The purpose of the local FCC investigations, he said, would be "determination of the best way under present conditions the Commission can carry out its responsibility under the law for the consideration of programming and determining that an applicant will serve the public interest, convenience and necessity."

Ford said that "all interested parties" would get a chance to voice their gripes in such community hearings, and that he hoped they would yield: (1) A "reasonably well-defined policy" for broadcasters to program their stations in "the greatest freedom." (2) Commission policies for "protecting the public interest [with a] minimum of interference." As it is, Ford pointed out, FCC's only function in this area is to check TV & radio stations' performances every 3 years at license renewal time—a job that is done by a half-dozen staffers, so that "no real examination is made unless this review discloses discrepancies."

Moreover: "It has been my view for a long time that it is highly unfair for the Commission to lie in ambush, so to speak, while practices are developing which violate its concept of the public interest, convenience & necessity, and then make an example of an uninformed broadcaster."

In another speech on programming problems, NAB's Howard H. Bell, TV-radio joint affairs asst. to pres. Harold E. Fellows, told the W. Va. broadcasters that news should be the backbone of their operations. Calling for removal of restrictions on TV-radio reporting of public proceedings, Bell said: "News responsibility involves not only objective reporting of the news, but first-hand digging & probing in the gathering of news. It is in this latter area that we must constantly improve our efforts. It is also the area in which our freedom is most greatly impaired."

* * *

"Violence & vulgarity" on TV were hit last week by the National Congress of Parents & Teachers (PTA). Launching the organization's TV-show evaluation project (Vol. 15:23), the Sept. *National Parent-Teacher Magazine* said viewers deserve "better fare than we are getting on TV, or at least a wider choice." Wrote editor Eva H. Grant: "We are not setting ourselves up as a censor [but will try to] convert the mounting protests against shoddy TV programming into intelligent discussion that can be helpful both to the TV industry & to the viewing public." The PTA's campaign was hailed by Sen. Langer (R-N.D.), a frequent TV critic. In a floor speech he asked industry to "give serious study to the recommendations." Among PTA judgements already reached: *Mighty Mouse*—"recommended for mice;" *Captain Kangaroo*—"first rate show, heartily recommended;" "NOT Wanted, Dead or Alive?"

ALLOCATIONS FREE-FOR-ALL: Proposed allocations rule-making by FCC for the Montgomery-Birmingham-Selma-Tuscaloosa-Columbus (Miss.) area as part of its long-&-short-range plans for vhf (Vol. 15:29) last week produced deadline comments which went every which way. In all, 16 parties of interest got into the fray with voluminous arguments & engineering data, taking these positions of conflict:

Assn. of Maximum Service Telecasters: Urges pre-planning by FCC before any proposal is adopted. Argues that only full compliance with mileage separation requirements should be considered.

Washington Post Co. (WTOP-TV & WTOP Washington, WJXT Jacksonville): wants Ch. 8 shifted from Selma to Birmingham, where *Washington Post* has been a station aspirant since 1957.

City of Selma: Leave Ch. 8 where it is.

Selma & Dallas County Chamber of Commerce: Protests any Ch. 8 move.

Birmingham TV Corp. (WBMG, holding Ch. 42 CP): Wants Ch. 4 in Birmingham.

Birney Imes Jr. (licensee of WCBI-TV Columbus): Supports Birmingham TV Corp.'s additional proposal to change WCBI-TV to Ch. 2 in lieu of Ch. 4, WBMG to pay for WCBI-TV move.

Charles A. Casmus Jr. (Selma & Montgomery businessman, original petitioner for Ch. 8 in Montgomery): Protests Ch. 8 shift to Birmingham.

Miss. State U: Leave Ch. 2 in State College, Miss. for educational use.

Edward L. Norton & Thad Holt (prospective applicants for Birmingham and former station owners there): Support allocation of a 3rd vhf channel to Birmingham.

Frank K. Spain (WTWV Tupelo): Assign Ch. 4 to Birmingham, change Ch. 4 to Ch. 9 at Columbus, issue show-cause order to WTWV to operate on Ch. 4 in Birmingham-Tuscaloosa instead of Tupelo and WCBI-TV Columbus to operate on Ch. 9 instead of present Ch. 4.

U. of Ga.: Opposes any re-allocation of Ch. 8 in Ala. which would prevent favorable action on its request to move transmitter for its WGTV (Ch. 8) Athens, Ga.

ABC: Substitute Ch. 3 for Ch. 4 in Columbus. Shift WCBI-TV from Ch. 4 to Ch. 2. Shift educational Ch. 2 from State College, Miss. to Columbus (with no substitution in State College). Allocate Ch. 4 to Birmingham. Then issue show-cause orders looking to Ch. 8 shift from Selma to Montgomery and Ch. 8 to State College, replacing Ch. 2.

Deep South Bestg Co. (WSLA-TV Selma): Wants evidentiary hearing or oral argument on proposed rule-making. Meanwhile wants Ch. 8 left in Selma.

WCOV-TV (Ch. 20) Montgomery: Thinks Birmingham TV Corp.'s proposal would work.

WTVY (Ch. 9) Dothan, Ala.: Demands hearing and opposes any show-cause order to shift it to Ch. 4.

John G. McDonald: Opposes Ch. 8 move from Selma.

* * *

Allocations petition filed: by WVET-TV (Ch. 10) Rochester, to add Ch. 7 to Binghamton. The plan would provide a vhf channel for WINR-TV (Ch. 40) Binghamton, which is seeking assignment of Ch. 4 or Ch. 9—without jeopardizing WVET-TV's request for Ch. 9 in Elmira.

U.S.-Mexican agreement on international messages transmitted by licensed radio amateurs to or from 3rd parties has been reached by an exchange of notes, reports FCC. Among its provisions: "No emolument may be directly or indirectly paid on such messages or communications."

Dr. Norton Backtracks: Controversy-raising Dr. Kenneth Norton, Bureau of Standards radio propagation chief who has been a persistent critic of the TV Allocations Study Organization (TASO) and FCC's allocations policies, last week shifted his position—somewhat.

In a letter to FCC Comr. Lee, who himself is at odds with the rest of the Commission on its vhf plans (Vol. 15:29), Dr. Norton said he couldn't agree with Lee that a shift of TV to all-uhf would solve allocations dilemmas. But on one of Lee's deintermixture arguments, the Bureau of Standards specialist said:

"I quite agree that the addition of more vhf channels on frequencies nearby the present 12 will not solve anything unless assignments are made on these additional channels on a deintermixed basis."

Back in March, Dr. Norton had written to FCC Chairman Doerfer (Vol. 15:14) that if more TV facilities became "really necessary," it would be "prudent to add a few channels near, or within, the present vhf band so as to accommodate these additional stations."

But last week Dr. Norton—who was rebuked in May by Bureau of Standards dir. A. V. Astin for advancing "unauthorized" views (Vol. 15:21)—noted a change of mind in his letter to Lee:

"It now seems to me quite clear that the lower part of the present uhf band will serve essentially as well if not better than other channels somewhat nearer the present 12." He added, however: "I still feel strongly that closer spacings between vhf stations should be permitted so as to foster a more efficient use of the spectrum."

False statements to FCC in an application for a New Orleans citizen's radio license are alleged in a 5-count federal indictment against Vincent J. Marcello, identified by the Justice Dept. as a brother of racketeer Carlos Marcello. The grand jury in Washington charged that Vincent Marcello concealed the fact that Carlos was a partner in applicant Jefferson Music Co. of Gretna, La. The indictment also said Vincent certified that all partners were U.S. citizens, although he knew Carlos is an alien who was ordered deported in 1953 after being convicted of narcotics sales. Conviction of Vincent could bring a 5-year jail sentence & \$10,000 fine on each count.

"Operation Alert 1959," national defense training exercise which included a nationwide Conelrad test in April (Vol. 15:16), was concluded last week with a Washington seminar for govt. & industry officials, including FCC representatives. One purpose of the sessions in the Govt.'s secret relocation site was to appraise the country's telecommunications resources in the event of an enemy atomic attack. OCDM dir. Leo A. Hoegh said the 4-phase exercise (local, state, regional, national) "has further improved our capability" to cope with survival problems.

Historic NBC microphone, an ancient cube-shaped device used by the network for broadcasts by such radio headliners as Amos & Andy, Weber & Fields and the silver-masked tenor (Joe White), became a Capitol Hill exhibit last week. It was presented to Senate Commerce Committee Chairman Magnuson (D-Wash.) and communications subcommittee Chairman Pastore (D-R.I.) by NBC news & public affairs dir. Julian Goodman for the committee's new Senate Office Bldg. hearing room.

FCC Chairman Doerfer will address the Natl. Assn. of Railroad & Utilities Commissioners convention in Philadelphia Oct. 13. Subject: "Legislation Affecting the Federal Regulatory Process."

Networks

First-Half Net Time Up 9.3%: Network TV billings during 1959's first half climbed 9.3% to \$309,380,932, compared with \$283,071,449 for the year-ago period, reported TvB last week in an analysis of LNA-BAR compilations of gross time costs. (For June alone, the increase was 10.7% vs. June, 1958.) Food & food products advertisers continue to be the top spenders as they were during first-half 1958 (\$58,288,152 vs. \$53,204,244), followed by toiletries & toilet goods (\$51,921,346 vs. \$49,177,572). Ad spending for TV, radio, phonographs and musical instruments dropped sharply in Jan.-June 1959 to \$2,901,374, compared with \$3,725,508 during first-half 1958.

The top 25 network brand advertisers during 2nd-quarter 1959 were led by Anacin Tablets with an expenditure of \$2,415,775. Prudential Insurance was 25th with \$962,418. Trailing Anacin in order of finish were: Chevrolet, Tide, Kent, Ford, Colgate, Gleem, Phillis cigars, Camel, Dristan, Winston, Bayer, L&M, Bufferin, Dodge.

The top 25 network company advertisers for the quarter were led by Procter & Gamble, which spent \$14,067,431 against runner-up Lever's \$8,493,654. Behind these 2 came American Home Products, Colgate-Palmolive, Gen. Motors, Gen. Food, Reynolds Tobacco, P. Lorillard, Gen. Mills, Sterling Drugs, Bristol-Myers, Gillette, Liggett & Myers, Ford, American Tobacco. Eastman Kodak took the 25th spot with ad spending of \$1,562,450.

For the month of June 1959, Anacin was the top brand advertiser (\$869,905), followed by Chevrolet, Kent, Tide, Ford, Phillies cigars, Camel, Dristan, Colgate, Gleem, Viceroy, Winston, Crest, Bufferin, Salem (\$394,052). Top network company advertiser for the month was P & G (\$4,314,629), pacing Lever, American Home Products, Colgate-Palmolive, Gen. Foods, Gen. Motors, Reynolds Tobacco, Gen. Mills, Bristol-Myers, P. Lorillard, Sterling Drug, Gillette, L&M, Ford, American Tobacco (\$729,201).

Food products are setting the pace in network radio use, RAB noted last week. Nearly one of every 6 network radio buyers was a food concern (15.6%) in the first 6 months of 1959. Drug brands were 2nd, with 13.4% of total network radio activity, and automotive products provided 10%. On another radio front, RAB pres. Kevin B. Sweeney, speaking to a meeting of Chevrolet dealers Aug. 25 in New Orleans, urged them to increase their radio advertising effectiveness "by aiming more pointedly at the suburban market & the male consumer."

Promotion kit for agency bridge fans, containing audience prospects & promotion possibilities of ABC-TV's upcoming *Championship Bridge* (Sun., 3:30-4 p.m.) along with a sample deck of playing cards, was mailed last week by the network. ABC hopes the weekly film series, produced by Walter Schwimmer, will trump Sun. p.m. CBS & NBC scheduling of professional football and basketball, respectively, in the same time slot.

Network image-making continues. NBC's new "totality of service" concept was stressed again last week by chmn. Robert Sarnoff in another open letter to the trade press, sent prior to his departure (Aug. 29) for Japan, where he plans to study that country's TV system. Totality isn't all, however. "We still consider nighttime audience supremacy of great importance and we fervently hope our *Riverboats & Laramies* will lift us to number one nighttime position among the networks," Sarnoff said.

Nets' June Gain is Major Media's Highest: Newspapers (up 10%), network TV (up 9%) and magazines (up 7%) finished in that order of highest gains for 1959's first half. So reported the *Printers' Ink* natl. ad index last week. But network TV's June-1959-vs.-June-1958 gain of 13% was far & away ahead of all other major classifications of media. (The sub-classification of general monthly magazines showed a healthy 15% climb.) Network radio fared badly, down 9% for the cumulative, 4% for June vs. June, and 10% for June vs. May 1959 business. The national index for all media in first-half 1959 increased 6%. Here's the tabulation:

Medium	Index		% Change from		% Cumulative Change
	June 1959	June 1958	1 month ago	1 year ago	
General Index	225	210	0	+7	+6
Total Magazines	171	157	+4	+9	+7
Weekly	193	176	+8	+10	+6
Women's	120	118	-2	+2	+7
General Monthly..	213	185	0	+15	+13
Farm	97	96	-8	+1	+1
Newspapers	198	191	-4	+4	+10
Network Television..	470	417	+3	+13	+9
Network Radio	27	28	-10	-4	-9
Business Papers	235	217	-3	+8	+3
Outdoors	156	165	-5	-5	-6

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 June 1959.

NETWORK SALES ACTIVITY

ABC-TV

Daytime participations throughout 1-4 p.m. block, reportedly putting the network's daylight schedule at the 70% sold-out mark.

S. C. Johnson & Son (Needham, Louis & Brorby); *Alberto-Culver* (Wade); *Channel Master Corp.* (S. R. Leon Co.); *Dusharme Products* (Graves & Assoc.); *Paper Novelty Mfg. Co.* (Zlowe Co.); *Reynolds Metals* (Lennen & Newell); *Sterling Drug* (Dancer-Fitzgerald-Sample); *Family Products div. of Warner-Lambert* (Lambert & Feasley); *Best Foods* (D-F-S). Renewals by: *Gen. Foods*, *Beech-Nut Life Savers*, *The Drackett Co.* and *Johnson & Johnson* (all Young & Rubicam); *Armour & Co.*, *Lever Bros.* (both Foote, Cone & Belding) and *The Toni Co.* (North Adv.)

Cliff Arquette program, to be called either *Hobby Lobby* or *The Charley Weaver Show*. Debut date is Sept. 30, 8-8:30 p.m.
Mogen David (Edward H. Weiss)

CBS-TV

Men into Space, Wed., 8:30-9 p.m., alt.-wk. sponsorship. Series debuts Sept. 30.
Natl. Carbon Co. (J. M. Mathes) and *Lon-gines-Wittnauer Watch Co.* (Victor A. Bennett Co.)

NBC-TV

Sunday Showcase, special series 8-9 p.m., eight 60-min. and four 30-min. segs., one each month starting Jan. 3, 1960.
John H. Breck Inc. (Reach, McClinton & Co.)

Richard Diamond, alt.-wk. sponsorship, Mon., 7:30-8 p.m.
Block Drug (Grey) and *Parma-Craft* (J. Walter Thompson)

Jack Paar Show, 52-wk. buy of 3 participations per week.
Bon Ami Co. (Cole, Fischer & Rogow)

Stations

NO ACTION ON CANON 35: To nobody's great surprise, the American Bar Assn. did nothing at its 82nd annual convention last week in Miami Beach to repeal—or revise—the lawyers' own law prohibiting camera & microphone coverage of court proceedings. Canon 35 of the ABA's code of ethics, which effectively bars TV & radio from most courtrooms, stayed intact in the rule book despite a resolution presented by Wichita lawyer C. H. Morris for a joint effort by the ABA & news media to bring about a relaxation of the ban.

The ABA's convention committee, set up to screen new resolutions, rejected that one on the ground that it was "premature & likely to cause confusion." So it didn't get as far as the floor for any action. The subject of Canon 35 was taken up on the floor, however. Whitney North Seymour of N.Y. filed a report to the ABA's house of delegates on progress—and lack of it—made by his Canon 35 study committee over the past year. He said it found that most lawyers opposed any change in the rule. The life of the Seymour committee was extended routinely for another year—until the 1960 convention in Washington.

Seymour also reported that his committee & representatives of news media who caucused with him in May (Vol. 15:22) would try to get together again in Sept. to decide whether they should pursue efforts to come to agreement on any easing of Canon 35 restrictions.

A preliminary survey of the problem has been sought by NAB, Radio-TV News Directors Assn., Radio-TV Correspondents Assn., Radio-Newsreel-TV Working Press Assn., National Editorial Assn., and Natl. Press Photogs. Assn. Not participating now in this move—although indicating "interest"—are ANPA & ASNE, Seymour said.

His 3-page report concluded with "one further word": "The media have complained in the past that the bar has dealt with Canon 35 without according them due process. The committee has assured them that, however the present exploration turns out, the committee will not reach a final decision or report without giving the media full opportunity to present their views."

The ABA convention also heard from Chairman Harris (D-Ark.) of the House Commerce Committee, who said no "sweeping statutory change" was in store for FCC as a result of his oversight subcommittee's study of federal regulatory agencies.

Another ABA speaker was CAB member Louis J. Hector, who told the lawyers that what the agencies need first of all is not minor reforms but major surgery to separate their policy-making & judicial functions. He said he agreed with critics of the regulatory system that "major litigated cases" should be handled by "a special tribunal or group of tribunals," while the agencies confine themselves to "rule-making, policy formulation, planning and routine administration."

* * *

American Bar Assn. "gavel award" was presented to ABC-TV Aug. 27 for *Day in Court*. Accepting at ABA's annual banquet in Miami last week was Giraud Chester, ABC v.p. in charge of daytime programming. The program was cited for "outstanding public service by increasing public understanding of the administration of justice."

Ampex Videotape recorder has been installed by WWLP (Ch. 22) Springfield, Mass., which claims to be the only tape-equipped uhf station.

Cheery Local Radio: Booming local radio business (running 8-10% ahead of the 1958 pace) and improved programming (30% higher 1959-over-1958 spending) are 2 of cheerful findings which RAB executives will present to radio station management at the 4th annual regional management conferences which start Sept. 2 at Princeton, N.J., RAB pres. Kevin B. Sweeney reported last week. A just-completed RAB survey of member stations indicates that radio may be on its way to its best local-business year in history.

Other RAB findings: some 50% of all new sales personnel joining radio stations come from outside the industry; office procedures for mechanizing & automating log keeping—and other efficiencies—are saving stations hundreds of thousands of dollars annually.

The 2-day RMC sessions will conclude Oct. 6. Meetings are scheduled for White Sulphur Springs, W. Va.; Ponte Vedra Beach, Fla.; Hot Springs, Ark.; Monterey, Cal.; Boulder, Colo.; Deerfield, Ill.; St. Clair, Mich.

* * *

Sindlinger & Co. again reports radio listeners outnumbering TV viewers. During the week ending July 30, daily radio audiences averaged 79.8 million Americans, compared to 77 million who had watched TV. The trend was noted by Sindlinger earlier this summer (Vol. 15:32), and has been widely publicized by RAB. Not mentioned by Sindlinger or RAB: The average radio home tunes radio 1.67 hrs. per day, contrasted to TV usage which averages 4.17 hrs. daily of home video viewing, A. C. Nielsen tells us.

WRVA-TV Richmond will sever its affiliation with CBS-TV, eff. May 29, 1960. Announcement of the move was made last week (Aug. 27) by Carl S. Ward, CBS-TV v.p. in charge of affiliate relations, and C. T. Lucy, pres., Richmond TV Corp. CBS affiliation in the market, Ward added, will be switched May 30 to WTVR, currently an ABC-TV affiliate. NBC-TV and ABC-TV declined to comment on future affiliation plans for the area.

Authority for temporary use of Baton Rouge's Ch. 9 by WAFB-TV (Vol. 15:30) was stayed by the Court of Appeals last week on a plea by competing applicant radio WIBR (Vol. 15:33). WAFB-TV was ordered to stop construction of new facilities (which was well underway) until the court has heard arguments. Contestants will file briefs within 30 days.

Chicago Tribune Inc. will break ground shortly for a new broadcasting center to house studio & office facilities of its WGN-TV & radio WGN. The center will be erected on a 12-acre site in northwest Chicago and is expected to go into operation the middle of next year. The vacated WGN Inc. building will be acquired by sister organization *Chicago American*.

Technicolor Corp.'s experiments in TV bandwidth reduction (see "Putting the Squeeze on the TV Picture," Vol. 14:14) are detailed in a paper by W. F. Schreiber, C. F. Knapp & N. D. Kay in Aug. *Journal of the SMPTE*.

Control of Street & Smith, magazine publisher, has been purchased by S. I. Newhouse's Condé Nast Publications (for reported \$2.5-\$4 million). The latter's *Glamour* (662,062 circ.) will merge with S&S's *Charm* (656,933) in Nov. Other S&S publications will continue. In addition to his magazine & newspaper publishing business, Newhouse owns WSYR-TV & WSYR Syracuse with satellite WSYE-TV Elmira, WTPA Harrisburg, WAPI-TV Birmingham, 50% of KOIN-TV & KOIN, Portland, Ore., and 22.7% of KTVI St. Louis.

WBC's Syndication Invasion: Westinghouse Bestg. will be a leading originator of syndicated public-affairs programming this fall. Its latest project is a 13-week film series titled *The American Civil War* and utilizing the same kind of narration-&-still-photos technique which was featured in NBC-TV's "Meet Mr. Lincoln." Bill Kaland, natl. program dir. of WBC and a longtime Civil War buff, is producing. The most likely sales path for the series will be in syndication, following the example of previously-launched WBC shows such as the 6-program *Adventures in Numbers & Space* film series on mathematics, and the taped public-affairs-slanted *Youth Want to Know & American Forum of the Air*. The last 2 are now being carried by some 2 dozen outlets, including WBC's 5. However, at least one network is "interested" in the WBC Civil War project as a possible series next spring, WBC told us.

* * *

Newly announced public-affairs programming at the station level: WCBS-TV N.Y. premiered *N.Y. Forum* Aug. 23, described by producer Warren V. Bush as "the examination of ideas & actions of today's headliners who give shape & direction to local, state, national and international affairs of public consequence." The weekly program is produced by the station's public affairs dept. in cooperation with the N.Y. Bar Assn. And Westinghouse Bestg. Co. announced recently a forthcoming special 60-min. filmed news special entitled "Assignment Nehru," consisting of an interview with India's Prime Minister by WBC's Far Eastern correspondent Vincent Sheean.

All 5 Corinthian stations are undergoing a review of news-public affairs depts., with an eye to expansion. First to get the treatment is KOTV Tulsa, which has scrapped its established news dept. to set up a new one designed for "depth coverage and expanded news gathering." On-air news personnel has been increased by 4.

Canada's Board of Broadcast Governors has set a deadline of Oct. 16 for groups & individuals who wish to submit written representations on the proposed TV broadcasting regulations which are scheduled for public hearings (Vol. 15:31) in Ottawa Nov. 2-3. BBG will hear arguments in support of the written briefs at the Nov. meetings but, because of time limitations, expects that only spokesmen for groups will be called. Among the proposals: no Canadian station may form a direct programming connection with U.S. broadcasters without BBG consent; programming must be 55% Canadian content.

Second production-model RCA TV tape recorder was shipped Aug. 25 to WISN-TV Milwaukee. RCA's first production unit went to WBTV Charlotte, which also has a pre-production recorder. Reeves Sound Studios N.Y., setting up independent video-tape recording studio, has 8 RCA recorders on order (Vol. 15:31). The WISN-TV recorder is the first of 2 RCA machines to be installed at the station, which has arranged with Marquette U. to present taped delayed-broadcasts of Sat. football games on Sundays this fall, and also will show tapes of winter league baseball games in Cuba.

New rate card (Aug. 1, 1959) of WWL-TV New Orleans indicates that it offers its time (Vol. 15:34) under the rates of long-established WDSU-TV, but higher than the charges of newcomer WVUE (operating since Jan. under an FCC STA). WWL-TV's hourly rate of \$1000 is more than 9% under WDSU-TV's \$1100; 25% higher than WVUE's \$800. WWL-TV & WDSU-TV have the same 20-sec. rate of \$250, some 42% higher than WVUE's \$175.

Programming

Costly Press Agency: TV producers are being victimized by one of the movie industry's oldest flesh-peddling stunts—planting a hokum deal-has-been-signed story with gullible columnists or editors in the hope that print exposure will make it come true. What comes true, unfortunately, is a demand by name personalities that they "too" receive the astronomically-kited fees they've seen publicized. Although the telephone-numbers fees are puff, they're accepted as gospel by status-conscious performers and are used to force producers to increase offers. Net: fake stories become real factors in pushing up production costs.

"There are enough non-existent & fake deals for specials being talked up in print this season to make a series all by themselves," an NBC production executive who rides herd on a weekly special showcase told us bitterly last week. The hit-&-run publicity technique also drew a sharp blast last week from Hubbell Robinson Jr., whose series of Ford specials has recently played horse to the Lady Godiva of several big talent stunts. Robinson boiled over about a report that he had offered a star \$400,000 to package a Ford one-shot. Snapped he: "No single show in the entire series is budgeted at the \$400,000 figure, nor has any artist been made an offer in that vicinity for their package."

Small-package, long-term release of its new package of 160 Twentieth Century-Fox movies (Vol. 15:33) is planned by NTA, in a sharp departure from the earlier industry practice (as in the release of the MGM, Warner & Paramount backlogs) of dumping them on the market all at once. The group will be broken into 3 separate packages, to be released at 6-month intervals. Each feature group has its own title (Sunset, Santa Monica and Wilshire), and will contain between 52 & 54 films.

"Continuous TV Performance" policy will be initiated by pioneer WTTV Bloomington-Indianapolis Sept. 14 in an effort to increase viewership & ad revenue. The Sarkes Tarzian outlet—one of the original pre-freeze TV stations, which started Nov. 11, 1949—opposes 3 network affiliates in its area. The new policy, program mgr. Arthur Hook says, will mark the first time that a station's complete prime-time evening schedule is to be repeated in sequence. WTTV's "first show" will comprise syndicated programs from 7-8:30 p.m., followed by a movie to 10 p.m. At that point the programs & movie will be repeated. For further flexibility, WTTV has purchased 2 Ampex Videotape recorders—one for mobile use—for commercials production, closed-circuit service, special-event telecasting.

President Eisenhower's current European trip & upcoming exchange visit with Soviet Premier Nikita Khrushchev will be covered in 25 NBC news specials, ranging from 30 min. to 2 hours in length. The first of these was telecast Aug. 27 as was the first of 14 CBS-TV *Eye Witness to History* reports for Firestone on the same subject. (Vol. 15:34). NBC News also plans to use trans-Atlantic wire film at least once a day in both regular news coverage of the trips & the 24 *Journey to Understanding* specials. ABC-TV plans coverage in regular daily newscasts.

"Right to know" bills, giving newsmen access to records & meetings heretofore closed, "have made progress" in Cal., Ill., Mass., N.M., N.D., Pa., Va., advises the American Civil Liberties Union. "Some progress in rolling back governmental secrecy in N.Y." is also reported. States which have scuttled such legislation, adds ACLU, include Tex., Ariz., Kan., Mont., S.C., W.Va., Miss., Wyo.

Auxiliary Services

Up at the 9-Count: TelePrompter, which had seemed counted-out on the TV-radio-movie rights for a return match between Ingemar Johansson & Floyd Patterson, bounced off the mat last week with a contract for the ancillary rights to a bout to be held in the U.S. sometime between next Mar. 1 & June 15.

The TelePrompter coup was the direct result of a meeting in Sweden last week (Vol. 15:34) between heavy-weight Johansson; Irving Kahn, pres. of TelePrompter; Vincent J. Vellella & Jack Dempsey, pres. & promotion dir. respectively of Rosensohn Enterprises. "All our recent misunderstandings," a TelePrompter spokesman told us Aug. 28, "have been cleared up."

Under the new deal, the non-arena rights go to TelePrompter, which will put up a \$500,000 guarantee (as against 35% of the net profit; from closed-circuit TV, radio & film coverage for each fighter) to be split between the ring contenders. The re-match will be promoted by Rosensohn Enterprises (minus Rosensohn himself, and probably given a new firm name). Estimated (by Irving Kahn) end of the gate for each fighter: about \$1 million.

In N.Y. last week, ex-champion Jack Dempsey made news on another TV fight front. The onetime "Manassa Mauler" was signed as technical advisor for "Body & Soul," the premiere DuPont-sponsored *Show of the Month* on CBS-TV, Sept. 28, to coach star Ben Gazzara in the manly art of fisticuffs.

Multi-city TV auctions of surplus materials are increasing. A 2-city, \$3.5 million video-sale of used aircraft forging equipment will be staged Sept. 23 for bidders in Chicago & Boston hotels by industrial auctioneers Industrial Plants Corp., representing Chicago-based Emerman Machinery Corp. The 4 to 5 hour telecast, by Giantview TV Network, will originate in Boston, and include video-taped demonstrations of the power equipment. A 2-way audio circuit will link the bidders & auctioneers. The auction will precede by 2 weeks the 6-city, 8-hour simulcast (Vol. 15:30) to be conducted by TelePrompter for the U.S. Army Quartermaster Corp on Oct. 7 to dispose of more than \$2 million in merchandise available at 3 widely separated military posts. Veteran auctioneer Shepard Boneparth, who will handle the sale for TelePrompter, points out: "The auction sale, which is the fastest & least expensive method to dispose of merchandise, now will, via closed-circuit TV, reach a truly mass market for the Govt. for the first time." He foresees the TV potential as "one of the most significant in auction history."

Underwater TV is now being used by the Interior Dept.'s Federal Bureau of Commercial Fisheries to study trawling methods & the physical laws governing them. A waterproof camera, placed in the mouth of the trawling net, relays signals via cable to a monitor on deck, which in turn is photographed on film from the monitor for later study. This process was carried on during much of July at the Stellwagen Bank fishing grounds near Provincetown, Mass., to observe the actions of the huge fishing nets under varying speeds.

Pool TV coverage: Dage TV div. of Thompson Ramo Wooldridge is offering closed-circuit TV as a swimming-pool accessory. With the camera trained on the natatorial playpen, parents can get a view of their children's aquatics on the TV screen without leaving the air-conditioned comfort of the house.

Television Digest

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Personals: Lester Gottlieb appointed program development & planning dir., CBS-TV . . . Norman Felton appointed exec. producer, CBS-TV drama workshop.

Robert L. Dunsmore, retired pres. of Champlain Oil Products & chmn. of CBC's finance committee, appointed CBC chmn.; Charles Leeson named vice-chmn. . . . George F. Hoover promoted to ABC-TV trade press editor, succeeding Art Foley, now account exec. at Bidderman, Tolk & Associates, PR firm.

David W. Tebet appointed NBC-TV talent relations dir. . . . Richard Kellerman named to new post of CBS News supervisor of information services . . . Cecil M. Sansbury, ex-WSEE-TV Erie, Pa., named gen. mgr., WHP-TV & WHP Harrisburg, Pa., succeeding Mrs. A. K. Redmond, promoted to v.p., WHP Inc. . . . Bill Carter appointed program dir., KTRE-TV & KTRE Lufkin, Tex.

William C. King Jr., WVEC-TV & WVEC Hampton, Va. chief engineer, and Lawrence W. Kliewer, operations mgr., named v.p.'s . . . Tom Cousins named promotion & publicity dir., WCCO-TV Minneapolis-St. Paul, succeeding Gene Godt, named adv.-promotion mgr., KYW-TV Cleveland (Vol. 15:34) . . . Andy Amyx named promotion mgr., WFGA-TV Jacksonville, Fla.

Ralph Guild, Daren F. McGavren Eastern div. mgr., named exec. v.p. . . . Frank Woodruff, ex-Peters, Griffin, Woodward promotion & research dir., has started Barnaby & Associates, creative promotion & research services firm (414 E. 50th St., N.Y.) . . . Joseph H. Wells named Weed TV N.Y. sales mgr. . . . John H. White, ex-CBS Spot Sales, appointed H-R Television Eastern sales mgr. . . . Alvin E. Unger promoted from ITC div. Arrow Productions administrative mgr. to gen. mgr., ITC special projects div.

Ernest Lee Jahncke Jr., onetime ABC v.p. & asst. to pres., resigned as v.p. & asst. to bd. chmn., Edward Petry & Co.; future plans not announced . . . Seymour Horowitz appointed program mgr., KYW-TV Cleveland, succeeding Ralph Hansen (Vol. 15:30) . . . Martin S. Fliesler, ex-BBDO, named adv. & sales development dir., WOR (N.Y.) div. of RKO Teleradio Pictures . . . Norman Baer, a former MBS news dir., rejoins Mutual as N.Y. news bureau dir.

Harold P. See, gen. mgr. of KRON-TV San Francisco, named chairman of NAB video-tape advisory committee.

"I categorically deny the story," was Lloyd Yoder's unequivocal response last week to trade reports that the WNBQ Chicago v.p. & gen. mgr. was resigning both the station & a 30-year NBC radio-TV career in favor of the Cal. vineyards & winery of his late father-in-law.

Dr. Frank Stanton proposed last week (Aug. 28) a 5-year (or longer) study "to determine the degree to which journalism in America is doing its job in terms of reader & audience interest, absorption & retention of the news." Such a study, said CBS Inc.'s pres., addressing the annual convention of the Associates for Education in Journalism at U. of Oregon, would be one that "CBS would willingly support & cooperate with." Added Stanton: "We do not know enough of what happens after the newspaper gets into the hands of the reader, or after the voice of radio or the image of TV gets into the home." What's needed, he believes, is more attempt to "find out more about our audiences, break more rules, become more experimental." News coverage will get a "priority" at CBS this fall, he continued, and outlined some of the news plans to be developed from an annual budget "in excess of \$15 million."

William L. Putnam, pres. of WWLP (Ch. 22) Springfield, Mass., led team of expert climbers which recovered bodies of 2 youths who died last week in attempt to scale Profile Mt. near Franconia, N.H.

Robert F. Kennedy, chief council for Senate Select Committee on Improper Activities in the Labor & Management Field, will be guest speaker at the RTES luncheon Sept. 16, Hotel Roosevelt, N.Y.

Ohio newscasters can now protect news sources. Their new state regulation became effective last week. It extends to broadcast newsmen the privilege of not revealing sources of information.

Meeting this week: Storer Bestg. radio program mgrs. (Sept. 3-5), Detroit. Next week: AP Bestrs. of Ohio (12), Columbus; Ill. Bestrs. Assn. (12-13) at Leland, Springfield.

The Advertising Council will be TV-saluted Sept. 27 by CBS-TV in a special 30-min. public-affairs show ("The Sword & The Quill") designed to explain the aims & accomplishments of the advertising industry's own public service campaign. The telecast, to be produced by CBS News, will focus on the Council's continuing drive for better schools, Fred Freed will produce.

Television & Radio Transcripts, TV-radio program-monitoring firm which operates in 20 markets, is adding facilities steadily to provide nation-wide coverage.

Obituary

Edgar B. Stern, 73, New Orleans business leader and chairman of WDSU Bestg. Corp. (WDSU-TV & WDSU), died Aug. 24 in a Price, Utah hospital of a heart attack after being stricken on a train en route to a West Coast vacation. His son Edgar Jr. is WDSU pres. Other survivors include his widow, a son, a daughter.

Mrs. Howard A. Coffin, 68, mother of NAB TV v.p. Thad H. Brown Jr., died Aug. 18 in Washington. Her first husband, the late FCC Comr. Thad H. Brown, died in 1941. In 1949 she married ex-Rep. Howard A. Coffin, who died in 1956.

Russell G. Stebbins, 40, sales mgr. WNBQ Chicago, died Aug. 26 in Chicago after a brief illness. He was formerly an account exec. with NBC-TV Spot Sales. He is survived by his wife, 2 sons and a daughter.

Daniel S. Bishop, 59, pres. of TV Arts Inc., TV-commercials animation firm, died Aug. 22. He was formerly editorial cartoonist for *The Portland (Ore.) Journal* and the old *St. Louis Star-Times*.

Mrs. Harry A. Babcock, wife of FTC's exec. dir., died of a heart attack Aug. 25 in Washington.

Advertising

IT PAYS TO REPEAT: Sponsors do themselves, as well as TV viewers, a favor by repeating outstanding specials. When Kraft repeated "A Night to Remember" in 1956, share-of-audience on the by-request rerun reached 70% of the original level. More recently, when Mercury div. of Ford repeated a taped version of Ed Sullivan's 60-min. showcasing of the Moiseyev dancers, it drew 82.5% of the original's share-figure.

Aided by good reviews & strong word-of-mouth promotion, a repeated special can even gain audience. Chrysler picked up an additional 700,000 homes & gained 7.5% in audience-share when "An Evening with Fred Astaire," originally on NBC-TV last Oct., was shown again in Feb.

Such interesting documentation of the audience potential of specials appears in the chart below, prepared for us by A.C. Nielsen. It is not a comparison of all the repeated specials in the past few seasons; many were sustaining public affairs shows, and thus not measured in Nielsen's sponsored roster. Others were sponsored on one but not both showings, and thus also fall outside of Nielsen's rating bailiwick. Also not counted: Summertime repeat-showings of episodes or programs used to complete a 52-week schedule.

Some Repeat-Show Ratings
(1952-1959)

SHOW	NIELSEN DATES	AVERAGE %	AUDIENCE (000)	SHARE
Rise Up & Walk	2/4/52	31.4	4,798	50.4
	1/1/56	16.4	5,405	30.1
Such A Busy Day Tomorrow	3/1/54	28.2	6,754	45.0
	4/11/55	19.7	6,218	33.7
Babes In Toyland	12/18/54	28.3	8,003	45.2
	12/24/55	25.4	8,153	47.2
Peter Pan	3/7/55	51.0	15,891	68.3
	1/9/56	41.1	13,654	54.9
A Night To Remember	3/28/56	25.3	7,757	36.6
	5/2/56	16.9	5,512	26.0
The Jazz Age	12/6/56	28.2	10,217	49.2
	3/29/59	9.3	3,476	17.4
Green Pastures	10/17/57	18.7	7,416	28.5
	3/23/59	25.9	10,956	43.3
Ed Sullivan: Moiseyev Dancers	6/29/58	20.3	8,557	45.3
	2/1/59	27.2	11,792	37.3
An Evening with Fred Astaire	10/17/58	18.4	7,787	31.9
	2/11/59	19.8	8,492	34.3
Jack Paar (Oscar Levant, guest)	11/5/58	6.6	2,610	40.2
	12/31/58	13.0	5,192	36.5

Backstopping this generally good performance level, Nielsen points out, are other factors in favor of repeating strong specials. A network special that walks off with 50% of available TV homes at the time of airing is of course doing very well indeed. However, 50% of the homes have still not seen it—and a large TV audience would probably like to see it again—particularly after word-of-mouth gets its chance to operate.

The general TV viewing pattern at night also favors repeats. About 2/3 of viewers at best, Nielsen figures, are following a relatively fixed pattern of habitual viewing. Again, this leaves 1/3 or more of the TV audience at night—sizable in itself—watching TV on a dial-twisting, let's-look-around basis, and fair game for a well-promoted repeat special.

Talent prices also justify repeating specials. Star names, of course, aren't under union price jurisdiction when they're paid on an over-scale basis, and each repeat deal with a star must usually be negotiated. For talent working on scale, AFTRA, which has jurisdiction over live-tape specials, sets a basic rerun scale of 75% of minimum fees. A taped show commercial that's used again (such as an integrated

middle commercial) calls for a minimum of about 90% (\$95 per min. for original, \$85 per min. for the repeat) of the original.

Screen Actors Guild, which represents TV film performers, puts a first-repeat price of 35% of the total applicable minimum (usually \$80 per 8-hr. day of filming) for actors in a filmed special. As with AFTRA, performers in SAG-represented film commercials come under a different scale in repeats from that covering show talent. Sample price: \$80 min. for commercial on-film-camera appearance, \$55 for repeat use.

(Interesting sidelight: Commissions to talent agents, for both show & commercial performance, are paid on film contracts covered by SAG, but are not paid in live-tape deals covered by AFTRA where the talent is working at minimum scale. Agents naturally prefer to book their talent into TV film when minimums are involved.)

Technical talent isn't involved in payments for repeat showings of network specials (technicians are hired by the week, not on a per-show basis), with one exception: If a technician on a live-tape show is "featured" in some way (such as a shot of the star kidding around with a cameraman), the technician is paid AFTRA scale for his "performance," and draws repeat fees accordingly.

Current trends in repeat-show planning we've encountered among agency, network & packager officials can be summed up thus: (1) A growing tendency to plan repeats, rather than allow a sponsor or network to be caught short without proper contract protections in case of a hit show, (2) an increasing awareness among agencies of the rating potential of repeat-by-request specials, allowing concentration on fewer & better shows, (3) a heightened interest on the part of sponsors & agencies in program reviews, TV columnists and consumer publications—a round of all-out press raves for a special will no longer be ignored by program planners in picking shows for the following season, (4) the emergence of video tape as the answer to image quality in repeating live specials.

NBC is surveying 1,200 timebuyers at ad agencies (who comprise a Timebuyer Opinion Panel) on the effectiveness of spot TV commercials in all time lengths. The network's latest comprehensive questionnaire (the 5th in 18 months) seeks facts about 8, 10, 20, 30 & 60 sec. units, such as: client & agency creative dept. influence in setting commercial length; function in product campaigns (as teaser, introducer, repeater, reminder); "recall-at-time-of-shopping" effectiveness; frequency of use; etc.

People: Edward J. Churchill promoted from pres. to chmn., Donahue & Coe, continuing as chief exec. officer. He is succeeded as pres. by Donald E. West, former v.p. & merchandising dir.; William H. Schneider named exec. v.p., succeeding Walter Weir, appointed exec. committee chmn.; Judson Irish, ex-Ogilvy, Benson & Mather, named senior v.p. in charge of creative services; Oliver A. Kingsbury promoted from v.p., secy. & management committee chmn. to administrative v.p.; A. B. Churchill and Bertram S. Nayfack, v.p.'s, appointed directors; Jack Rosenthal, Stuart Cowan and Gerry Arthur, v.p.'s, named to exec. committee.

G. Warren Schloat, Compton TV commercial production v.p., named a creative dir. . . . Joseph R. Del Papa promoted from copywriter to TV-radio copy chief, Erwin Wasey, Ruthrauff & Ryan . . . Guild Copeland promoted to exec. v.p., Lennen & Newell . . . Edward H. Mahoney resigns as TV-radio v.p., Cunningham & Walsh . . . Harold S. Bennett, ex-Baker, Tilden, Bolgard & Barger, named N. W. Ayer media supervisor in the Chicago office.

RENAULT IN HIGH TV GEAR: French-made Renault, the most TV-minded of import autos (Vol. 15:31), is stepping up the horsepower of its fall TV plans sharply to meet the Oct. invasion of the U.S. compact-car sales field by Detroit's "big 3."

Overall ad-spending by Renault this year will now run about \$5 million (up \$1 million from original estimates, and about 5 times what Volkswagen will spend in the U.S. in 1959). Of this, about 50% will be in network & spot TV, we were told last week by Stuart Ludlum, TV-radio dir. of Kudner Agency which had just landed the TV-radio end of the Renault account.

"Renault's TV expenditures in the last quarter of 1959 will be greater than its entire ad budget for the first 9 months," added Ludlum. Network specials are the key-stone of the Renault TV schedule, with a 1/3-sponsorship signed last week for CBS-TV's 90-min. "Sullivan's Travels: Invitation to Moscow," even though Sullivan has long been associated with Ford Motor's Lincoln-Mercury lines. Also being considered by Renault (although not yet signed) are partial sponsorships of 2 NBC-TV specials, "What Makes Sammy Run?" and "The Moon & Sixpence."

In the field of bread-&-butter series programming, Renault has just signed for a season's run with a participation sponsorship of NBC's new *The Plainsman* series, starting Oct. 1, 7:30-8 p.m. At the local level, the auto firm has bought ITC's latest syndication series, *Four Just Men*, for a quartet of eastern U.S. markets, including Richmond, Va. & Washington, and may expand to more. In radio, it has signed for 43 weekly commercials in NBC radio's *News on the Hour* strips, starting in the fall. TV & radio are on the approved list of media for which Renault has co-operative ad budgets, and a sizable amount of dealer-level Renault TV advertising is expected.

"Detroit may be planning to out-advertise foreign competitors on TV this fall," smiled a Kudner spokesman last week, "but we think we'll give Detroit a hard time."

Kudner Agency has regained much of its lost stride. Without an auto client since it lost Buick to McCann-Erickson in Dec. 1957, Kudner got the TV-radio end of Renault's billings last week (Needham, Louis & Brorby will continue to handle Renault print ads). The announcement came only a few days after Kudner landed the \$3-million Sylvania account from J. Walter Thompson (which resigned it to take RCA's \$12 million billings from Kenyon & Eckhardt). In recent months, after a \$54-million drop from its 1955 peak billings position of \$72 million, Kudner successfully bagged Arnold Bakeries, Colorforms, and Inter-Continental Hotels, in addition to its Renault-Sylvania coups—about \$8.5 million altogether in new business.

"Unfair" comparisons of print & TV (made by newspapers who match basic circulation against TV's figures on delivered audience) are the target of a new TvB chart. Distribution began last week. Available in wall or wallet size—and looking like a profile of the Maritime Alps—the chart is a detailed digest of a readership survey by Daniel Starch of the Sept. 4, 1958 *Boston Traveler* (one of the only 41 Starch-measured U.S. newspaper issues last year). TV-radio page, photo page, and comics got higher readership than did most ads. Best-noted ad in the issue: A 1,400-liner for a department store's anniversary sale, which scored just under 50% "noted."

Pro football promotion by WFRV Green Bay is currently offering viewers 30 autographed photos of the Green Bay Packers & the pro football schedule for \$1.

Tape Lures Retailers: Ad-minded local retailers, mesmerized by TV tape's economy & convenience, are keeping local stations busy producing commercials. A *Sponsor* survey confirms that recorder-equipped stations use their tape facilities principally to make commercials, and TvB reports that a typical station uses its video-tape recorder 13 hours weekly to produce spots vs. 2.5 hours for programs.

The easy availability of a local & made-while-you-wait commercial service has attracted new ad-spenders to stations, and increased the TV activities of established local advertisers who find their ad dollars stretch further in tape than in live or film TV. The survey indicates that "7 types of retailers have been especially active in TV tape: department stores, automobile dealers, food chains, furniture stores, clothing outlets, jewelers and banks."

Typical of tape-attracted newcomers to local TV is Macy's Cal. Long a TV holdout (because "running a retail ad live is like running a newspaper ad without seeing proofs") the store is now actively using taped commercials for its 6 Bay Area stores. They are produced by KRON-TV San Francisco. Emphasizes Macy's v.p. & sales prom. dir. Harold Haener, summarizing the advantages of tape vs. live spots: "We get the same feeling, yet eliminate the risk of mistakes."

The tape operation, long on flexibility, can be scheduled at the advertisers' convenience, and shot "on location" in the store, with important savings in production costs. Barker Bros. "brought KTTV's closed-circuit team into its Los Angeles dept. store for 5 hours and produced 23 min.-spots" for about \$100 each. Two cameras went from dept. to dept. to show viewers what they'd see were they in the store. Production cost was one-fifth of estimated film expenses for the same job.

In Other Media: Liquor ads are breaking into Okla. newspapers for the first time in more than 50 years, now that state prohibition dies there on Sept. 1. However, reports the latest *Editor & Publisher*, 17 of the state's 50 dailies, including the 2 largest, *Oklahoma City Oklahoman* and *Times*, and 72 of 234 weeklies have announced they still won't touch the stuff. Not adverse to liquor ads are newspapers in 67 of Okla.'s 77 counties . . . Liquor ad policy of the *Camden (N.J.) Courier-Post* will be up for clarification after the Gannett Co. completes the purchase Sept. 1. Generally, Gannett newspapers do not accept liquor ads . . . Special metropolitan N.Y. edition, covering 18 counties with a circulation guarantee of one million, will be introduced by *Reader's Digest* with its April, 1960 issue. The regional edition—the magazine's 2nd—will charge \$5,480 for a 4-color page ad.

Freedom to advertise without state-agency regulation of truth & acceptability becomes the law in Ohio Nov. 2, following signing by Gov. DiSalle of legislation sponsored by the Ohio Newspaper Assn. Ohio thereby becomes the first state to take such regulatory power out of the hands of special boards & commissions, according to an ONA spokesman, who says the state now has some 21 agencies regulating ad policy for accountants, barbers, optometrists, real-estate brokers, funeral directors, others. Advertisers, under the new, all-embracing statute, will have their licenses suspended on conviction of false or fraudulent advertising.

Following Peter Pan's successful N.Y. TV advertising debut (Vol. 15:32), another bra manufacturer, Maiden Form, has moved into the N.Y. market with a spot campaign (WCBS-TV, WOR-TV, WPIX). After 2 years of TV tryouts in other markets, Maiden Form sales v.p. John Currier calls the 3-station campaign "the big test."

Film & Tape

Westinghouse is willing to face stepped-up program competition for its *Desilu Playhouse* series on CBS-TV this fall in its new berth (eff. Sept. 25) on Fri. 9-10 p.m. It will operate against high-rated *77 Sunset Strip* on ABC-TV and the last half of NBC-TV's Fri. succession of 60-min. specials. Although competition is relatively lighter in the present Mon.-night berth, we're told by McCann-Erickson, Westinghouse agency, that the majority of Westinghouse appliances are bought on Sat., and a Fri.-night commercial exposure is more important than reduced program competition. Also we learned recently from McCann-Erickson: Betty Furness, the sponsor's saleslady for the past decade, has had her contract renewed despite rumors that the voltage of her asking price was too high for Westinghouse's financial fuses.

"Playboy" magazine moves into TV this fall seeking to uplift its image with a 90-min. late-Sat.-night series via WBKB Chicago initially, and via broadside tape syndication later. Publisher Hugh Hefner will play host on *Playboy Penthouse*, a combination of the jazz, comics, "fun & entertainment" the magazine symbolizes. Reportedly, WBKB contributes the time & facilities, *Playboy* the show, including director & producer. Ad revenue will be split 50-50. Looking ahead to syndication, Hefner says: "We think the show's a natural. We're going to offer the stations a high-budget program with good sales potentialities in a normally weak time period, and it will cost them virtually nothing."

WBKB's TV bullfight was its first & only, v.p.-gen. mgr. Sterling C. Quinlan has announced, giving boot to reports that the Chicago station was dickering with Telesistema Mexicano for a series of taped frays. The station's video-tape bullcast earlier this month (Vol. 15:24) was the first seen on U.S. TV. "We don't intend to pioneer bullfighting in this country," Quinlan says. "Our special telecast had an educational purpose and was supposed to be our prelude to the Pan Am games. If there are going to be any more bullfights shown on U.S. stations they'll have to be done by someone else."

Political spots instead of half-hour campaign pitches on TV will be favored by Republican tacticians in the 1960 Presidential campaign, according to GOP chmn. Sen. Morton (R-Ky.). In an AP interview on plans for next year, he said viewers no longer regard full-dress political broadcasts as something novel, so the Republicans will sponsor few of them. Morton favors 5-min. windups and 60-sec. spots on established entertainment programs.

United Artists Associated wound up a 2-day sales meeting last week at the company's new offices (247 Park Ave.) in N.Y., with pres. Eliot Hyman & gen. sales mgr. Robert Rich presiding. New fall packages weren't revealed, but we're told the group of former J. Arthur Rank post-1948 movies recently acquired by UAA (Vol. 15:34) was a key item on the agenda.

TV commercials will be judged separately for the first time at the 7th Intnatl. Advertising Film Festival in June next year in Venice. Festival dir. Peter Taylor said that a separate jury will consider TV commercials apart from other entries. They are again required to be b&w, although acceptance of color commercials is still under consideration.

Trans-Lux TV Corp.'s midwestern div. has moved to 520 North Michigan Avenue, Chicago.

NEW YORK ROUNDUP

Mobile tape unit is among the new facilities at NBC Telesales' studio 67-A in N.Y., available to advertisers for video-tape commercial production by mid-Sept., reports Telesales dir. James Hergen. The remote unit will have a b&w tape recorder, and a 3-camera monochrome chain. Other improvements at the network's key tape studio: an improved control room, more special effects, and the chroma key system of superimposing live shots against low-cost miniature backgrounds.

Ziv's intnatl. div. plans to translate 25 Ziv series into 7 languages during the coming year, including *Bat Masterson*, *Highway Patrol*, *Sea Hunt*, *Bold Venture*, *Tombstone Territory* . . . Fremantle Intnatl. has added a Spanish-dubbed version of the George Raft-starrer *I Am the Law* to its overseas telefilm roster. Takers so far: WKAQ-TV San Juan, P.R. and CMQ-TV Havana, Cuba. Fremantle also plans a Portuguese-dubbed version of the 30-min. series for release in Sept.

Robert S. Taplinger Associates, a N.Y.-Hollywood PR firm, is about to invade TV production. Taplinger has been granted rights by the newspaper council to produce & promote a 60-min. special called "The Funnies." Proposals for the show involve advertising both the sponsor's product & the special itself in newspaper comic sections.

Pathescope Productions' TV commercial & industrial films dept. has been merged with Audio Productions, N.Y. The expanded company continues under the Audio name. Pathescope pres. Edward J. Lamm becomes a special rep. with audio.

HOLLYWOOD ROUNDUP

Taping of former President Harry S. Truman's appearance on Jack Benny's CBS show will be done this week (Sept. 2-3) at Independence Mo. . . . Desilu-Cahuenga is the new name for Motion Picture Center studios, owned by Desilu Productions . . . Trans-Tapix Corp., mobile video-tape company, has obtained State Dept. permission to cover Khrushchev's visit to San Francisco next month. The okay is conditional on the new company receiving a request for coverage from a network or station.

Desilu Culver studios start making 14 *Man with a Camera* episodes this week. Warren Lewis & Don Sharpe are exec. producers . . . David Haft & Mike Meshehoff, who produced *Steve Canyon* last season, are preparing a series about an attorney-private eye . . . Sharpe-Lewis's *Night Patrol*, filmed as a 30-min. pilot, may be expanded into a 60-min. show. The title of the series, aimed at the 1960 season, will be changed.

Spartan Productions' *Mr. Lucky* series, starring John Vivyan, begins rolling Sept. 9 at Metro, with Jack Arnold as producer-director. Spartan has also renewed musical dir. Henry Mancini with a 5-year contract. He is in charge of music for *Mr. Lucky*—and *Peter Gunn*.

Production on CBS's new Western began recently. Initial shooting for *Hotel de Paree* is on location, and interiors will be made at California studios. William Self is exec. producer, Milton Krims producer.

Trade Report

AUGUST 31, 1959

'GUESSTIMATES' OF 1959 TV RANKINGS: Out on his annual production-forecasting limb, TV-electronics financial consultant Edgar N. Greenebaum Jr. (Greenebaum & Associates, Chicago) predicts 1959 will see some far-reaching changes in the established order of things in the TV manufacturing fraternity.

Industry-wide, he predicts "minimum of 6 million TV sets" will be produced this year, and adds: "If that total is achieved, it will still be the lowest industry production since 1952—except for last year." The 6-million-plus forecast would be at least 22% higher than last year's factory output of 4,920,428.

He gives several reasons for predicting rise to 6 million, among them: Inventories are in good shape, disposable income of consumers is at all-time high level, and even without major technological changes in product, retail sales show there's still "good sound demand for TV sets." He adds footnote to his prediction: In event of prolonged steel strike, all bets are off.

Estimates of TV set output by individual manufacturers, made for us annually, are extremely controversial, often challenged by set makers—but nevertheless made on basis of intimate knowledge of industry. They're Greenebaum's own estimates, not ours, and we pass them along once again. Official output figures by individual manufacturers are carefully guarded trade secrets, of course, and never made public, so there's no way to verify them. (As usual, though, we stand willing to offer "equal space" for rebuttal.)

Outstanding in the Greenebaum "guesstimates" are big increases in production by several set makers—Zenith assuming No. 1 position in his rankings, while also showing largest increase of any manufacturer. Other significant points are Philco's comeback to 3rd place with big increase—due largely to success of its portables, according to Greenebaum—and big jump shown by Motorola. Others increasing their output over 1958 estimates are RCA, Silvertone (Sears Roebuck, made by more than one manufacturer) and Sylvania.

Production by some manufacturers has decreased since last year, according to his estimates. He notes, for example, that last year's figures for GE also include Hotpoint label, no longer in production (and comments that "vast majority" of GE's 1959 TV output consisted of table models, despite emphasis by some other manufacturers on console furniture).

The 11 manufacturers listed below may do as much as 90% of the TV business—5.5 million out of 6 million. Here are Greenebaum's estimates of 1959 TV production by individual set manufacturers, compared with estimates he made last year for 1958 (Vol. 14:31):

Brand	1959	1958	Brand	1959	1958
Zenith	975,000	700,000	GE	575,000	700,000
RCA	* 950,000	900,000	Silvertone	450,000	400,000
Philco	625,000	500,000	Sylvania	250,000	200,000
Admiral	600,000	600,000	Magnavox	175,000	200,000
Motorola	600,000	425,000	Emerson	150,000	225,000
* Includes color sets.			Westinghouse	150,000	200,000

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 21. (33rd week of 1959):

	Aug. 14-21	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	138,758	149,314	130,556	3,542,728	2,823,575
Total radio	274,526	261,210	286,656	8,657,049	5,948,179
auto radio	83,041	69,288	80,971	3,346,469	1,833,085

Captive service by manufacturers takes \$60-million worth of business away from independent service dealers each year, Sylvania asst. distributor sales mgr. E. P. Atherley told recent annual convention of National Alliance of TV & Electronic Service Assns. (NATESA) in Chicago. He advised service technicians to "upgrade" their profession to give the public a more favorable image.

Admiral's 1959 earnings should come to \$2 a share or "possibly a little more," with sales about 20% higher than last year's \$170,777,126, pres. Ross D. Siragusa said last week. Last year's earnings were \$1,375,017 (58¢ a share) after special charges of 22¢ a share. He said 3rd-quarter business is progressing "exceptionally well," with demand for 23-in. sets outrunning production capacity.

NEW WESTINGHOUSE LINES: Based on the premise that the public is more interested in quality, service and beauty than in price, Westinghouse continued its new-image-building campaign (Vol. 15:31) last week with the first press showing of its beautifully designed TV & stereo furniture.

The new TV line contains 35 separate & distinct basic models—as compared with 11 in the 1959 line. The stereo hi-fi line has 23 self-contained consoles. In both lines, sets are subdivided into American contemporary, custom traditional, imperial provincial and early American models, each with its specially designed furniture cabinet. There are no composition-board or pressed-board cabinets. TV set prices range from \$169.95 for portables to \$509.95 for highest TV-only model. TV-hi-fi line is topped by TV-AM-FM-stereo home entertainment centers at \$1,295 in 3 distinct cabinet styles. Stereo units, some of them with AM-FM simulcast radios, range from \$149.95 to \$595.

All Westinghouse TV sets except portables have 21-in. picture tubes, but company spokesmen said they expect to drop in a couple of 23-in. models with Danish modern cabinets this fall. Westinghouse officials indicated that they would prefer to use a 23-in. picture tube which does not have a bonded-on implosion plate—like the one now being developed by Kimble Glass Co. (Vol. 15:32).

Westinghouse has developed several merchandising plans to make it possible for dealers to display more sets & to make them easier to sell. A new floor plan—called the “kick-off display plan”—entitles dealers to 6 TVs or hi fi's free of financing charges for as long as 6 months with every 6 ordered. The 6 finance-charge-free sets must be kept on display and may not be sold until Dec. 1. In another floor plan, the factory pays the charges for the first 90 days with orders of \$1,000 or more. A stereo promotion enables the dealer to give customers up to \$90 of Westminster records free with each hi-fi purchase.

New Westinghouse policies on parts distribution & warranties are still in formative stages, officials indicated. It is anticipated that Westinghouse warranties eventually will include labor as well as parts, using the services of independent technicians.

RCA's color-TV display at the American National Exhibit in Moscow (Vol. 15:31) is leading in a voting-machine popularity poll of 60-70,000 daily visitors. After 4 weeks of balloting it passed U.S. automobiles as the show's prime attraction. Meanwhile RCA, Intnatl. GE and Westinghouse got hurry-up calls from exhibit officials to air-ship replacements for transistor & clock radios and other products worn out or broken from demonstrations & handling. The closed-circuit color TV equipment—cameras, connector cables, consoles, monitors, film projectors, screens valued at \$220,000—was offered for on-the-spot sale to the Soviet Union through a special export authorization by Commerce Secy. Frederick H. Mueller.

Westinghouse cost-of-living pay boosts have been granted to 100,000 employes to meet the recent rise in index announced by the U.S. Bureau of Labor Statistics. The cost-of-living provision is incorporated in Westinghouse's 1955 five-year wage & benefits program. The pay increase will jump annual employment costs \$5.2 million.

Magnavox will open a 70,000-sq. ft. wing at its Urbana, Ill. facility next month, increasing the military & industrial electronics plant's engineering & administrative space to more than 125,000 sq. ft. The Urbana installation now employs nearly 500 persons.

MINORITY VIEW: 5.4 MILLION TVs: Taking sharp exception to the bullish forecasts of other industry leaders printed in our last issue (Vol. 15:34), Westinghouse TV-radio marketing mgr. C. J. Urban last week predicted “about a 5% increase in TV business this year over last year” when 5.14 million sets were sold. This would bring total 1959 sales to about 5.4 million—lowest estimate we've heard recently and more than a million sets lower than the highest predictions.

Urban made his forecast at a press showing of Westinghouse TV-radio-stereo lines. Commenting on predictions which have ranged to 6.5 million & even higher, he said: “I don't believe that market exists this year.” Inventories have been very low, he pointed out, and recent high distributor sales have been filling up the pipelines. Taking note of the FM boom, he predicted 800,000-900,000 AM-FM radios would be sold this year, annual sales leveling off at about a million a year after 1960.

On the continuing “all-time-high” front, Packard-Bell is the latest to be heard from. Home products div. mktg. dir. Richard D. Sharp announced the company's July TV-stereo-radio sales established new records, 71% ahead of July 1958. He predicted Aug. shipments would show more than 50% increase over the Aug. 1958 figures.

More than \$100 million in Philco products will be sold outside U.S. & Canada this year by 23 foreign affiliates & licensees, pres. James M. Skinner told a Chicago news conference. On other topics, he said: (1) July shipments were “considerably up” for all company products and the same condition should continue in Aug. and through the 3rd quarter. Philco doesn't expect to feel the pinch of the steel strike unless it continues through Nov. (2) Sales of the battery-powered Safari TV are “pretty good,” with production at “high speed.” (3) Philco doesn't intend to market color TV until it's profitable. (4) White goods have beaten home electronics as No. 1 dollar producer for Philco—accounting for 53% of the company's consumer products business during first-half 1959.

Electronics wage survey will be conducted by the Labor Dept. in new proceedings to determine minimum pay for workers on defense contracts under the Walsh-Healey Act. The Labor Dept.'s wage & hour div. proposed last year to include electronics equipment for missiles in its definition of the aircraft industry—a reclassification sought by the UAW & IAM. But following protests by the EIA that blanketing of electronics workers under aircraft wage & hour terms would add \$1 billion per year to defense costs (Vol. 14:44, 47), Labor Secy. James P. Mitchell decided electronics-equipment production should be handled separately. The electronics minimum wage proceedings will be started following labor-management hearings on contract pay for aircraft-missile workers—date not yet set.

That “electron air conditioner” announced by Emerson Electric Mfg. Co., St. Louis (no relation, of course, to Emerson Radio & Phonograph Co., producer of Quiet Kool air conditioners) is not to be confused with an electronic air conditioner, now in relatively early stages of development by many major companies. Emerson Electric's unit is a conventional air conditioner which produces negative ions in its cool air output, considered more healthful than untreated air, particularly for respiratory ailments.

Teen-agers would rather work for GE than any other large company, a Scholastic Magazines survey of 5,000 students found. Their favorite stock is AT&T.

ADMIRAL LIMITS COLOR FRANCHISES: Announcing its new color-set line & prices, Admiral last week put into effect several new merchandising policies including a limited color-TV dealer franchise program. Cognizant of the black eye given color TV in some areas by dealers unwilling or unable to demonstrate, service or promote color, sales v.p. Carl E. Lantz explained the franchise plan this way:

"Distributors will grant franchises for Admiral color TV representation only to those dealers who have adequate facilities for demonstrating, selling and servicing this high-ticket product." Sets will have full-year warranties on all parts, including picture tube, with 5-year warranties on etched-circuit boards. A year's service policy (which includes labor) will sell for \$69.95.

The color sets, in 5 basic models, range from \$595 to \$905—starting \$100 higher than RCA's list prices.

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Hoping to reach decision on FM stereo system—from the theoretical standpoint—at next week's meeting (Sept. 9), system specifications panel of National Stereophonic Radio Committee (NSRC) will hear reports of 3 task groups. EIA last week announced names of members of the individual task groups, whose company membership was listed in our Aug. 10 issue (Vol. 15:32). Task groups and their members: (1) Resolution & clarification of the differences between the 3 FM systems proposed using AM subcarrier—W. P. Boothroyd, Philco; R. B. Dome, GE; Carl Eilers, Zenith. (2) Resolution of clarification of the differences between the 3 FM systems proposed with FM subcarrier—Murray Crosby, Crosby Labs; Harold Parker, Calbest; William N. Halstead, Multiplex Services Corp. (3) Theoretical analysis of the relative advantages of AM subcarrier modulation vs. FM subcarrier modulation—Bruce TV. Bogert, Bell Labs, chairman; Norman Parker, Motorola. Task groups 1 & 2 are composed of representatives of companies proposing specific FM systems.

Seeburg Corp., largest maker of jukeboxes & self-contained background music equipment, announced development of a 51-lb. self-contained background music unit which can play 1,000 selections without a repeat. It plays 25-nine-inch records (16-2/3 rpm) continuously for 37½ hours and then starts over again.

Underseas hi-fi tapes recording acoustical histories of the Navy's submarine hunter-killer squadrons at sea are being used at shore training schools to train sonar operators to distinguish between false signals & tell-tape blips of approaching craft. The sonar training equipment was developed by ITT under a \$1.5 million Navy contract.

Stereo record changer designed to convert Hoffman's Mark 5 TV set into a stereo hi-fi system is now being offered to distributors at a "low promotional price." The Mark 5 has a self-contained complete stereo amplifier-speaker system.

Taped-in-Russia interviews with Muscovite visitors to the closed-circuit TV exhibit of the American exhibition in Moscow may be seen on NBC-TV this fall. RCA pres. John L. Burns is reportedly backing the plans, although no actual scheduling has been made.

New line of portable phonos—tradenamed "Harmony"—was introduced last week by CBS Electronics. Initial units are 3 stereo phonos at \$39.95, \$79.95 & \$99.95 and 2 monaural portables at \$24.95 & \$49.95.

Conley Buys IDEA Inc.: The fast-growing Chicago-based combine, Conley Electronics Corp., this week will add a radio & communications equipment-manufacturing companion to its phono, tape player and tape cartridge-making enterprises. Due to be closed is a stock deal whereby Conley will acquire Industrial Development Engineering Associates Inc. (IDEA Inc.), Indianapolis firm whose Regency div. pioneered development & merchandising of transistor portable radios.

IDEA also manufactures industrial & communications electronic apparatus, including compact "Monitoradio" mobile transistor communications gear, and has govt. electronics contracts. Both Conley & IDEA are privately held firms, IDEA pres. Edward C. Tudor owning more than 50% of IDEA stock. He'll continue as pres. of IDEA div. of Conley Electronics, headquartering at IDEA's plant-home in Indianapolis.

Conley Electronics firm was formed last May (Vol. 15:19, 31, 34) by Chicago financial consultant Edgar N. Greenebaum Jr., chairman, and John M. Rau, pres. Its nucleus was Waters Conley Co., manufacturer of Phonola and private-brand phonos at Rochester, Minn. It later acquired Fidelivox, manufacturer of tape-cartridge players and Fidelipac, tape cartridge makers, headquartering in Skokie, Ill., and Toledo, O., respectively. All 3 firms are operated as divisions.

No figures are available on the value of the stock which will change hands in the IDEA transaction. Greenebaum indicated last week that Conley is "thinking about another acquisition, but it's too early to say anything definite."

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Another electronics firm changed hands last weekend in a transaction involving Edgar Greenebaum, pres. of Conley Electronics. Control of American Recording Tape Corp., Costa Mesa, Cal., was sold to a private group of Chicago investors headed by Greenebaum and Irving B. Harris, the investment broker who with his brother Niesen Harris founded Toni Co. (now owned by Gillette). The year-old American Recording Tape Corp. manufactures instrumentation & audio tape—the latter sold under the "ART" trademark—and is planning to enter video-tape production.

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Anti-trust violations in sales & distribution of hi-fi & stereophonic records & tapes are alleged in a civil complaint filed by the Justice Dept. against Audio Fidelity Inc., N.Y., and Sidney Frey, who operates Dauntless International there. Audio Fidelity is accused of conspiring with its distributors, including Frey, to: (1) allocate exclusive sales territories to distributors, (2) fix wholesale & retail prices, (3) withhold supplies from dealers who don't subscribe to agreements. Retail sales totaling more than \$2.5 million are involved, according to acting asst. atty. gen. Robert A. Bicks, who said an injunction against the alleged practices is sought by the Govt. Frey, who also is pres. of Audio Fidelity, denied the charges. "Our distributors do not have exclusive territories, our distributors and dealers may fix their own prices, and we never disciplined anybody except for bad credit," he declared. "Our distributing system is no different from any other record company's."

New portable phonos: Dante, 4-speed stereo with four 4-in. speakers, at \$99.95; Stereo-Teen, 4-speed, two 4-in. speakers, \$49.95; Cheerleader, 4-speed monophonic single-play at \$29.95—all introduced by Zenith. Deluxe Model 811 Stereo Pal with 4-speed Glaser-Steers changer, two 6-in., two 4-in. & two 3½-in. speakers at \$199.95, by Hoffman.

Trade Personals: Leslie H. Warner, General Telephone & Electronics manufacturing exec. v.p., named to the Sylvania board, succeeding the late Richard L. Bowditch (Vol. 15:32); Robert E. Kenoyer promoted from Sylvania Home Electronics controller to controller of Sylvania Electronic Products, succeeding Leon C. Guest Jr., appointed GT&E v.p. & gen. controller . . . Dr. Donald G. Wilson appointed Stromberg-Carlson electronics div. asst. v.p., succeeded as gen. mgr., Stromberg-Carlson-San Diego, by William G. Alexander.

Joe Marty Jr., ex-Admiral & Zenith, named midwest sales mgr., Guy Hobbs Inc., manufacturer of TV tables, cabinets and speaker systems . . . Leonard G. Walker, ex-Motorola, named to new Raytheon post of communication & control systems mgr., equipment & systems div. . . . Anthony Easton, ex-Commonwealth Research Corp., pres., named Westrex communications equipment activities gen. mgr. . . . Richard M. Perdue, ex-Ideco, named Texas Instruments press relations mgr.

Thomas Lowey, ex-Kenyon & Eckhardt, named to new post of advertising and sales promotion director, Hoffman consumer products div. . . . Edward L. Ginzton, microwave lab dir. at Stanford U., elected Varian board chmn., succeeding the late Russell H. Varian (Vol. 15:31) . . . W. Paul Smith, ex-pres. of Burroughs subsidiary Control Instrument Co., named American Bosch Arma v.p.

John Messerschmitt named to new post of power tubes & renewal sales mgr., and Irwin Rudich to new post of special purpose tubes & semiconductors mgr., Amperex Electronic Corp. . . . Emil F. (Dude) Hubka Jr. appointed Motorola public information services mgr.

S. R. Milhalic, GE, reappointed chmn. of EIA's service committee; E. W. Merriam, Sylvania, named vice chmn. . . . George C. Webster, ex-pres. of NARDA's Washington unit, named pres. of Assn. of Management Consultants, new national organization of management specialists headquartered in Washington (1223 Connecticut Ave.) . . . Charles J. Seeley promoted to senior v.p. of Northrop's Page Communications Engineers Inc. in charge of field projects, Forrest W. Donkin to senior v.p. for corporate plans, sales & customer relations, Charles Singer to maintenance & operations v.p.

IRE election ballots for 1960 officers, to be counted in Oct., were mailed to members last week. Ronald L. McFarlan, Chestnut Hill, Mass. consultant, is unopposed for pres. to succeed Ernest Weber. Also unopposed are J. A. Ratcliffe, U. of Cambridge, and v.p. J. N. Dyer of Airborne Instruments Lab, Melville, N.Y., nominated for v.p.'s.

Brig. Gen. David Sarnoff, RCA chmn., named honorary co-chmn. (with David Dubinsky, Intnatl. Ladies Garment Workers Union pres.) of the Equal Opportunity Day Committee. Purpose of Equal Opportunity Day, sponsored by the Natl. Urban League, is "to focus attention on the American ideal of equal opportunity for all."

Mac Metoyer, Kansas City, Mo., elected pres., National Alliance of Television and Electronic Service Associations (NATESA), succeeding Vincent J. Lutz; Benny Benoit, New Orleans, named secy.-general; Nelson Burns, Memphis, treas.

Ohio's fair trade law goes into effect Oct. 22, the legislature having overridden Gov. DiSalle's veto by a heavy majority. The state's 22-year-old fair trade law was killed last year by the state supreme court.

Estate of Russell L. Heberling, retired Philco v.p. & director who died March 6 (Vol. 15:11), was valued at \$1,059,291 in an inventory filed in Philadelphia.

Competing with Japan: Japanese-sized and Japanese-priced—but 100% American-made. That's the formula being used by Admiral and Westinghouse to compete with Japan in the miniature transistor radio field. Both are bringing out extremely tiny 7-transistor sets at low prices.

Admiral's "Comet," now going to dealers and mentioned here 2 weeks ago (Vol. 15:33), is priced at \$29.95. "Through automation & cooperation from suppliers we feel we're in a position to compete with Japanese transistor radios," said pres. Ross D. Siragusa. "We expect a complete reversal of the trend on Japanese radio imports by the end of the year." Deluxe model of the same radio with "battery miser" to extend battery life, earphone jack, carrying handle & stand will list at \$34.95.

Westinghouse last week showed newsmen a prototype model of its all-American 7-transistor model, to list at \$39.95 when it goes on sale late this fall. TV-radio marketing mgr. C. J. Urban said the price will include earphone & carrying case. The Westinghouse set operates on 2 penlight cells—as opposed to more expensive batteries for most imports—and will be supplied with free 90-day parts & labor warranty. One advantage of the set which Westinghouse will play up is the availability of replacement parts—not always readily obtainable for Japanese sets.

Philco, too, apparently was getting ready to try to beat the Japanese at their own game. At a Chicago press conference, pres. James M. Skinner said that American manufacturers may be able to come close to import prices, thanks to miniaturization & automation by component manufacturers, but, as far as Philco is concerned, "we won't have final results for another few months."

GE is being sued for \$3 million by Servo Corp. of America which claims that GE copied its infra-red device for detecting overheated journal boxes on railroad cars. Servo charges GE with patent infringement, unfair competition, and violation of the Sherman Antitrust Act.

U.S. Transistor Corp. has been formed in Syosset, N.Y., to produce a complete line of germanium alloy junction and silicon transistors. The company, headed by pres. Joseph Rosen, has taken over the domestic & foreign sales organization of Super Electronics Corp.

Hudson Radio & TV, electronic parts & hi-fi distributor, has leased the hi-fi departments of Masters' discount-house chain. Sales through the retail chain are expected to add some \$1.5 million to Hudson's yearly volume, now at about \$4.2 million.

Ten-year research on transistors by the Army, Navy & Air Force is described in a revised edition of *Catalog of Technical Reports* (CTH-310), available for 10¢ per copy from the U.S. Commerce Dept. Washington 25, D.C.

TELEVISION FACTBOOK NO. 29 OUT IN SEPTEMBER

Our new & completely updated 1959-60 fall-winter TELEVISION FACTBOOK is scheduled for Sept. release. It will be sent to all Full TV and Full TV plus AM-FM subscribers. Others should place their orders now.

"Executive decisions are only as good as the facts on which they are based." To be sure of all your TV facts, use the industry's accepted standard reference—TELEVISION FACTBOOK. We suggest you provide each key member of your staff with his own personal copy. Write our Business Dept. to assure off-the-press delivery. Edition No. 29 is priced at \$5 per copy or \$3.50 each for 5 or more copies.

Finance

Cornell-Dubilier has cut its normal quarterly dividend from 20¢ to 5¢, pres. Octave Blake announced last week, in a move to "conserve liquid resources" needed for "an extensive program of expansion in the electronics field." The South Plainfield (N.J.) electronic components manufacturer also reported that sales for the 9 months ended June 30 had declined to \$18,781,305 from \$20,259,776 for the year-ago period. Although the firm suffered a net loss of \$1.2 million, Blake described the financial position as "excellent," pointed out that the loss was due to the establishment of a reserve fund of \$2.5 million for contingencies. The expansion plans include the establishment of a research & development lab in the Boston area; construction of a \$1 million manufacturing plant near Providence; modernization & realignment of C-D plants & equipment. C-D also will liquidate "at some loss" various facilities & inventories which become obsolete under the manufacturing realignment. Indicative of C-D's activities in new areas, Blake announced recently (Vol. 15-34) that his firm has become exclusive marketing agent for Toshiba transistors in U.S. & Canada. For 9 mos. ended June 30:

	1959	1958
Net sales	\$18,781,305	\$20,259,776
Net income (loss in '59)	(1,204,753)	25,319
Shares outstanding ...	512,390	512,390

General Transistor's first-half sales were more than double those of first-half 1958, pres. Herman Fialkov told the N.Y. Society of Security Analysts last week. Net income totaled \$350,197 (40¢ a share) vs. \$205,270 (32¢ on fewer shares) in last year's period he added. He predicted total 1959 earnings would reach \$1.05 a share (more than \$919,000) vs. 1958's total of \$533,647 or 72¢ a share. The company is aiming at \$10-\$12 million in sales this year, to double last year's \$5,484,407. The firm's growth, he said, is paced by its expansion from transistors alone to the whole semiconductor field, and "we have shifted our goal from 8% of the transistor market to 8% of the semiconductor industry." He added that the directors have "no inclination" to pay cash dividends during this period of rapid growth, and said, in response to a question, that stock dividends are "too controversial" for him to make comment.

Cohu Electronics Inc., San Diego manufacturer of Kin Tel closed-circuit TV & electronic equipment, is offering to its common stockholders rights to subscribe for 353,535 shares of additional common at \$5.25 a share on the basis of one share for each 3 held as of Aug. 21. The offer, expiring Sept. 9, is underwritten by a group headed by Halden, Stone & Co. and Winslow, Cohu & Stetson Inc. Proceeds will reduce outstanding debt & increase working capital.

Hazeltine Corp. earned \$1,265,742 on sales of \$25,905,227 in the first half of 1959, according to a report contained in a stock-listing application approved by the American Stock Exchange. No comparable 1958 figures were given. The application revealed that the company issued 10,000 shares of common stock (valued at \$30 a share at the time) to Harold A. Wheeler & his wife Ruth G. Wheeler to acquire Wheeler Labs (Vol. 15:30).

Clarostat sales & earnings improved appreciably for the 6 months ended June 30 compared with the Jan.-June 1958 period. Sales rose to \$4,325,000 from \$2,995,700. Net profit for the period totaled \$118,600, against the loss of \$120,900 suffered in the year-ago period.

Litton Industries is negotiating to acquire Sweda Co., Stockholm distributor of Swedish-made cash registers.

Zenith directors increased the quarterly dividend last week to 40¢ a share payable Sept. 29, up from 25¢ in June.

Ampex stockholders approved merger with tape-making Orr Industries, Opelika, Ala. (Vol. 15:28) and heard an upbeat report on the company's sales & earnings at the annual meeting last week in Redwood City, Cal. They also approved an amendment to the company's option plan, increasing to 137,500 (6.2% of outstanding shares) the number of shares for which options may be granted. Pres. George I. Long Jr. gave this financial summary for the quarter ended July 31:

	1959	1958
Sales	\$13,727,000	\$7,087,000
Net earnings	760,000	233,000
Earned per share	34¢	11¢

Stockholders of 3 Howard Sams companies recently approved a merger under the corporate name of Howard W. Sams & Co. (Vol. 15:33). The Indianapolis technical publishing & printing firm will double its outstanding stock to 365,000 shares. The firms involved are Howard W. Sams & Co., the Waldemar Press and The Howard Co.

Telectro Industries Corp. and its subsidiary Telectro-sonic Corp., manufacturer of tape recording & other electronic equipment, report sales volume of \$2,027,000 for the first half of 1959, compared with \$1,290,000 in the same period last year. Consumer sales totaled \$693,000 vs. \$423,000 in the 1958 period.

National Theatres & Television Inc. is the new name approved by National Theatres stockholders at a special meeting in Los Angeles last week. Pres. John Bertero indicated why the new name is an apt one when, in answer to a stockholder's question, he said the firm now derives about half its income from TV-radio operations. The company owns telefilm distributor NTA with its WNTA-TV & WNTA Newark-N.Y. as well as WDAF-TV & WDAF Kansas City, and community-antenna operator Williamsport (Pa.) TV Cable Corp. It is selling NTA's KMSP-TV Minneapolis to 20th Century-Fox for \$3.5 million in cash plus assumption of \$600,000 in film commitments, subject to FCC approval (Vol. 15:31, 34).

Technicolor reports a loss on slightly reduced sales for 24 weeks to June 13:

	1959	1958
Net sales	\$12,213,000	\$12,456,000
Net income (loss in '59)	(73,599)	267,492
Earned per share	—	13¢
Shares outstanding ...	2,031,014	2,014,348

Twentieth Century-Fox reports declines in gross income & earnings for 26 weeks ended June 27:

	1959	1958
Gross income	\$55,103,921	\$66,078,014
Net earnings	1,770,870	5,233,009
Earned per share	76¢	2.29
Shares outstanding ...	2,338,536	2,280,386

Loew's Theatres Inc. common stock, now listed on the N.Y. Stock Exchange, may be traded on an unlisted basis on the Boston, Detroit, Philadelphia-Baltimore and Pacific Coast exchanges under new SEC orders requested by the 4 exchanges.

Desilu Productions, for 13 weeks ended Aug. 1, reports net income of \$265,050 (23¢ a share) vs. a loss of \$102,520 during the same period last year.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	—	\$0.35	Sep. 30	Sep. 16
Arvin Industries	—	.25	Sep. 30	Sep. 8
Bendix Aviation	—	.60	Sep. 30	Sep. 10
British Industries	Q	.12½	Sep. 30	Sep. 16
British Industries	Stk.	2%	Sep. 30	Sep. 16
Cornell-Dubilier	—	.05	Sep. 25	Sep. 10
Gabriel Co.	—	.15	Sep. 15	Sep. 9
Telechrome Class A ...	Stk.	2%	Dec. 18	Dec. 4
Zenith	—	.40	Sep. 29	Sep. 11

Educational Television

TV Degree Proposed: "Granting of a degree via TV might be one of the answers to the increased educational requirements which the next 10 years will present," Seymour N. Siegel, dir. of radio communications for N.Y.C. & gen. mgr. of city-owned WNYC & WNYC-FM, told the City Planning Commission recently. He also proposed a municipally-owned uhf educational station for programming of daily 60-min. college courses in prime evening time.

Vhf, Siegel told the Commission, would demand \$8-\$12 million in N.Y., whereas a uhf outlet would cost the city approximately \$500,000. A Commission spokesman told us Aug. 27 that Siegel's proposal was "received sympathetically" but that evaluating would not be reported until Oct. or Nov. "There have been overall requests totaling \$600 million, and the Commission has less than \$300 million to spend," he said.

Electronically equipped classrooms in which textbooks are obsolete are forecast for "The High School in 1985," a study by U. of Cal. asst. education prof. Dr. John H. Chilcott. Audio-visual material will be electronically selected & projected in the classroom of tomorrow, he foresees. An English teacher analyzing a Shakespearean play, for example, will have only to insert a properly punched card into a control slot. Promptly, a classroom screen will light & the scene under discussion will be enacted by professional actors. Dr. Chilcott also suggests that "motivation research" can be used to make students want to learn, just as they are now made to want a given brand of cigaret or make of car.

Criteria for grants awarded by the National Association of Educational Broadcasters are based on the fundamental "that readily discernible, significant educational objectives must be sought by the programs" for which NAEB's grants-in-aid committee recommends support, reports committee chmn. Dr. Edward Rosenheim Jr. in the latest *NAEB Newsletter*. "This means," he says in a review of criteria, "that such factors as technical excellence, liveliness, anticipated network response, and the encouragement of deserving organizations—while each is a matter of authentic concern—will not in themselves justify acceptance of any proposal which lacks demonstrable educational value for the listening public."

Youth for ETV: The Del. "Boys State," meeting in Wilmington, overwhelmingly passed a resolution calling on FCC to make Wilmington Ch. 12 educational. Applauding the action in the *Congressional Record*, Rep. McDowell (D-Del.) called it "one of the most encouraging aspects of this whole allocation debate." Commercial applicants are contesting for Ch. 12 against WHYI Inc., an educational group representing ETV advocates in Del., Pa. and N.J. in pending FCC rule-making (Vol. 15:29).

Video-taped ETV projects of U. of Texas will be shown at the Paris, France meeting of the Intnatl. Assn. of Universities Sept. 8 to illustrate use of TV as a teaching aid in the U.S. The U. was among the nation's first to use video tape as a teaching medium, and its demonstration will comprise tapes of 2 of its TV foreign language courses—*Spoken Japanese*, *Active German*.

Russian II, second semester of the WTOP-TV Washington college credit language course (Vol. 15:16), will start Sept. 14. More than 3,200 were registered for the first semester last spring, while 350 are "attending" the Russian I repeat currently being aired.

ETV dir.-producer's role in televised instruction was the theme of a 4-day Natl. Assn. of Educational Bcstrs. seminar at Penn. State U. last week. Over 40 educational telecasters, who regularly work with teachers, submitted papers & conducted discussions on such topics as principals of TV production; preparation & planning of the televised course; development of objectives & format; problems of keeping presentation as simple as possible; avoiding "distracting techniques & gimmicks." Consultants included Robert Rippen, producer of NBC-TV's *Continental Classroom*, and Rhea Sikes of WQED Pittsburgh. Full proceedings will be published by NAEB this fall.

Nation's "first" study of ETV's effectiveness in combined urban & rural classroom teaching will be started this fall as a joint 2-year \$180,000 project by Ohio's state education dept., Ohio State U., and the Columbus public schools, which will match in service, personnel and facilities a \$90,000 Ford Foundation grant. The study will involve 3,000 students in 6 Columbus public schools, 18 rural schools, and 4 campuses of the U., and will embrace the production & telecasting of TV courses via educational WOSU-TV Columbus and an examination of their effectiveness. Ohio State U. TV-radio broadcasting dir. Richard B. Hull said the project, which he will direct, "will serve also as a pilot for further study of a statewide ETV network. The joint cooperative approach [is] unique."

TV-correspondence study for a full-year college curriculum will be initiated this fall by educational WUNC-TV Chapel Hill, N.C. & U. of N.C. extension div. The program—open to persons who can qualify for university admission—will debut with courses in German & social science, will run 3 TV hours weekly with assignments handled by mail. The college-year-by-TV experiment will last 2 years (including 2 summer sessions) and embrace 2 three-hour credit courses programmed each fall & spring semester and a 4-hour credit course each summer. A student taking the full 2-year TV courses would earn the equivalent of a year's college work.

Lack of ETV funds has scuttled 2 years of planning to telecast daily 30-min. language instruction to central Pa. high schools. Educators said the project is being discarded because of insufficient money to pay a teacher's salary (some \$5000) and the time charges for various stations which would have been hooked into the planned network. Much of the educational material for the proposed series had been donated.

New audio-visual contracts for special ETV-related studies under Title VII of the National Defense Education Act (Vol. 15:22) have been awarded by the U.S. Office of Education to: (1) Portland, Ore. public schools, to develop a guide for planning facilities for uses of new instructional media. (2) National Education Assn., for seminars on ETV & other audio-visual materials. (3) Indiana U., for a study of public school audio-visual budgets.

A 300% increase in ETV audience-response to its *TV Classroom* (8-9 a.m., Sat.) for the 1959 season is reported by KFMB-TV San Diego. V.p. George Whitney said an average of 20,000 watched weekly through 34 weeks of Russian, 33 of Spanish and 10 of algebra. The taped series was produced by the adult education dept. of the San Diego City Schools in cooperation with KFMB-TV.

ETV courses for 8 school systems in Delmarva Peninsula areas of Del., Md. & Va. will be expanded in Sept. by WBOC-TV (Ch. 16) Salisbury, Md. to include instruction in foreign languages & art in addition to last term's science & music. The station will carry four 20-minute classes daily.

BACKGROUND

No. 3

THE FEDERAL COMMUNICATIONS COMMISSION

August, 1959

Name	Appointment	Personal	Education	Professional Experience	Special Govt. Assignments
John Charles Doerfer (Chairman)	By President Eisenhower. Member since April 15, 1953. Chairman since July 1, 1957. Term expires June 30, 1961. Politics: Republican.	Age: 54. Home town: Milwaukee, Wis. Wife: Ida M. Page Doerfer. Children: John P., Gordon L.	Attorney. U. of Wis., B.A. in accounting, 1928). Marquette U. (J.D., 1934).	1934-40, private practice, West Allis, Wis. 1940-49, city attorney, West Allis. 1949-53, Wis. Public Service Commission (member, then chairman).	Telecommunications Coordinating Committee. National Assn. of Railroad & Public Utilities Commissioners.
Rosel Herschel Hyde	By Presidents Truman & Eisenhower. Member since April 17, 1946. Chairman April 18, 1953-Oct. 4, 1954. Term expires June 30, 1966. Politics: Republican.	Age: 59. Home town: Downey, Ida. Wife: Mary Henderson Hyde. Children: Rosel Henderson, George R., William H., Mary Lynn.	Attorney. Utah Agricultural College, 1920-21. George Washington U., College of Law, 1924-29.	1924-25, staff, Civil Service Commission. 1925-28, staff, Office of Public Buildings & Parks. 1928-46, staff, Federal Radio Commission & FCC.	Telephone & telegraph committees. Telecommunications Advisory Board. Telecommunications Planning Committee.
Robert Taylor Bartley	By Presidents Truman & Eisenhower. Member since March 6, 1952. Term expires June 30, 1965. Politics: Democrat.	Age: 60. Home town: Bonham, Tex. Wife: Ruth Adams Bartley. Children: Robert T. Jr., Jane, Thomas R.	Business & govt. executive. Southern Methodist U. (student, 1927-29).	1931-34, staff, House Committee on Interstate and Foreign Commerce. 1934-37, FCC, director of telegraph div. 1937-39, Securities & Exchange Commission, senior securities analyst. 1939-43, Yankee Network, asst. to pres., v.p. 1943-48, National Assn. of Bestrs., director of war activities, director of govt. relations, head of FM dept. 1948-52, Administrative asst. to House Speaker Sam Rayburn.	Radio Technical Commission for Marine Services. Radio Technical Commission for Aeronautics. Telephone & telegraph committees. Alternate defense commissioner.
Robert Emmett Lee	By President Eisenhower. Member since Oct. 6, 1953. Term expires June 30, 1960. Politics: Republican.	Age: 47. Home town: Chicago, Ill. Wife: Wilma Rector Lee. Children: Patricia, Robert E., Michael B.	Accountant. DePaul U., law & accounting, 1931-33.	1930-35, auditor, Chicago and St. Louis hotels. 1935-38, auditor, American Bond & Mortgage Co. Bondholders Protective Committee. 1938-47, Federal Bureau of Investigation, special agent, administrative asst. to director, chief clerk. 1947-53, House Committee on Appropriations, director of surveys & investigations.	Defense Commissioner. Air Coordinating Committee. Joint Industry-Govt. Tall Structures Committee, co-chairman.
Tunis Augustus Macdonough Craven	By President Eisenhower. Member since July 2, 1956. Previous term, Aug. 25, 1937-June 30, 1944. Term expires June 30, 1963. Politics: Democrat.	Age: 66. Home town: Langley, Va. Wife: (divorced). Children: Eugenie, T. A. M. Jr., Thomas T.	Engineer. U.S. Naval Academy, 1913.	1913-30, Naval duty. Resigned as Lt. Cmdr. in 1930. Served in reserve as Cmdr. until 1944. 1923-30, on detail from Navy as engineer with Federal Radio Commission. 1930-35, private consulting practice. 1935-37, FCC chief engineer. 1937-44, FCC Commissioner. 1944-49, technical v.p., Cowles Bestg. Co. 1949-56, private consulting practice.	Alternate on Telecommunications Coordinating Committee. Telecommunications Planning Committee.
Frederick Wayne Ford	By President Eisenhower. Member since Aug. 29, 1957. Term expires June 30, 1964. Politics: Republican.	Age: 49. Home town: Bluefield, W. Va. Wife: Virginia Lee Carter Ford (deceased). Children: Mary C.	Attorney. West Virginia U. (A.B. 1931, LL.B. 1934).	1934-39, private practice, Clarksburg, W. Va. 1939-42, staff of general counsel, Federal Security Agency. 1942 (partial), staff, Office of Price Administration. 1942-46, U.S. Air Force (Major) 1946-47, hearing examiner, Office of Price Administration. 1947-53, chief of hearing div., FCC. 1953-57, asst. deputy attorney general, Dept. of Justice.	Alternate on Telecommunications Advisory Board. Telephone & telegraph committees. Second alternate defense commissioner.
John Storrs Cross	By President Eisenhower. Member since May 23, 1958, appointed for remainder of term of Richard A. Mack. Term expires June 30, 1962. Politics: Democrat.	Age: 54. Home town: Eureka Springs, Ark. Wife: Ruth Fuller Cross. Children: John F., Claude C.	Engineer. Alabama Polytechnic Institute (B.S. in electrical engineering, 1923).	1923-24, Studebaker Corp. engineering lab. 1924-26, Realty Trust Co., Detroit. 1926-27, S.S. Kresge Co. construction supt. 1928-30, Michigan State Highway Dept., survey chief. 1931-42, Dept. of the Interior, National Park Service, asst. chief of engineering. 1942-46, U.S. Navy (Captain). 1946-58, Dept. of State, asst. chief telecommunications div.	Radio Technical Commission for Marine Services. Telephone & telegraph committees.

WEEKLY **Television Digest**

SEPTEMBER 7, 1959

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

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Advertising

STATUS OF TV report issued by TvB reveals major gains made by medium over advertising competitors in past year (pp. 1 & 10).

HOLLYWOOD-VS.-MADISON AVE.: Our special, both-sides-of-the-issue report on what producers say about agency men, and what the agency men say in reply (pp. 3 & 8).

Congress

STATIONS VS. CATV IN COURTS & CONGRESS, with CATV operators filing \$1.5 million anti-trust suit in Boise, Senate committee reporting 2 bills (pp. 1, 4 & 8).

LAR DALY FIGHT ENDS as Congress approves compromise bill exempting newscasts from Sec. 315 equal-time demands (p. 2).

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EX-MBS OFFICERS INDICTED on charges they violated foreign agents registration law in purported deal with Trujillo (p. 6).

Programming

ADULT THEMES FOR SPECIALS are planned by NBC, whose chief censor says big drama shows permit themes that would be taboo in standard TV fare (p. 7).

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JAPAN DOUBLES TRANSISTOR RADIO EXPORTS, expects to pour 4 million sets into international market this year, 60% of them into U.S. (p. 14).

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EXECUTIVE NEWS comes from Screen Gems (new president), Intercontinental TV (announcement of first slate of officers) and NTA (sales organization streamlining) as fall season opens (p. 11).

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ETV NETWORK CONFERENCE in Washington this week will review status of state & regional networks, develop a publication to help those entering field (p. 12).

Finance

ELECTRONICS FUNDS REPORT PEAK PERFORMANCES as Television-Electronics Fund Inc. and Electronics Investment Corp. report net asset values have increased heavily in past year (p. 15).

Other Departments

FCC (p. 5). **STATIONS** (p. 6).

TV STATUS REPORT: Although nationwide TV is only 13 years old, it now reaches 44.5 million homes, which have 49.3 million TV sets—or 86% of all U.S. homes. These homes, tuned in for 5 hours & 5 min. daily, are served in 320 TV markets by 513 stations whose coverage areas now include territory inhabited by 98% of U.S. population. Television represents cumulative public investment of some \$16 billion for sets, an advertiser outlay of \$7.3 billion and a plant value (stations, networks, real estate, etc.) of \$2 billion. As ad medium, TV receives 49% of total budgets of the top 100 national advertisers (not including what they also spend for talent & production). These are highlights of latest "Status of TV Today" bulletin issued last week by TvB's sales development div. (For other details, see p. 10.)

STATIONS VS. CATV—IN COURTS & CONGRESS: There were brisk bombardments on 2 fronts last week in the prolonged war between CATV operators and a group of western telecasters. One was a new front—an anti-trust suit by 2 CATV operators against most of the stations which have fought them. The other was the reporting by Senate Commerce Committee of bills to license & control CATV and to legitimize vhf boosters.

Anti-trust suit, filed in U.S. Dist. Court in Boise, Ida., was launched by: Cable Vision Inc., operator of Twin Falls CATV System; Helena TV Inc., owner of Helena system; Idaho Microwave Inc., applicant for microwave to feed Twin Falls system. Defendants are those stations which have been most active in combatting CATV in Congress, FCC, courts, etc. They're not all small, for group includes the mammoth Time Inc. organization (for list, see p. 8).

Suit alleges that stations used many unfair & illegal means to harrass CATV. Treble damages of \$1.5 million are sought. Stations are charged with trying to "intimidate, to coerce & improperly to influence" local & state officials, FCC, Congress and the phone company, and with encouraging illegal vhf boosters. Thrown in for good measure was the copyright issue. While CATV operators are defending themselves in another court against stations' charges that CATV infringes program copyrights (Vol. 15:18, 20), last week's suit counterattacked by stating that defendants are "spuriously claiming infringement."

Even more interesting is the possibility that networks, film producers, *et al*, may be brought into case by the charge that defendants "by agreement with the national networks and program packagers, producers and syndicators, imposed unreasonable and unlawful restraints on the broadcast of programs, and their reception by the public, and have otherwise restrained trade in TV broadcasting by so-called 'first call' contracts and by participation in the 'must buy' or 'minimum buy' system of time sales, and by unlawful participation in the so-called 'option time' system."

Though National Community TV Assn. isn't a plaintiff, it approves of the suit, and its gen. counsel E. Stratford Smith is a counsel. Other attorneys: C. G. McIntyre, Twin Falls; A. W. Scribner, Helena; George Schiffer, N.Y.

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CATV-control bill reported by Senate Commerce Committee will be too lenient for taste of CATV's opponents, too restrictive so far as CATV operators are concerned—and it includes none of the recommendations made by FCC.

There's no chance of bill's passage this session, but it will be right on tap when Congress returns in Jan. Basically, bill orders FCC to license CATV as it does broadcasting but to keep CATV from harming local stations. Commission is given plenty of discretion on methods of control, and it's not difficult to visualize FCC struggling with interpretation in the same manner it wrestles with such concepts as "public interest" and "economic injury" (for key provisions of bill, see p. 4). Bill is aimed primarily at protecting 1-station markets, because it frequently instructs the Commission to give "due regard for the desirability of facilitating the continued operation of a TV station which is providing the only available locally originating TV broadcast program service."

FCC has recommended that bill include requirement that CATV operators get permission from originating stations before distributing their signals but committee refused to include it. Commission also asked that CATVs be required to carry signals of stations in their communities simply on request of the stations. But bill would make FCC the arbiter of such requests, with power to grant or refuse.

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Booster bill reported by committee would simply give FCC power to forgive booster operators for building without CPs, as Commission had requested. However, committee declined to go along with FCC's request that it be given power to waive operator requirements for any TV or radio station. Committee limited power to "rebroadcasting" stations, i.e. boosters.

LAR DALY CURTAIN LOWERS: FCC's ruling that newscasts come under political equal-time requirements of Communications Act was finally buried by Congress last week despite last-ditch attempts in House & Senate to delay legislative funeral.

President Eisenhower's signature is all that's needed to complete enactment of compromise bill (S-2424) amending law's Sec. 315 to exempt "bona fide" newscasts, interviews, documentaries and on-spot political coverage from equal-time demands by candidates (Vol. 15:35). There will be no White House hitch.

Overriding floor objections by 2 House Commerce Committee rebels, House voted 2-1 Sept. 2 to approve House-Senate conference report on Sec. 315 revisions nullifying Commission's Lar Daly doctrine. Next day Senate ignored similar protests on floor, acted by unrecorded voice vote—no dissents being audible—to pass measure & speed it to President.

"Backdoor repeal of Sec. 315"—not just revision—will be accomplished by amendments, Reps. Moss (D-Cal.) & Dingell (D-Mich.) warned in House after circulating manifesto urging turn-down of conference agreement. They said bill removed Communications Act "safeguards" against political abuse of air freedom by broadcasters. Moss & Dingell objected in particular to House-Senate report which makes clear that regularly-scheduled TV-radio panel shows are exempt from equal-time requirements.

But House stood 142-70 in favor of amendments in vote demanded by Moss. Case for legislation was carried by Commerce Committee Chmn. Harris (D-Ark.), who was supported in speeches by such committee colleagues as Reps. Bennett (R-Mich.), Younger (R-Cal.), Avery (R-Kan.) House debate wasn't closed, however, until Harris agreed with Rep. Vanik (D-O.) that related political broadcast issue—editorial endorsements of candidates by stations, which aren't subject now to equal-time rules—needs Congressional investigation. Harris said his committee "ought to study" problem.

Brief but spirited debate preceded vote in Senate, where Commerce Communications subcommittee Chmn. Pastore (D-R.I.) carried conference ball. Sen. Engle (D-Cal.) said TV & radio are "last refuge" of Democratic candidates who face hostility of Republican press. He argued that exempting panel shows as "bona fide" news programs would permit broadcasters "to give us the business the way the newspapers of the nation have." Sen. Holland (D-Fla.) warned that broadcasters could load local panel shows in favor of favored politicians.

Legislation easily cleared Senate, however, after Pastore said such panel-show performances are "outside the intent of the bill"—assurance which also had been given House by Harris. At same time, questions raised on House & Senate floors put broadcasters firmly on notice that Congress will be watching their post-Lar Daly political conduct.

HOLLYWOOD-VS.-MADISON AVE.: Same language isn't always spoken by telefilm producers & ad agency men, although both factions are deeply involved in techniques of creative communications. Each side has catalog of gripes about executives on other side of film production fence. Paradoxically, both sides are right most of the time, a 2-coast checkup of pet peeves we've made (see p. 8) shows clearly.

Producers complain of on-the-set interference, overly commercial attitude, lack of show-business imagination, and "agency men seeking to justify their jobs."

Admen grumble about lack of knowledge on part of film makers about agency practices & aims, film series that don't live up to pilots, unbusinesslike attitude of some Hollywood pros.

What's needed to correct situation? Chiefly, a greater understanding of the other man's problem. How achieved? Possibly, through closer liaison of trade associations of agencies & producers, planned meetings, general airing of problems where the other side has a chance to explain the reasoning behind what seems now to be arbitrary action.

BASEBALL TV BLACKOUTS STRUCK OUT: Professional baseball spokesmen will be back at bat again at next Congressional session, but they no longer have any hope of winning anti-trust exemption legislation this year permitting them to control game telecasts.

They lost 1959 chances for long-sought law last week. House Judiciary Committee Chmn. Celler (D-N.Y.) had no sooner opened anti-trust subcommittee hearings on sports measures (Vol. 15:34) than he announced no action was planned on them this session. That made it final. Earlier Chmn. Kefauver (D-Tenn.) of Senate Judiciary anti-trust subcommittee had effectively benched baseball bills after giving clubs their innings on his side of capitol (Vol. 15:35). His subcommittee last week approved his own sports anti-trust bill (S-2545) which ignores baseball, applies only to pro football, basketball & hockey.

Last-ditch pitches for "reasonable" blackouts of major game telecasts were made at Celler subcommittee hearings by baseball comr. Ford C. Frick. He said club owners don't want to "blackout TV beyond reason"—that they just need legislation to keep minor leagues from dying off in face of loss of paid-ticket fans who stay away from gates, see big games on home screens.

Frick also lashed out at NAB for opposing blackout bills. He protested that NAB displayed "very short-sighted & destructive viewpoint," that NAB was "nonsensical" in estimating that blackouts could deprive 12,850,000 TV homes of all major league telecasts.

Strongly backstopping NAB on dangers of blanket blackouts, however, were such local station operators as Robert D. Swezey (WDSU-TV New Orleans), C. Robert Thompson (WBEN-TV Buffalo), Thad M. Sandstrom (WIBW-TV Topeka), Joseph M. Higgins (WTHI-TV Terre Haute). Celler openly took their side. He said it isn't true that "TV is ruining the minors," charged that TV blackout proposals are "selfish scheme to feather the nests of baseball magnates."

Called up & struck out by Celler for this session was one all-embracing sports anti-trust exemption bill (HR-2266) by Rep. Whitener (D-N.C.). Also in losing legislative lineup were 6 identical proposals (HR-

2370-74 & 8658) lifting monopoly regulation from pro-baseball, football, basketball and hockey in such fields as: (1) Their "right to operate within specified geographic areas"; and (2) Inter-club agreements preventing stations from telecasting games within 75 miles of other communities where non-telecast home games are scheduled. Sponsors of these immunity measures were Reps. Walter (D-Pa.), Miller (R-N.Y.), Harris (D-Ark.), Byrnes (R-Wis.), Cramer (R-Fla.), Collier (R-Ill.).

Baseball took similar legislative licking last year (Vol. 14:31), but was back in full strength for 1959 session. There's no doubt club owners—and their Senate-House fans—will try hard again in 1960.

Congress

More about

PROPOSED CATV & BOOSTER LAWS: Preservation of local TV stations is the theme of the bill (previously numbered S-2303 but due to get a new number) which was approved by the Senate Commerce Committee last week and sent to the Senate floor (see p. 1). However, the bill carefully gives FCC considerable discretion in devising ways & means of protecting stations. A station which believes it is being hurt by a CATV system can ask FCC to limit the CATV, but it must justify its request in a hearing if the CATV operator asks for one. Among key phrases in the bill are these:

"Either prior to or within 30 days after the grant of an application for a license or a renewal thereof for a CATV system which was in operation on the date of the enactment of this section, the licensee of a TV station assigned to a community in which such CATV system serves subscribers may petition the Commission to include in such license such conditions on the CATV's operation as will significantly facilitate the continued operation of a TV station which is providing the only available locally originated TV broadcast program service.

"Such petition shall describe, in detail, the proposed operating conditions, and shall set forth, with particularity, the material effect of the proposed conditions on such continued TV station operation. The CATV system shall be afforded an opportunity to respond to such petition within 30 days after public announcement of the filing thereof. After the expiration of such 30-day period, the Commission shall determine whether the petition meets the foregoing requirements, and, if it does, shall determine whether, with due regard to service rendered by the CATV system & petitioner's station, the public interest, convenience, and necessity would be served by the adoption of the proposed or any other operating conditions. Public evidentiary hearings shall be held thereon if requested by either the petitioner or the CATV station within 30 days after the public announcement of such determination, or if ordered by the Commission on its own motion prior to its determination."

The bill leaves up to FCC, rather than to a local station, the decision as to whether a CATV system must carry the station's signal. The station would have to apply to FCC, after which the Commission "may require" distribution of the station's programs. The bill also provides that such distributed signal "shall be reasonably comparable in technical quality to the reception of programs of other TV stations redistributed by the CATV system."

The committee had considerable difficulty agreeing on language which would keep CATV from duplicating programs offered by local stations. Since programs are frequently carried delayed on smaller stations the committee first sought to come up with a time period within which duplication on CATV would be prohibited. It finally decided to leave it up to FCC with this paragraph:

"The Commission shall prescribe appropriate rules & regulations in order to avoid the duplication of programs broadcast or scheduled to be broadcast by a TV station (other than a station engaged solely in re-broadcasting) which is assigned to a community in which a CATV system serves subscribers by such CATV system redistributing the signals of another TV station. In promulgating such rules & regulations the Commission shall be guided by the standard set forth in subsection (E) of this section, requiring that due regard be given for the desirability of facilitating the continued operation of a TV station which is providing the only available locally originating TV broadcast program service."

The reported booster bill (S-1886) is very brief. It would simply permit FCC to legalize existing boosters and to waive the requirement that they have a licensed operator in attendance. Everything else would be left to FCC's discretion—technical requirements, operating rules, etc.

Congressional TV coverage, with live cameras trained on proceedings on the House floor, has been proposed by freshman Rep. Kasem (D-Cal.). In a House resolution he urged that the House itself install & operate the Capitol TV system so that "more people can observe our debates." Said Kasem: "TV cameras would not be disruptive as long as we operate them ourselves [in] fixed positions giving broad views of the floor." Under his plan, the telecasts could be picked up at will by networks or stations. It's a Capitol rule now that no cameras are permitted in House & Senate chambers & galleries except on rare occasions.

Congressional endorsement of the SMPTE-sponsored 5th International Congress on High Speed Photography in Washington in Oct. 1960 has been proposed by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee. He submitted a joint resolution urging that "all interested agencies of the Federal Govt. actively participate to the fullest extent possible."

TELEVISION FACTBOOK NO. 29 OUT THIS MONTH

Our new & completely updated 1959-60 fall-winter TELEVISION FACTBOOK is scheduled for release this month. It will be sent to all Full TV and Full TV plus AM-FM subscribers. Others should place their orders now.

"Executive decisions are only as good as the facts on which they are based." To be sure of all your TV facts, use the industry's accepted standard reference—TELEVISION FACTBOOK. We suggest you provide each key member of your staff with his own personal copy. Write our Business Dept. to assure off-the-press delivery. Edition No. 29 is priced at \$5 per copy or \$3.50 each for 5 or more copies.

The FCC

KXLJ-TV (Ch. 12) Helena, Mont. is back on the air again after a 6-month hiatus due to hassle with CATV interests. The station, returning to the air Aug. 9, wired FCC that it had resumed, "hopeful of remaining on the air so long as the out-of-state microwave signals stay off the Helena cable circuit." The station was closed down last Feb. when the Court of Appeals failed to stop the Helena CATV system from getting signals of Spokane stations via microwave (Vol. 15:6). Subsequently the microwave system was ordered shut down by the FCC pending disposition of the protest by KXLJ-TV and has been in & out of the courts since (Vol. 15:33).

Ch. 11 in Coos Bay, Ore. was tentatively awarded to Pacific TV Inc. last week by FCC examiner J. D. Bond. There was no competition for the channel since KOOS-TV (Ch. 16), which had been seeking switch to Ch. 11, dismissed its request last Feb. after Pacific TV had agreed to pay the out-of-pocket expenses incurred. The main question of overlap with commonly-owned KVAL-TV (Ch. 13) Eugene and KPIC (Ch. 4) Roseburg was resolved when it was determined that the terrain between the stations was so rugged that it restricted service contours to the point where there would be no Grade B overlap.

Channel shifts ordered by FCC for Columbus, Ga. and Dothan, Ala. (Vol. 15:29) have been delayed indefinitely from the original Aug. 24 effective date so that the Commission can consider transmitter-site problems raised by WTVY Dothan. FCC had finalized rule-making which changed Columbus channels from Ch. 4, 28 & 34 to Ch. 3, 9 & 28, substituting Ch. 4 for Ch. 9 in Dothan. In Columbus, WRBL-TV is due to shift from Ch. 4 to Ch. 3, WTVM from Ch. 28 to Ch. 9. WTVY goes from Ch. 9 to Ch. 4.

Deadline for comments in Fresno area channel-shift rule-making (Vol. 15:29) remains Sept. 23, as established by Comr. Lee Aug. 14 while the other commissioners were on vacation. Lee had extended the date from Aug. 24. Then KJEO Fresno (Ch. 47) challenged his authority to do so—but his colleagues sustained him last week. FCC also turned down KJEO's request for authority to operate temporarily on Ch. 2, which the Commission proposes to add to Fresno.

Two applications for new TV stations were filed with FCC last week, and another was resubmitted: For Alpena, Mich. Ch. 9 by owner of WNEM-TV Bay City. For Wausau, Wis., Ch. 9 by cookware distributor John H. Freeman. Resubmitted was application for Ch. 3, Salem, Ore. by Williamette-Land TV. Total pending is now 106 (12 uhf).

AM-FM rules & engineering standards affecting bandwidth definitions & mission limitations have been finalized by FCC in Docket 11233, effective Jan. 1, 1960. "All transmitting apparatus which is installed after that date, or type-accepted prior to that date whether by existing stations or new permittees, must meet the new requirements," FCC stated.

Texas Tech's Ch. 5 in Lubbock is now officially reserved for educational use. The channel was commercial, but the college asked FCC to give it the "reserved" designation because it plans to operate non-commercially. At the same time, FCC released Ch. 20 for commercial use.

Translator grants: Ch. 70, Williams, Ariz., to Williams-Ash Ford Associated TV Committee; Ch. 76, Romeo, Colo., to San Luis Valley TV Inc.; Ch. 81, Wallowa Valley, Ore., to Wallowa Valley TV Assn.; Ch. 74, Prosser-Whitstran, Wash., to Lower Valley Translator Assn. Inc.

Networks

Network Television Billings

July 1959 and January-July 1959
(For June report, see TELEVISION DIGEST, Vol. 15:31)

July Was Good Too: Network TV gross time billings rose strongly to more than \$48 million in July, a healthy 17.1% jump over the \$41 million total of July 1958. The Jan.-July 1959 billings climbed to \$357 million—10.3% ahead of the \$324 million recorded in the year-ago period. ABC continued to show the biggest percentage gain in cumulative period billings, up 18.9%, but CBS paced the way in July-vs.-July gains. CBS attained the largest dollar-volume gain in both comparisons.

	NETWORK TELEVISION					
	July 1959	July 1958	% change	Jan.-July 1959	Jan.-July 1958	% change
ABC	\$ 8,391,470	\$ 7,083,555	+18.5	\$ 69,813,986	\$ 58,701,356	+18.9
CBS	21,861,217	18,332,925	+19.2	154,358,042	142,380,341	+ 8.4
NBC	17,883,111	15,702,029	+13.9	133,364,262	123,108,261	+ 8.3
Total	\$48,135,798	\$41,118,509	+17.1	\$357,536,290	\$324,189,958	+10.3

	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	23,265,395	20,728,315	55,558,741
April	10,309,263	22,093,785	19,739,816	52,142,864
May	9,946,570	22,590,135	19,674,494	52,211,199
June	8,930,114	21,612,042	17,984,845	48,527,001
July	8,391,470	21,861,217	17,883,111	48,135,798

Note: Figures revised as of Aug. 26 1959. 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 SALES ACTIVITY

ABC-TV

My Friend Flicka, reruns of NBC-TV series, debuts Sept. 30, Wed., 5:30-6 p.m.
General Mills (Dancer-Fitzgerald-Sample)

NBC-TV

Shubert Alley, 60-min. special Fri., Nov. 13, 10-11 p.m.
Sinclair Refining Co. (Geyer, Morey, Maden & Ballard)

Blue-Gray and Rose Bowl football games, Dec. 26 and Jan. 1, 1960, respectively.
Gillette (Maxon)

NCAA collegiate football telecasts, quarter sponsorship, beginning with first game Sept. 19.
Schick Safety Razor Co. (Compton)

Kemper Football Scoreboard, 15-min. programs following 7 collegiate football games.
Kemper Insurance Co. (John W. Shaw)

The World of Sports, 15-min. programs preceding collegiate football telecasts.
Gen. Mills (Knox Reeves) and *Colgate-Palmolive* (Ted Bates)

What Makes Sammy Run? 2-part *Sunday Showcase* presentation, Sept. 27, Oct. 4.
Procter & Gamble (Benton & Bowles)

Eleven gridiron contests will get the color treatment from NBC-TV during the coming season. Seven regular college games, including the Army-Navy and La. State-Rice meetings, and 4 post-season bowl games are scheduled to be colorcast on various Saturdays, starting Sept. 19.

EX-MBS OFFICERS INDICTED: International intrigue involving Dominican playboy-diplomat Porfirio Rubirosa and 3 former officers of the Mutual Broadcasting System has been woven into the already-tangled affairs of the radio network (Vol. 15:7 et seq.).

A Federal Grand Jury in Washington last week indicted the 3—ex-MBS pres. Alexander L. Guterma, ex-chmn. Hal Roach Jr. and ex-dir. Garland L. Culpepper Jr.—on 3 charges that they violated the Foreign Agents Registration Act of 1938 and conspired to violate the law.

Guterma, Roach and Culpepper were accused of negotiating a \$750,000 deal with the Dominican Republic in Feb.—just before Guterma's MBS management ended—to use Mutual facilities to spread "political propaganda" in the "guise of bona fide & genuine news items."

Named as co-conspirators (but not defendants) in the alleged news-for-sale plot were MBS itself, "the ostensible contracting party," Radio News Service Corp., and Otto Vega, identified as a Dominican official. Foreign principals in the purported deal were listed as Rubirosa, Dominican dictator Rafael Trujillo and the Dominican govt. itself.

The indictment, announced by Atty. Gen. William P. Rogers, charged that: (1) Guterma & Roach "unlawfully & wilfully failed to file" Justice Dept. registration statements as agents of a foreign principal; (2) Guterma, Roach and Culpepper failed to register MBS as a foreign agent; (3) Guterma, Roach, Culpepper and "divers other persons" conspired to evade the Registration Act.

The third count in the indictment cited 12 "overt acts"—including "payment of the \$750,000, the conferring of Guterma, Roach and Vega in the Dominican Republic, the receipt by Mutual of political propaganda material from the Dominican Republic, the making of radio broadcasts by Mutual, the instruction by Guterma, of a third person to form a corporation, and various trips & conversations."

The Grand Jury indicated that the allegedly bought-&-paid-for MBS broadcasts were transmitted from Washington in Feb., but didn't say who made them or what was in the scripts. The Justice Dept. wouldn't amplify these points, explaining that they're part of its trial case. Conviction on the 3 counts of the indictment could carry prison sentences of 10 years & \$20,000 fines.

In N.Y. new MBS pres. Robert F. Hurleigh promptly issued a statement: "The present management of the Mutual network, its owners & employes have no knowledge of or connection with the matters involving Mr. Guterma, Mr. Roach or Mr. Culpepper. Mutual Bestg. System & none of its present personnel are involved in these proceedings."

In Miami, Guterma said: "I shall prove my innocence of all charges at the proper time. This is just another vicious attempt to embarrass me."

In Los Angeles, Roach said: "I am not now, have not been in the past and would never be an agent for a foreign govt. I am absolutely confident that I will be cleared of the charges when the facts are presented in court."

Culpepper's counsel Jacob L. Rosenblum said in N.Y.: "From the facts available to me I am confident that Mr. Culpepper has not violated any law and will be exonerated."

There was no official Dominican statement on the case from Ciudad Trujillo, but in Washington an embassy spokesman confirmed that a contract with the former MBS officers had been signed & \$750,000 paid them. It was an above-board business deal to disseminate Dominican news—not propaganda—in the U.S., the spokesman insisted. He also said it didn't work out, and that in June the Dominican

govt. hired Washington lawyer Edward L. Carey to try to get the \$750,000 back.

Note: It was the 4th federal indictment against Guterma since the SEC started looking into his complex financial affairs early this year. He was charged in Aug. with Securities Act violations—along with fugitive financier Lowell M. Birrell—in connection with United Dye & Chemical Corp. transactions. Earlier he was accused of fraud in connection with F. L. Jacobs Co. and Bon Ami Co. deals.

Stations

TIO TALENT HUNT: NAB-sponsored TV Information Committee last week was still hunting for a man to fill the job of dir. of the soon-to-start TV Information Organization.

Strongly in the running are 2 CBS executives, Wash. news dir. Ted Koop and CBS radio v.p. in charge of advertising & promotion Lou Hausman, and ex-Edw. Petry Co. exec. Ernest Lee Jahnce Jr. Also reportedly in the running: Howard London, former TV-radio dir. of March of Dimes. Not a candidate for the job: *Variety* TV-radio editor George Rosen, erroneously publicized as an "active aspirant," who asked the committee not to consider him.

NAFI Corp. is buying the McGowan studios in Hollywood as part of its expansion program in TV, and may eventually move its newly acquired KCOP Los Angeles to that site. KCOP pres. Kenyon Brown, head NAFI's broadcast div., declined to state the specific purchase price but said it was "in the area of \$500,000." Brown told us he plans to have KCOP tape shows produced there, and that eventually NAFI may go into TV film production. Looking into the future, Brown said NAFI may build additional studios. The McGowan studio, now owned by McCann-Erickson, has 4 stages.

Purchase of KROD-TV (Ch. 4) & KROD El Paso for \$3,450,000—by owners of KVII (Ch. 7) Amarillo and KOSA-TV (Ch. 7) Odessa—from Dorrance D. Roderick's *El Paso Times* was announced last week. The buyers include Dallas oilman Jack C. Vaughan, his brother Grady and Cecil L. Trigg. Also reported last week was the proposed purchase by the *Honolulu Star-Bulletin* of the Hawaiian Bestg. System Ltd., licensee of KGMB-TV (Ch. 9) Honolulu and satellites KHBC-TV (Ch. 9) Hilo and KMAU-TV (Ch. 3) Wailuku. The newspaper, which presently owns 24.55% of the stations, proposes to buy the 75.45% owned by film exhibitor Hialand Development Corp. for a reported \$2.25 million.

WDAM-TV Hattiesburg-Laurel, Miss. began operating last week on Ch. 7 (Sept. 3), replacing Ch. 9 which has been allocated to Baton Rouge. The Ch. 7 grant is held by William S. Smylie & family, who relinquished the WTLM call letters, when they took over the Ch. 9 plant of WDSM-TV. The previous owner of the plant was WDSU-TV New Orleans, which had hoped to begin using Ch. 9 on temporary basis for its WAFB-TV Baton Rouge (Ch. 28), but was blocked by Court of Appeals order (Vol. 15:33, 35).

Robert H. Storz, chmn. Storz Bestg. Corp., multiple-radio-station operators, headquartering in Omaha, has purchased Wacob-Bender Corp., Omaha-Lincoln investment & stock brokerage firm. He'll be chairman of the acquisition.

Cail letter changes: KNAC-TV (Ch. 5) Fort Smith Ark. to KFSA-TV; KTLG (Ch. 9) Hot Springs, Ark. to KNAC; WTLM (Ch. 7) Laurel, Miss. to WDAM-TV.

Programming

TV & 'THAT TRIP': Taped European news on a same-day basis is becoming accepted thing on U.S. TV, giving TV one of its biggest image-building PR weapons as well as major stimulus to viewing.

President Eisenhower arrived at Paris' Le Bourget airport at 10 a.m. (Paris time) Sept. 2. French TV coverage (819-line) was taped by CBS-TV with Granada facilities, rushed through Granada's "converter" (to U.S. 525-line), jet-flown to N.Y. and aired on Douglas Edwards' network news show at 7:15 p.m. (EDT) the same day.

That's pretty fast work by any yardstick, reaching U.S. viewers when "morning" was still fresh in their minds and giving U.S. evening newspapers a real run for their money. It's not an isolated case, either. Coverage by CBS & NBC during Eisenhower's trip has been at an eye-opening speed, with NBC utilizing newsfilm-on-Atlantic-cable technique regularly.

The situation dramatically illustrates the strides made in the field of international news communications. And in the wake of all this enterprise & public spirit, *The New York Times* paid broadcasting a well deserved compliment last week (Sept. 2) with the following editorial—an example of the mutual media respect that should prevail instead of back-biting media wars:

"People who have been listening to their radios or watching their television screens these last several days have had the chance to witness some excellent examples of public service by these media. The very full reporting of President Eisenhower's trip abroad, the prompt rebroadcast of the television conversation between the President and Prime Minister Macmillan, and the nearly five-hour transmission of the Davis Cup matches last Sunday were outstanding examples. At times the broadcasters have canceled sponsored shows to provide time for these public service broadcasts, at consequent financial sacrifice to themselves. Such enterprise and effective concern for the public interest deserve recognition."

Camera in the Court: There'll be 90 min. daily of "courtroom shows" aimed at daytime viewers on all 3 networks this fall. Latest to join the legal parade is NBC-TV, which is ousting the 16-year-old *Truth or Consequences* daytimer to make way for *House on High Street*, eff. Sept. 28, 4-4:30 p.m. A Dorelco-NBC co-production with Roger Gimbel as exec. producer, the format ("based on actual cases from the files of domestic relations courts across the country") of the NBC newcomer is not unlike CBS-TV's *The Verdict Is Yours* (Mon.-Fri., 3:30-4 p.m.), or even the taped *Day in Court* on ABC-TV (Mon.-Fri., 2-2:30 p.m.).

As in the older courtroom-based dramas (both of which carry extensive participation schedules), *House on High Street* will make use of "real-life specialists," and court scenes & psychiatric examinations "will be spontaneous." A regular actor, Philip Abbott, will star however in the series as a court probation officer. Station-originated taped courtroom shows are available in syndication from KTTV Los Angeles.

* * *

And in a continuing courtroom serial (real-life) Judge John Brett of the Okla. Criminal Court of Appeals, urged broadcasters to keep fighting for the right to cover court trials. Speaking before the Okla. Bestrs. Assn. convention, he called the American Bar Assn.'s support of Canon 35 (Vol. 15:35) an "ivory tower" attitude, and invited broadcasters to set up a booth in his court.

Adult Themes in Specials: Dramatic shows in NBC's big lineup of specials this fall will make a strong bid for the adult viewer with a variety of themes that bread & butter series would seldom dare to attempt. So we're informed by Stockton Helffrich, the network's urbane chief censor who is TV-radio continuity acceptance dir. for NBC & its o&o's.

"We're still faced with the problem of when to allow overt realism in TV," Helffrich told us. "But dramatic specials open up a new field of adult drama. They permit certain themes in context that we'd never stand still for in a Milton Berle comedy show."

As a representative sampling, Helffrich cites the following upcoming drama specials on NBC-TV: "Winterset" (dealing with the rights and wrongs of the Sacco-Vanzetti case), "Moon & Sixpence" (a painter deserts his family for the South Seas), "The Philadelphia Story" (a "sophisticated" comedy), and Archibald MacLeish's "The Secret of Freedom" (a crack at complacent bigotry).

"You can even expect a certain amount of strong language in such specials," says Helffrich, "although we draw the line at profanity. As a matter of fact, we feel that the drama specials, just because they're in existence, are going to be a let's-not-play-it-so-safe influence on TV creative people, some of which may rub off on staple programming."

However, most industry members agree that TV, for all its upbeat in adult approach, still has far to go as competitive media strive to maintain their lead.

At Radio City Music Hall (just across from NBC's 30 Rockefeller Plaza hq.), for example, Alfred Hitchcock's MGM production of "North by Northwest" was packing in summer audiences with a box-office take of more than \$100,000 weekly for the 5th straight week with one of Hollywood's answers to TV: even sexier dialogue. Sample line, Cary Grant to Eva Marie Saint: "Now, what do you suppose a man could do for 20 minutes in your bedroom with his clothes off?"

Brickbat & bouquet: TV public service program policies were berated & praised in one *Congressional Record* issue last week. Senate majority whip Mansfield (D-Mont.) deplored plans by WMAL-TV Washington to drop Joe McCaffrey's *Celebrity Parade*, Sun. public-issues feature which is leaving the air Sept. 20. Mansfield said the public "can ill afford" to lose the show when TV is otherwise full of "cops & robbers and cowboys & Indians and assorted violence and nonsense." On the other hand, Sen. Keating (R-N.Y.) said: "It often disturbs me that those who criticize" TV don't note such "excellent" public service as network coverage of President Eisenhower's European trip and Davis Cup tennis matches.

Boston's Joseph N. Welch (frequent guest on *Omnibus*, and more recently attorney-turned-actor in the cinema's *Anatomy of a Murder*) becomes a TV regular this fall. He'll host a new series on live 60-min. classic mysteries (*The Moonstone*, *Murders In the Rue Morgue*, etc.) to be produced monthly by Robert Saudek Associates for Dow Chemical on NBC-TV. Several shows will be taped overseas and Intercontinental Television is holding discussions with Saudek concerning production facilities. Saudek is also discussing 4 *Omnibus* specials with NBC-TV for slotting in the *Sunday Showcase* series. Welch also will be a commentator on the Ford-sponsored Leonard Bernstein & N.Y. Philharmonic concert specials on CBS-TV this fall.

TV tribute to Mrs. Roosevelt, commemorating her 75th birthday Oct. 11, will be telecast by NBC-TV Oct. 25, 8-9 p.m., although Mrs. Roosevelt herself will not participate.

Auxiliary Services

Two TV Tiffs in Toronto: Two varieties of pay-TV received sharp criticism in Toronto last week, with one critic seeking more control and the other aiming to defeat pay-TV.

National Boxing Association commissioner Abe Greene, addressing the NBA's 40th annual convention, warned that "boxing would be destroyed" unless theater TV and its "money-minded" promoters were controlled—an obvious reference to the recent (Vol. 15:33-35) hassle in the wake of the Patterson-Johansson heavyweight bout. TelePrompTer pres. Irving Kahn immediately rose to the defense of closed-circuit theatercasts, offering a sizable contribution toward an organization that would self-police TV boxing.

Paramount-controlled Intnatl. Telemeter's plans for a 5,000-home test of pay-TV movies and other events in a Toronto suburb came under attack by Joseph Strauss, pres. of Theatre Owners of Canada, who has formed a group called "Citizens Committee for Free TV." One of the group's first actions was the distribution of fact sheets that claimed home viewers would have to lay out "between \$500 & \$750 a year—C.O.D." for a normal week's video viewing on pay-TV, plus some \$60 annually for "a cash register" attached to the set. Telemeter plans to start its test, via 84 miles of Bell Telephone cables, in early 1960.

* * *

Pay-TV will operate without Canadian govt. control during its mid-winter test (Vol. 15:25, 33, 34) in suburban Toronto. Famous Players Canadian Corp., which will conduct the Telemeter pay-TV test in Etobicoke, apparently will have freedom in establishing program charges, operating policy, commercial content. Thus far these govt. agencies have reported they have no jurisdiction over toll TV: the Board of Broadcast Governors, which controls Canadian TV-radio broadcasting; the Dept. of Transport, which administers the Communications Act & controls the airwaves; and the Board of Transport Commissioners, which supervises telephone & telegraph operations. The only controls apparent are local—involving cable installation & wiring of homes. Famous Players pres. & managing dir. J. J. Fitzgibbons reports that his firm's plans for equipment & cable installation comply with the Canadian Standards Assn. and Canadian Electrical Code.

CATV anti-trust suit defendants in Ida. case filed by Cable Vision Inc., Ida. Microwave Inc. and Helena TV Inc. (see p. xx) are: IUTV Inc., Utah Bestg. & TV Corp., Standard Examiner Publishing Co., Kearns Tribune Corp., Intermountain Bestg. & TV Corp., TLF Bcstrs. Inc., Time Inc., Ida. Radio Corp., Southern Ida. Bestg. & TV Co., KLIX Corp., TV Montana Inc., KGIR Inc., Peoples Forum of the Air, Western Mont. Associates, KRBM Bcstrs., Z Bar Net Inc., Mosby's Inc., the Mont. Network, Copper Bestg. Corp., Salt Lake City Bestg. Co., Skyline Advertiser's Sales Inc., Skyline Communications Inc., Frontier Bcstg. Co., Cheyenne Newspapers Inc., Rocky Mt. Tele Stations, Mildred V. & Joseph P. Ernst (Chief Washakie TV), E. B. Craney, George C. & Jean Hatch, A. L. Glassman, Gordon Glassman, William C. Grove, A. J. Mosby and Home Town Free TV Assn.

TelePrompTer Corp. has entered the theatrical scenery business with a method of adapting 2 large rear-projection screens & projectors in projecting "mood" lighting & stage settings. The method was tested in a recently completed 10-week road tour by Harry Belafonte. Through the use of portable screens & projectors, need for stage curtains was eliminated and number of backstage technicians minimized.

Advertising

What Film Producers Don't Like About Ad Agencies

Almost all Hollywood telefilm producers have one or more gripes against the ad agencies. Here are those one hears most:

1. Interference.
2. Costly decision delays.
3. Lack of imagination.
4. Fear of the different or unusual.
5. Too many commercials.
6. Bad spotting of commercials.
7. Lateness in buying series.
8. Demands to see scripts unreasonably early.
9. Changing of scripts right up to production date.
10. Arrogant attitude of control.

As for interference, producers tell us agencies sometimes harm their clients in their excess zeal to protect & help them. The film men resent agency insistence on creative control, complain they don't tell the ad men how to sell—so why should Madison Ave. tell them how to create entertainment? Much of this interference, they contend, is simply agency men seeking to justify their jobs. Worst offenders are ex-writers or ex-producers, who think they know more than the TV producers. Like some new brides who proceed to make over the man they've just married, an agency may buy a pilot, and then immediately order the producer to change approach & concept. The result is confusion, chaos, uncertainty. Producers point to Warner Bros. TV as an example of how successful an operation can be without interference. Warners advised agencies at the start that it would brook no interference.

Producers say they have to wait & wait for agencies to approve scripts. The long delays mean less efficiency & higher production costs. Again some point to Warners, which can proceed with production plans the moment a script is approved by its executives.

Agencies are accused of a startling lack of imagination, of being unwilling or unable to visualize the end product. This couples with fear of a script that's different. One producer told us bitterly: "They want a show well written, but they're afraid if it's too good it's arty." This attitude, insist producers, encourages mediocrity and prevents improvement of quality.

The complainers are philosophical about too many & too long commercials. "There's nothing we can do about it," they shrug. But they are not so calm about the spotting of commercials, which, they charge, are inserted at drastically wrong moments for the dramatic values. A number of producers we talked to considered the commercials on the series "obnoxious."

Regarding tardiness of buying, producers can't understand why a sponsor or agency doesn't buy a series, not for next season, but for next year. This would take the pressure off production and allow more quality. "It's difficult to make 39 good shows when you're always just under the wire," said one film man. On the other hand, producers gripe, agencies demand to see scripts months ahead of production dates. Tied in to this complaint is the charge that often an agency won't return a script with its revisions until the day the telefilm goes before the cameras. This, too, brings confusion & inferior quality. Above all, is the resentment against the attitude of "We're paying for it, so we'll do as we damn please."

What Ad Agencies Don't Like About Film Producers

On Madison Ave.'s side of TV's production fence, ad-agency men have sharp complaints of their own about Hollywood telefilm producers. Our distillation of pet agency gripes:

1. Sponsor's marketing objectives not understood.
2. Splendid pilot film—mediocre episodes.
3. Snobbish attitude of producers toward TV.
4. Copy-catting of successful shows.
5. Concentration of sales effort on big agencies.
6. Big spreads between asking & selling prices.
7. Frequent failure to adhere to TV deadlines.
8. Badly written talent contracts & pay hikes.
9. Failure to deliver stars for commercials and exploitation.
10. Failure to control upward spiral of film prices.

Just as Hollywood's telefilm producers carp over a lack of show-business knowledge on the part of agencies, so do agencies complain that producers have only a hazy knowledge of what really makes large, medium and small ad agencies tick. "There are TV producers who just don't know what business they're in. TV is an advertising medium, but many producers make telefilms for themselves with a motion-picture attitude," says Mitchell Johnson, v.p. & TV dir. of the William Esty agency.

Being out of touch with advertising reality can cost a producer a show sale. "A product whose commercial appeal is directed primarily at housewives would have greater acceptance on a lighter type of program—situation comedy, romantic adventure, and the like. If more shows of this nature were available, we would not be obliged to make use of network reruns," says Leslie Dunier, v.p. & TV-radio dir. of Mogul Lewin Williams & Saylor.

Producers who put \$75-\$100,000 into a glossy pilot, and then skimp on production values to balance the budget in later episodes do a lot to keep the consumption of Mil-town high among agencymen. "Almost anyone with enough money can turn out a good pilot. We stopped buying pilots 9 years ago. Today, we buy people," snapped the N.Y. TV head of a large Park Ave. agency. The TV chief of a major midwestern agency that has 2 big food accounts riding in network film packages this season adds: "All too often, producers never back up the promise of the pilot in subsequent episodes." Or as Roger Pryor, v.p. in charge of broadcast production for Foote, Cone & Belding, put it to us: "When the job is in the air, producers are all for it, offering the finest facilities & people. But the minute you're through shooting the pilot, the romance is over."

Hollywood's still-prevalent tendency to look down its celluloid nose at TV & accept its lucrative payoff—while honoring theatrical movies as the main chance—is another thing that raises agencymen's danders. The TV-radio dir. of one of the 3 largest ad agencies in Chicago phoned us to say he particularly disliked "producers who seek personal publicity by making irresponsible & capricious statements about the TV medium, its programming & its commercials, and thereby downgrade an industry of which they're part."

Agencies generally resent inferences that they're happy only with carbon copies of hit shows. "If that's all I wanted, do you think I'd bother to screen over 100 pilots each buying season?" asked the v.p. of a large N.Y. agency with a leading auto account.

Medium-size & small agencies also resent the tendency of producers to gun primarily for sales at agencies

like Y&R, J. Walter Thompson and McCann-Erickson, then work their way slowly down the agency line and finally toss the property into syndication. "The per-series price producers get at a big agency is usually no better, and often not as good as the price from a smaller agency whose one big account needs a good show in a hurry," say TV heads of agencies below the billing level of the giant shops.

Producers are charged by a number of agencymen with disregarding the tight scheduling of TV ("producers give deadlines and rarely live up to them," said a TV exec. of an agency with one of the largest cosmetic accounts), of playing games with selling prices of shows ("It's like horse trading," said a TV dir. of a small N.Y. agency), and of writing loose contracts with talent so that sponsors sometimes find themselves facing a sizable mid-season hike in show costs to hold onto a telefilm star.

Star talent is the source of a variety of agency gripes. "For all their movie training, most producers have very little knowledge of exploitation, and often fail to deliver a show's star for personal appearances, commercials or publicity activity in time to do us any good," complained one of BBDO's TV executives.

Running through nearly all agency complaints as a sort of leitmotif is a resentment of the popular Hollywood image of the agencyman as a man who is impressed with show business but who knows little about it. As a McCann-Erickson official put it: "We don't hang around producers because we think they're glamorous, we're in business to help them help their shows, and we buy Hollywood's product to help us sell ours."

TV Commercials Regain Virility: TV commercials are back in form, delivering the hard & soft sell with the effectiveness of yore, reports Schwerin Research Corp. This vigor was not in evidence during Jan.-July 1958 when, a Schwerin study noted, their effectiveness sloughed off some 15% from the norm. The principal reason for the commercial's lost punch at that time, the research firm believes, was stiffening consumer resistance brought on by recession-induced fear of spending. Also, commercials failed to change character & appeals. "In an economic system undergoing some shrinkage, commercials tended to stick to boom sales psychology." Although commercials today are as effective as ever, Schwerin points out that this means only 2/3-effective. In the last 4 years, at least a third of all TV commercials tested have proved washouts.

The research firm suggests one avenue of improvement of commercial effectiveness is correction of audiovisual disunity. Schwerin recommends these remedies: (1) don't begin the commercial with a negative statement even if the plan is to let your product "correct" it; the opening mood of a commercial tends to persist; (2) audio & video should be interlocked throughout; the voice-over should read the exact wording of the legend; (3) keep audio simple; multiple voices tend to confuse the viewer; (4) keep audio within the maximum effective range of 101-150 words-per-min.; commercials cramming in 170 wpm are the least effective.

People: Rudyard C. McKee, ex-McCann-Erickson, named J. Walter Thompson v.p. & management account supervisor . . . William Hillenbrand, ex-Bryan Houston pres., named Donahue & Coc v.p. & plans board chmn. . . Roger C. Bumstead, ex-Campbell-Mithun, named N.Y. office media dir., MacManus, John & Adams . . . Anderson Fowler Hewitt resigns as senior v.p. at Kenyon & Eckhardt, Oct. 1.

More about

TV's AMAZING AD SAGA: Television's phenomenal growth as an entertainment service, charted by TvB's latest status report (see p. 1), has been well paralleled by its expansion as an ad medium. Last year, 5,794 product brands used spot TV and 1,196 brands advertised through network TV—and the total of all advertisers' daily cost to reach the average TV home—9¢—compared with that home's daily expenditure of 11¢ to run its set.

Last year was a down year in billings for all major media—excepting TV (national plus local)—which showed the lone—and a healthy one—increase over 1957:

Total Advertising Investments (National & local billing)

	1958 Billing (000)	% Change Over 1957
All Media	\$10,301.8	-0.1%
Television	1,354.2	+7.0%
Newspapers	3,192.8	-2.8%
Magazines	766.8	-5.8%
Radio	615.7	-0.4%
Outdoor	191.7	-3.7%
Business Papers	540.0	-4.9%

Moreover, TV was advertising's top ad medium for the 4th consecutive year in 1958. On the national level, it was the only major medium in which the ad investment was increased over the previous year.

TV's mounting ad importance, shows the TvB report, was clearly reflected by the fact that 1958's top 100 national advertisers put 49% of their combined budget into the medium. More important, TV was the only major media in these top 100 budgets that obtained an increase in 1958 over 1957:

Top 100 National Advertisers Budgets % Change

	'58 vs. '57	Number Using	Share of Budget
Newspapers	-11%	97	22%
Television	+13%	96	49%
Spot	(+20%)	94	18%
Network	(+10%)	78	31%
Magazines	-2%	93	18%
Outdoor	-7%	59	4%
Spot Radio	**	35	4%
Business Papers	0	28	3%

** Figures not available in 1957.

TV's growth & increasing coverage have had a salutary effect on the cost-per-thousand ad ratio. TvB shows that the network cpm. has remained consistently low for the past half-decade, in this study based on Nielsen figures for Jan. & Feb. each year:

Network Cost Per Thousand Homes Per Commercial Minute

	Daytime (M-F)	Nighttime (S-S)
1955 (est.)	\$1.66	\$3.46
1956	1.61	3.23
1957	1.63	3.28
1958	1.72	3.32
1959	1.82	3.20

TV's consistently low cpm. through this period of vast growth has caused the overall ratio to decline sharply since 1950—while all other major media have increased from 2% to 59%. Net TV dropped 64% in cost-per-thousand from 1950-59, spot TV 40%:

Major Media Cost Per Thousand (Index: 1950 = 100)

	Network TV (Night-time)	Spot TV	Newspapers	Magazines	Spot Radio (Day-time)	Network Radio	Outdoor
1950.....	100	100	100	100	100	100	100
1951.....	60	72	105	104	110	112	96
1952.....	63	80	110	111	123	105	102
1953.....	46	62	115	112	132	86	98
1954.....	41	65	117	117	141	102	98
1955.....	40	62	119	118	134	92	97
1956.....	41	69	122	121	133	102	99
1957.....	38	61	127	125	140	108	104
1958.....	36	60	135	129	159	102	109
1958 vs. 1950.....	-64%	-40%	+35%	+29%	+59%	+2%	+9%

Television Digest

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Personals: Larry White, ex-Benton & Bowles, named daytime programs dir., CBS-TV; Bertram Berman appointed Hollywood daytime programs dir. . . . Roger Read, gen. mgr., WKRC-TV Cincinnati, transferred to Taft Bcstg. Co. home office to assist in operations direction, succeeded by J. W. McGough, ex-WTVN-TV Columbus gen. mgr. Sam Johnson succeeds McGough . . . E. Preston Stover, ex-KYW-TV Cleveland, appointed WTAE Pittsburgh operations mgr.

Anthony Reda, ex-WEWS Cleveland, named TV production mgr., U. of Detroit . . . Bill Ellis named promotion dir., WLOS-TV Asheville, Greenville & Spartanburg, N.C., succeeding Jack Winters, who is rejoining WTVJ Miami in sales promotion . . . Sumner J. Glimcher, v.p., and Noel Bernard, pres., for Radio Press Intnatl. foreign news, resigned . . . Richard Goode, ex-CBS-TV & NBC-TV dir. & program developer, named to head programming, United Presbyterian Church in the U.S.A. TV-radio dept.

David H. Sandeberg, ex-Avery-Knodel, elected W. S. Grant Co. v.p. & partner . . . Dell Simpson named St. Louis office mgr., Young Television Corp. . . . Jim Stanley named dir., Broadcaster's Information Bureau of Public Relations Aids Inc. . . . William D. Pabst, KTVU Oakland-San Francisco gen. mgr., named to the Governor's Advisory Committee on Public Information . . . Charles S. Lewis, WCAX-TV & WCAX Burlington, Vt., public affairs dir., named chmn., Vt. State Commission on Educational TV.

William W. Scranton, ex-chmn. of WNEP-TV Scranton-Wilkes-Barre who joined State Dept. in July (Vol. 15:27), appointed exec. secy. to Secy. of State Christian A. Herter . . . Fred S. Fischer named to newly-created post of credit control mgr., CBS Inc. . . . Lewis C. Nugent and Paul E. Traum named A. C. Nielsen v.p.'s . . . John R. Barrington, ex-INS, named TelePrompTer PR dir.; George A. Weiss made West Coast group communications div. mgr.

Obituary

Louis Phillips, 66, v.p.-gen. counsel of Paramount Pictures Corp., died Aug. 29 of a heart attack in Manhasset, L.I. He was also senior member of Phillips, Nizer, Benjamin, Krim & Ballou. Surviving are his widow, 2 sons and a brother.

Noel Meyer Rust, 67, senior radio engineer at the Marconi Research labs, Great Baddow, Essex, England, until his retirement in 1955 after 42 years with the company, died recently. In the 1930's he did original research on the design of broadband feeders & antennas, contributing to the BBC's first TV station at Alexandra Palace.

Film & Tape

Executive Shuffles: There were executive changes on 3 film & tape fronts in N.Y. last week.

Columbia Pictures pres. Abe Schneider ended speculation as to the successor to the late Ralph Cohn, pres. of subsidiary Screen Gems, by taking the title himself. Jerome Hyams was named v.p. & gen. mgr. (Ralph Cohn's 1957 title, before he was named pres.), and will function as admin. head of Screen Gems. The duties of John H. Mitchell, v.p. for sales and Burton H. Hanft, v.p. for business affairs, "will be expanded to include greater managerial functions."

Intercontinental TV, S.A., the Paris-based video-tape production facility now handling many taped remote shows for the networks, announced its first slate of officers. Herbert Reidel, Intercontinental's top engineering exec., was named pres., and Theodore R. Racoosin, the chief financial backer, was named chmn. Hugo Seiler will be exec. v.p., Don Cash was named v.p. for European operations, and Malcolm Scott will be dir. of U.S. sales. David Lown, ex-NBC executive who was one of the firm's founders, will not be active in the new executive setup.

NTA is streamlining its sales organization as part of the shift this month of its natl. hq. to Hollywood. All feature film sales, and market-by-market sales of first-run & rerun film & tape syndication shows will be supervised by NTA Intnatl. pres Harold Goldman, who will be based in Beverly Hills. E. Jonny Graff, NTA v.p. for the Chicago office, moves to N.Y. where he'll be in command of station-level program sales. Marvin Lowe has been appointed acting head of NTA's office. Michael M. Sillerman, pres. of NTA program sales, will be responsible for network-level program sales, as well as syndication sales in regional deals and to station groups.

Wanted—A Production Chief: With Martin Manulis leaving in March as head of TV production, 20th-Fox TV has begun its search for his replacement. Manulis will be on the job long enough to work on product for 1960-61, and the studio would like to find its new man soon so that he may work with Manulis on that program. Manulis's departure (to produce 3 movies for 20th under the banner of his independent unit) comes as no surprise. The ex-*Playhouse 90* producer had originally signed to produce movies for 20th when he left CBS last year, but was persuaded (with a percentage deal) by 20th-Fox production chief Buddy Adler to take over the TV production-chief post. Manulis told us he will also receive a participation deal in his movies.

He also confirmed reports that 20th-Fox TV has been exceeding budget on its 60-min. shows, but not by more than \$5,000 a show. "We don't expect to make a profit on our shows until the second run," he added. Although 20th had an undistinguished record in TV before Manulis took over, it has more than doubled its production since. New series are *Adventures in Paradise* (60-min. ABC), *5 Fingers* (60-min. NBC), *Dobie Gillis* (30-min. CBS). CBS has also optioned *The New Frontier*, a 60-min. series, and NBC has optioned a half-hour series, *Whodunit*.

National Videotape Service, independent company for interior & remote production of video tape commercials, began operations at KCOP Los Angeles last week. The new firm, headed by Harold S. Marienthal, has a contractual arrangement to produce video-tape commercials for NAFI's broadcast div. NAFI is buying KCOP, and KCOP pres. Kenyon Brown is head of NAFI's broadcast div

NEW YORK ROUNDUP

ITC's tape/film *Ding Dong School* series is getting renewals before it even hits the air. The syndicated version of the former NBC series has been renewed, prior to local starting dates, in 27 TV markets of the total of 76 for which it's scheduled. ITC has ordered another 13-week cycle of the program from packager Henry G. Saperstein, in addition to the 13 already taped.

Ingemar Johansson is being avidly pursued by producers, now that his name has box office value. Bryna Productions' pres. Kirk Douglas wants the Swedish heavyweight as a guest star in the United Artists-syndicated *Tales of the Vikings*. Talent Associates' David Susskind wanted Johansson as technical advisor for Du Pont-sponsored "Body & Soul," but had to settle for Jack Dempsey. Arthur & Kathryn Murray have reputedly offered him as much as \$40,000 to appear in the show's celebrity dance contest. Hollywood, however, is beating everybody to the punch. Johansson will make his acting debut in Columbia pictures' forthcoming feature "All the Young Men."

MGM-TV's *The Thin Man* reruns will be slotted in NBC-TV's 2:30-3 p.m. period across the board, starting Sept. 21. "Thin Man" was on NBC's nighttime schedule until June.

WNTA-TV Newark is adding another cycle of its video-taped *Interview* series to its programming & syndication roster with the station's dir. of news & public affairs Mike Wallace as moderator. The series begins Sept. 14, 10:30-11 p.m.

Ziv's *Lockup & This Man Dawson*, both due to be regionally sponsored on alt. weeks this fall by American Tobacco Co. in 59 markets, have been bought for alt. weeks in 54 of the ATC markets by 14 advertisers & 40 stations. "Dawson" is now in a grand total of 91 markets, *Lockup* in about 160.

Robert Lawrence Productions (Canada) Ltd. will have the first tape-commercial production facility in Canada with the installation of video-tape equipment this winter in its new Toronto studios, due to be opened Oct. 6.

MGM-TV may be off the hook on its expensive (reputedly \$100,000) pilot film of *Father of the Bride*. The MGM telefilm subsidiary made a co-production deal last week with ABC-TV to develop the property, originally designed as a General Foods-sponsored show, for network's 1960-61 season.

Filmways will open the newest large-scale movie studio in N.Y. on Oct. 1. Planned for both tape & film production of commercials & programs, the filmways plant, located at 127th St. & 2nd Ave. in Manhattan, has 2 large sound stages totalling 35,000 sq. ft. Pres. Martin Ransohoff, who has a facilities-exchange deal with Warner Bros., predicts a \$7-million 1959 gross for Filmways largely in commercials.

Nat B. Eisenberg, ex-NBC tele-sales dept. senior producer, has been named mgr. of video-tape operations, at Elliot, Unger & Elliott . . . Jerry Briskin, ex-James L. Saphier agy., has joined Screen Gems as producer of *Manhunt*.

Art Carney will have all the dialogue in a 60-min. NBC-TV taped *Sunday Showcase* drama, "Call Me Back," on Mar. 27. Previous solo TV parts, including last season's "Eddie" with Mickey Rooney, have been no longer than the 30-min. variety.

HOLLYWOOD ROUNDUP

Pilot of "Wrangler," first taped Western series, will be produced by Charles Irving for KTLA, which may syndicate the show . . . *Civil War Beat*, a 60-min. series created by Screen Gems production v.p. Harry Ackerman & writer Mort Lewis, is planned for the 1960 season. Ackerman tells us they may make a presentation in lieu of a pilot.

Strike authorization was voted in Hollywood last week by members of Writers Guild of America West against independent movie producers. Although no strike date has been set, the strike vote gives the WGAW board a weapon in its negotiations for a contract with the independents. Contract talks, on for months, have failed to result in agreement. Among demands of the Guild is a formula for residuals for writers of post-1948 movies sold to TV. Independents listed for possible strike action include Stanley Kramer Pictures Corp., The Mirisch Co., Bryna Productions, Kirk Douglas, Marlon Brando, John Wayne, Otto Preminger, Alan Ladd, Gary Cooper, Richard Widmark, Robert Mitchum, Frank Sinatra, Harold Hecht, Burt Lancaster, Hecht-Hill-Lancaster.

NBC has changed the title of its new 60-min. Western, *Trace Hunter*, to *Mace Hunter*. Jack Chertok, producing the pilot for NBC, is now casting . . . Producer-dir. W. Lee Wilder has signed a deal with Allied Artists to produce movies for AA and *Marco Polo*, a series, for Interstate TV, the company's TV subsidiary.

Adrian Samish, ex-MGM-TV, will produce 4 series for Bernard L. Schubert Inc. . . . Winfield Opie will produce & direct the pilot of *Young Hollywood* . . . Jerry Briskin has left the James Saphier agency to become producer of *Manhunt*, syndicated series at Screen Gems . . . William Kozlenko, TV programming dir. at MGM-TV, has left the studio because of the inactivity at the Culver City lot.

Revue pres. Taft Schreiber left last week on a 3-months global trip during which he will examine telefilm distribution facilities of MCA, Revue's parent company . . . Famous Artists is negotiating a deal to package & co-produce telefilm series for Paramount. One conversation has been held—with no tangible results.

Four Star pres. Dick Powell, doesn't share telefilm's current enthusiasm for the 60-min. series. He has applied the brakes to pilots of 2 such series at his telefilmery: *Michael Shane & Stagecoach West*. Powell has held up production for these pilots until he can learn how the 60-min. series are received in the fall. "With hundreds of spectaculars coming up this season, a half-hour show may be a relief," Powell told us last week. Vincent Fennelly is the producer of "West."

. . . Jack Herzberg, ex-*Highway Patrol* producer, and Henry Kesler to produce Ziv's *Lockup* . . . Frank P. Rosenberg, new producer of Meridian Productions' *The Troubleshooters* (starring Keenan Wynn), will receive a participation interest in all the telefilms—even the 13 filmed before he took over the series.

Security Pictures, independent movie company, is going into TV, partnering with producer Bernard Glasser in Liberty Enterprises. They have a deal with NTA to produce 39 episodes in an untitled underwater series starring Bill Williams. Philip Yordan and Sidney Harmon own Security.

Educational Television

ETV Network Conference: The nation's educational broadcasters gather in Washington this week (9-11) to review the status of state & regional educational TV-radio networks and to develop a publication that will serve to light the way for those entering the field. The conference is sponsored by the Natl. Assn. of Educational Bestrs., under a contract with the U.S. Office of Education & Title VII of the Natl. Defense Education Act.

The conference will be opened by Arthur S. Flemming, Secretary of U.S. Department of Health, Education and Welfare, and Lawrence G. Derthick, U.S. Commissioner of Education. Among some 40 speakers scheduled to address the confab are C. Walter Stone, U.S. Office of Education; John F. White, pres. Natl. Educational TV & Radio Center; Edgar Fuller, exec. secretary, Council of Chief State School Officers; Finis Engleman, exec. secretary, American Assn. of School Administrators.

Scheduled for discussion are educational networks' administrative, financial, legal and technical problems; availability of programming material; operational patterns of current regional networks. Among conference participants are: FCC Chmn. John C. Doerfer; FCC Comrs. Robert T. Bartley, John S. Cross, Rosel Hyde, and Robert E. Lee; and representatives of education, industry and broadcasting.

First textbook version of NBC-TV's fall semester of *Continental Classroom* will be published by Prentice-Hall Sept. 15. Vol. 2, covering the second semester, will be published in Jan. John F. Baxter, who will conduct the TV course, and Dr. Luke E. Steiner, head of Oberlin College's chemistry dept., have written the text, priced at \$2.50 per vol. P-H will also publish a 2-vol. "Guide to Modern Chemistry" at \$1 to accompany the texts.

"Proceedings of Conference on ETV," an 88-page report of the May 26-28, 1958 conclave held under the auspices of Office of Education, U.S. Dept. of Health, Education and Welfare, in cooperation with Natl. Assn. of Bestrs., and *Children & TV*, a 50-page annotated bibliography assembled for NAEB by U. of Minnesota Institute of Child Development & Welfare dir. Dale B. Harris, are being distributed by NAEB Hq., U. of Illinois, Urbana.

Millikin U., Decatur, Ill., inaugurates a physical-education course for credit on Sept. 19 over WCIA Champaign. The course will be conducted by Jack C. Allen, Decatur public schools coordinator of safety, physical education & athletics, and will be beamed to physical-education teachers to help them become better qualified for teaching physical education in the elementary grades.

"Missiles, Moons and Stars," 3-year series about astronomy & man in outer space, debuted last week on educational KQED San Francisco. The course, supported by a \$15,000 grant-in-aid from the May T. Morrison trust estate, features Carlos Mundt, astronomy & mathematics professor, San Francisco State College.

Three-year study of usage of 700 Encyclopaedia Britannica films by 81 station subscribers, has been issued by the Trans-Lux TV library. Results, in brochure form, show public-service adaptations of the library and programs designed for, and bought by, commercial sponsors. Only one station in a given market may order the films.

Educational WTTW (Ch. 11) Chicago is airing a weekly (Tues. 10:15-10:30 p.m.) series entitled *Inside Educational Television*.

Trade Report . . .

SEPTEMBER 7, 1959

INDUSTRY GIRDS FOR HEAVY FALL AD PUSH: TV-radio-stereo advertising this fall will be heaviest consumer-electronics splurge in many a season—certainly far & away ahead of fall 1958's efforts. Unquestionably, set manufacturers are facing Sept.-Dec. period with healthy confidence in product & business, and indications are that all are in free-spending ad mood.

More elaborate & costly ad plans than last year were reported by most of 9 set manufacturers we surveyed. All have new & distinctive TV-radio-stereo products to shout about, and, obviously, each knows it's bucking stiff competition for the consumer buck. Ergo, each is spending freely to outshout the others. Motorola & Westinghouse report record-high investments. Others tell us they've shifted their year-long ad balance so as to throw maximum weight into a fall push. Some are moving into new media. Here are their comments:

Admiral: "We estimate the advertising investment for the remainder of the year to be approximately 15% ahead of 1958's comparable period. Our new radios, 'All World' transistor portable radios, stereophonic instruments, 17-in TV portables, and 21- & 23-in. sets are scheduled to appear in many major magazines."

GE: New GE TV line will be supported with a 20% increase in print-media spending during 4th quarter 1959, compared with last-quarter 1958. In addition to mass-circulation consumer publications, GE also will move into a new area, servicemen's magazines. "We have a good service story to tell," a spokesman told us, "and we're taking the story of GE TV's easy maintenance features direct to the service technicians."

Hoffman: Said consumer products v.p. Ray Cox: We're going into some big national magazines for the first time—which will beef up our coverage considerably. Our budget this fall will be 30% greater than in 1958." Hoffman also plans national newspaper ads through dealer listings; will have billboards & TV spots.

Motorola: To back its new TV-stereo-radio lines, Motorola is priming largest consumer ad program in its history—expenditure of \$6 million, 25% higher than last season's budget. Motorola told us some 40% of ad spending will be poured into TV line, with balance going to stereo and to home & car radios. Ad & sales prom. dir. Robert G. Farris said that the campaign will embrace large-space newspaper ads thrice weekly in more than 300 newspapers for 3-week period, starting Sept. 15; billboards, direct mailers, mass magazines.

Philco: A whopping 66 2/3% increase in 1959 over 1958 ad budgets is reported by Philco, which will invest the major spending during the Sept.-Dec. period. The firm is going heavy on national magazine ads.

Westinghouse: A record sum of more than \$1 million will be spent by Westinghouse's TV-radio div. during last-third 1959, with accent on building itself a "new image" through exclusive use of quality furniture designs (Vol. 15:31, 35). Its only national ad medium, however, will be CBS-TV's Desilu Playhouse. Ad mgr. Russ Johnson says major part of ad budget for TV & stereo will go to local support of dealers & dept. stores via specially prepared co-op newspaper campaigns.

Sylvania: Pushing hard on 23-inch TV sets, Sylvania will throw its heaviest consumer-ad punch during 4th quarter, ad mgr. Charles R. Lunney tells us. Spending for balance of year will run about same as that for year-ago period, with national consumer magazines & newspapers scheduled.

Emerson: Balance-of-year ad program is not yet finalized, we're told, but "a considerable portion" of the national ad program will go to "saturation of every market with powerful newspaper ads." Emerson also is completing schedule for national magazine ads.

RCA: "Stockpiling" is word for RCA advertising this year, with firm concentrating its budget (estimated around \$5 million) in Sept.-Dec. period (Vol. 15:26). Magazine insertions will be 50% greater than last year, cumulative circulation up 110%. RCA Victor ad & sales prom. mgr. Jack M. Williams reports national ad campaign will kick off with 4-color insert in Sept. 14 Life, and will embrace 95 pages of ads, 70 mins. of color commercials. "Never before in our history have we had so many new products & innovations to talk about in one campaign," he says. Although Williams speaks for RCA Victor, he apparently reflects thinking of virtually all home-electronics manufacturers this season.

Note: Because of early printing schedule due to Labor Day holiday, we are unable to include EIA's weekly TV-radio production figures in this issue. Next week's Digest will recap production statistics for 2 weeks.

JAPAN DOUBLES TRANSISTOR RADIO EXPORTS: Claiming title of world's ranking producer of transistor radios, Japan will try to prove point this year by pouring some 4 million sets into international markets—increasing on its 1958 export by a whopping 100%. Some 60% of 1959 exports are slated to wind up competing on U.S. market, estimates Electronic Industries Assn. of Japan. Canada will account for 10%; more than 20 other nations will divvy up balance.

Supporting Japan's stepped-up output for export (Vol. 15:23, 32) are some 75 Nippon manufacturers who turn out 630,000 transistor radios per month, will step up output to 800,000 sets monthly by Oct., claims EIAJ. Roughly 70% of output is tagged for export.

Already half-way home on its 4-million goal for 1959, Japan during Jan.-June exported 1,954,433 transistor radios—a stunning 4-fold-plus increase over 474,640 units shipped during year-ago period, and slightly more than total of 1,928,860 transistor radios exported during all of last year. Of 1958's transistor radio export, U.S. purchases totaled 1,233,548 units, valued at \$17,685,124.

"Japan has already outstripped U.S. in production of transistor radios," claims EIAJ business dept. chief Yozo Ishizuka. Terming unit "Japan's greatest foreign exchange earner next to ships," he says it now tops exports of cameras & sewing machines. EIAJ reportedly maintains a price system which lists a 6-transistor set at \$14 f.o.b.

Headlong rush to top of transistor radio market began in 1955, with a lone Japanese firm turning out 11,000 units. Thereafter, production & producers increased apace, with output stepping up to 56,000 units produced & 500 exported in 1956, 700,000 produced & 360,000 shipped overseas in 1957.

1958 Tube Slump: Total shipments of TV picture tubes & electron receiving tubes during 1958 slumped markedly, with the former hitting the lowest level in half a decade, according to a new 5-year analysis by the electronics div. of the Commerce Department's Business & Defense Services Administration. In a year which saw total electron tube shipments drop to \$786 million from 1957's 5-year peak of \$816 million, TV tubes skidded to \$217 million from \$231 million, receiving tubes to \$355 million from \$400 million—this category's lowest level since 1954. The only major category to show a 1958-over-1957 increase was power-&-special purpose-tubes, which climbed from \$185 million to a 5-year peak of \$214 million. The BDSA survey, which includes intra-plant & inter-plant transfers, shows that total tube shipments last year closed out at the lowest level since 1955. In a recent forecast (Vol. 15:34) BDSA indicated that total tube output this year will exceed the 1958 level by 10%.

ESTIMATED SHIPMENTS OF ELECTRON TUBES (In Millions of Dollars)

	1954	1955	1956	1957	1958
TV picture tubes, total	239	237	240	231	217
Receiving tubes, total	300	380	390	400	355
Power & special purpose					
tubes, total	152	148	161	185	214
High vacuum tubes	30	31	37	37	39
Gas and vapor tubes	18	17	17	17	18
Klystrons	14	16	21	25	29
Magnetrons	51	42	42	44	50
Forward and backward wave tubes	—	1	2	6	17
Duplexers	7	6	5	6	7
UHF Planar (lighthouse)	6	6	7	13	13
Cathode ray light emitting†	15	17	19	23	25
Miscellaneous*	11	12	11	14	16
TOTAL, ALL TUBES	691	765	791	816	786

* Includes photo tubes, photo cells, radiation detection tubes, spark gaps, beam deflection tubes, decade counters, electronic switches, mechanical transducers, orbital beam tubes, and vacuum capacitors, switches, and gauges. Excluded X-ray tubes.

† Storage and camera tubes, excluding TV picture tubes.

Belock Instrument Corp. and Rank Records, London, have signed an agreement under which Rank will distribute Belock's Everest Records in the U.K. & Ireland.

Trade Personals: Fred M. Farwell, ex-ITT exec. v.p., appointed to new post of mktg. v.p., RCA . . . Jack Anderson named mktg. v.p., Hoffman Labs div. of Hoffman Electronics . . . Frank A. McCall, ex-RCA Intnatl., named to new Motorola post of consumer-products regional sales mgr. for Europe, the Near East & Far East.

Sanford B. Cousins appointed AT&T personnel v.p., succeeding H. Randolph Maddox, who retires Dec. 31; James W. Cook named PR v.p. . . . Harry D. Lohman named sales mgr. of AT&T subsidiary Western Electric Co. . . . Horst John Kretschmer appointed Herold Radio & Electronics product designer . . . Robert F. Feland Jr. named Du Mont Labs West Coast military electronic operations asst. div. mgr. . . . William F. Tait, ex-Ford Motor Co., named Govt. service mktg. mgr., RCA Service Co.

John Jipp, Neal K. McNaughten, Herbert L. Brown, John M. Leslie Jr. and Walter T. Selsted named Ampex v.p.'s . . . William H. Fowler appointed Herold Radio v.p. . . . Edward R. O'Hara, ex-Chrysler Corp., named to new post of manufacturing mgr., Stromberg-Carlson special products div.; Mark E. Woodworth, ex-GE, named product planning & mkt. research mgr., same div. . . . Rolland V. Robison and Roger A. Swanson named to new posts of product sales mgr. of transistors & microwave diodes, respectively, Sylvania semi-conductor div.

Stuart D. Cowan, ex-Donahue & Coe, named to new post of Raytheon commercial mktg. services dir. . . . Brig. Gen. John C. Monahan named chief of research & development div., office of chief signal officer.

Obituary

Royal F. Sickles, 57, General Instrument Corp. mechanical engineering v.p., died Aug. 29 at his home in Long meadow, Mass. He is survived by his widow and a son.

Breakdown in merger negotiations between Tenney Engineering Inc. and Victoreen Instrument Co. because of policy differences was reported last week. Tenney chmn Saul S. Schiffman said the 2 firms "are moving in different directions." Principal differences center around divergent policies for acquiring other lines & activities.

RCA Joins 23-Inch TV Parade: RCA last week casually dropped two 23-inch TV models into its line, along with 5 other b&w sets, a color console, and 4 low-end portable stereo phonos. RCA had indicated as far back as June (Vol. 15:23) that it would have 23-inch models come fall. Although the 23-inch sets, as well as the other new models, are not yet in production, and delivery is quoted loosely as Oct.-Nov., they are scheduled for 4th quarter-Xmas sales & promotion.

Under RCA's new policy of having distributors establish prices, there are no tags on the new models. However, we understand that the two 23-inch models will sell for some \$20 more than the 21-inch counterparts and that, generally, most of the new merchandise will fall into the middle or low-end of the price range. The 8 basic TV models are:

The Gainsborough, 23-inch low-boy console; the Wakefield, 23-inch upright model; the Rockland, an all-in-one entertainment center with 24-inch TV, slated to sell in the \$600-\$700 range; the Bridgeport, a 24-inch upright model, which will become the lowest-priced of 3 RCA 24-inch models; the Ashland, a middle-of-the-line 21-inch swivel console; the Huntley, an upright 21-inch console with remote control; the Pickwick, a low-end 21-inch model; and the Winslow, a bottom-of-the-line 21-inch color console. The 4 portable stereo phonos are low-end models, which begin at \$39.95.

TV deflection yoke coil that requires no permanent magnet correction has been developed by Sylvania Electric Products. The simplified coil was designed specifically for 110-degree 23-inch TV picture tubes, but is interchangeable with 110-degree 21-inch types. Computer products operations mgr. Orville H. Jensen said engineering samples of the yoke coil are available. "By eliminating the need for magnets, [the coil] also eliminates the possibility of picture distortion caused by magnet shifts that occur periodically as the result of age, temperature and other factors," he explained.

Formation of an autonomous thermoelectric division was announced last week by Gen. Instrument Corp., which said the new unit already is engaged on devices to generate electricity without moving parts by applying heat to certain semi-conductor materials. The thermoelectric unit will be managed by Melvin Barmat and, at the outset, will occupy 10,000-sq.-ft. facilities at the electronics firm's Newark, N.J. headquarters. It expects to have 50 scientists working on research projects within a year.

Magnavox broke ground for a new research center last week on a 10-acre site in Los Angeles. The initial construction is scheduled to be completed next May, at a cost of \$1.5 million. Magnavox research labs mgr. Dr. Ragnar Thorensen said that ultimately the facility will be expanded to more than 4 times the size of the first structure, with an eventual outlay of more than \$5 million. (For other Magnavox building see Vol. 15:35.)

Thompson-Ramo-Wooldridge has purchased Bel Canto Magnetic Recording Tape Co. Inc. and will operate the new acquisition as a wholly owned subsidiary, with Bel Canto exec. dir. Russ Molloy as pres. The new subsidiary will be incorporated in TRW's commercial electronics group.

Two-week strike ended at American Bosch Arma's Springfield, Mass. plant last week with the signing of a 3-year contract that provides 1,500 IUEW workers with a wage increase of 13¢ an hour over the 3 years. American Bosch said the new contract will cost more than \$600,000.

Finance

Electronics Funds Climbing: Peak performances were reported last week by 2 major electronics investment funds. Record-high total assets & shares outstanding of \$315,302,428 & 19,011,697 were tallied by Television-Electronics Fund Inc. for the 3rd fiscal quarter ended July 31, 1959. Pres. Chester D. Tripp told 100,422 shareholders (a 33.6% increase) that resources were up 76.6% from the \$178,531,343 recorded a year ago and that the net-asset value per share gained 47.3% from \$11.56 to \$16.58 (payment of 45¢ from realized securities profits was made in Nov. 1958). The Electronics Investment Corp. possessed total net assets of \$30,137,333 at the quarter ended July 31, compared with \$17,142,515 a year ago and \$29,273,203 at the end of the previous quarter (Vol. 15:23). The net asset value per share, adjusted for a capital gains distribution of 44½¢ paid in May, was \$8.02, an increase of 61.37% over the \$4.97 a year ago.

Television-Electronics Fund's portfolio changes:

<i>New stocks added:</i>		
	Shares	Market value
Bausch & Lomb	7,100	\$270,687
Federal Pacific Electric Co.	3,000	90,375
Packard-Bell Electronics	20,000	820,000
<i>Holdings increased:</i>		
Borg-Warner		Gen. Dynamics
Curtis-Wright		Gen. Tire & Rubber Co.
Ford Motor Co.		
<i>Part of holdings sold:</i>		
Barry Controls Inc.		Perkin-Elmer Corp.
Clark Controller Co.		Servomechanisms Inc.
Corning Glass		Square D Co.
Eitel-McCullough		Telecomputing Corp.
Indiana Steel Products Co.		Texas Instruments
Martin Co.		
<i>Holdings eliminated:</i>		
Varian Associates		Penn Controls Inc.
Beckman Instruments		Technicolor
Cornell-Dubilier		Tel-Autograph Corp.

Electronics Investment Corp. portfolio changes:

<i>Purchases since previous quarterly list:</i>		
	Shares	Making total of
AB-PT	10,000	30,100
Haloid Zerox	250	1,000
Hewlett-Packard	1,900	17,000
Lockheed Aircraft	5,000	20,000
Packard-Bell	7,900	20,100
Philips' Lamp	50	629
Seeburg	7,000	15,000
Siemens & Halske	1,000	4,000
Standard Coil	5,000	10,000
Taft Bcstg. Co.	10,000	10,000
Textron Warrants	1,500	1,500
United Aircraft	9,000	4,000
<i>Sales:</i>		
Friden	9	Retains 0
Gen. Railway Signal Co.	2,700	2,300
Midwestern Instruments	6,800	4,300
Thompson Fiber Glass	7,500	0

Electronic Communications Inc., St. Petersburg equipment manufacturer, seeks SEC registration (File 2-15522) of \$5 million of subordinated debentures due Sept. 15, 1974, with warrants for purchase of 20 common shares for each \$1,000. Proceeds would be added to general funds. Underwriters are headed by Laird & Co.

Hycon Mfg. Co., Pasadena, has filed an SEC registration (File 2-15527) for 126,316 common stock shares issued in Dec. 1958 to Avco, which proposes to offer them for public sale through registered brokers & dealers at over-the-counter market prices. Avco acquired the stock for investment when Hycon retired \$500,000 of 10-year subordinated debentures due in 1965.

Shell Electronics Mfg. Corp., Westbury, N.Y. assembler of tube testers & hi-fi amplifiers, asked SEC (File 2-15529) to register 170,000 common stock shares for public sale at \$2 per share through Schweickert & Co. Proceeds would be used to pay a bank loan & trade accounts and buy equipment for expanded production.

Emerson Joins Upbeat Parade: Set makers with upbeat reports of business bounce-backs (Vol. 15:32, 33) were joined last week by Emerson Radio & Phonograph Corp., which checked in with more than a 3-fold increase in earnings for the 39 weeks ended Aug. 1, compared with the performance in the year-ago period. Based on Emerson's currently outstanding shares of 2,046,444, the earnings are equivalent to 72¢ a share vs. 19¢. For the 26 weeks ended May 1, the gain was \$1,001,317 (49¢ a share) in net income compared with \$165,090 (8¢) for the comparable 1958 period. For the 39 weeks ended Aug. 1:

	1959	1958
Net income	\$1,466,548	\$397,888
Earned per share	72¢	19¢
Shares outstanding	2,046,444	1,950,887

Oak Mfg. Co. more than tripled its net income during the 6 months ended June 30, compared with Jan.-June 1958, chmn. Elof Sandstrom of the Chicago-based producer of electronic components told stockholders last week. The trend continued through July, with shipments climbing to \$1,171,000, 35% over the July 1958 figure. Sales & earnings in each of the first 6 months of 1959 ran higher than in the comparable 1958 months. For 6 months ending June 30:

	1959	1958
Sales	\$9,149,916	\$7,077,897
Net income	499,604	138,291
Earned per share	76¢	21¢
Shares outstanding	655,894	655,894

Philips' Lamp sales & earnings rose markedly during the 6 months ended June 30 compared with the year-ago period. Earnings of the big Netherlands electronics & electric firm climbed to \$33,591,500 from \$24,069,500, on sales that increased 14% to \$467,636,000 from \$409,446,000. For the 12 months ended June 30, Philips' net profit was \$74,060,000 compared with \$64,538,000 in the year-ago period. Sales were \$1,009,067,500 vs. \$950,877,500 in 1958. The company said that its exports from the Netherlands show a percentage rise greater than that of sales.

Sylvania has filed an SEC registration (File 2-15540) for \$25 million of sinking fund debentures due Sept. 1, 1984, to be offered for public sale through Paine, Webber, Jackson & Curtis and Halsey, Stuart & Co. An amendment to the SEC filing will supply the interest rate, price and underwriting terms. The Gen. Telephone & Electronics subsidiary said proceeds would be used to prepay 5% promissory notes due in 1962 and pay short-term notes due in Oct. & Dec. 1959. As of July 31, the promissory notes totaled \$10 million.

Textron Industries is offering its shareholders the right to subscribe to 500,000 common, at \$7.50 a share, of its subsidiary Textron Electronics Inc. The offering, which expires Sept. 25, is in the ratio of one share of Textron Electronics for each 10 shares of Textron Industries held of record Sept. 2. The parent company will retain 1.5 million shares of Textron Electronics after the sale. The offering is being made without underwriting.

Eitel-McCullough reported a net income of \$744,256 (45¢ a share) for the 6 months ended June 30, compared with the net loss of \$13,959 tallied for Jan.-June 1958.

Loral Electronics Co. reports profits of \$100,800 (24¢ per share) on sales of \$3,756,000 for the 3 months ended June 30, compared with the year-ago net of \$16,000 (5¢) on sales of \$1.5 million.

Tele-Broadcasters Inc. (KUDL Kansas City & WPOP Hartford) reports a pre-tax profit of \$139,965, equal to 31¢ per share, for the first 7 months ending July 31.

Reports & comments available: Westinghouse Electric, discussion by Pershing & Co., 120 Broadway, N.Y. 5 . . . Loew's, memorandum, Herzfeld & Stern, 30 Broad St., N.Y. 4 . . . W. L. Maxson, illustrated review, H. Hentz & Co. 72 Wall St., N.Y. 5 . . . Cohu Electronics, prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Raytheon, comments, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . Magnavox, report, Thomson & McKinnon, 11 Wall St., N.Y. 5 . . . Daystrom, discussion, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . Avco, field report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Babcock Radio Engineering, prospectus, Schwabacher & Co., 100 Montgomery St., San Francisco 4 . . . Textron Electronics, prospectus, Textron Electronics Inc., 10 Dorrance St., Providence 3, R.I., or 1407 Broadway, N.Y. 18.

Packard-Bell reports record-high July home-instruments business, continuing the upward trend evident in its recent announcement (Vol. 15:31) of a 63% profit increase & 32% higher sales for 9-months-ended June 30. Home entertainment equipment sales soared 64% in July over July 1958 and pushed Jan.-July cumulative business 35% ahead of the sales for the year-ago period. Pres. Robert S. Bell said: "It was the biggest July in our history, and August is expected to follow suit."

Stockholders of Transcontinent TV Corp. (WROC-TV Rochester, WGR-TV & WGR Buffalo, KFMB-TV & KFMB San Diego, KERO-TV Bakersfield, 60% of WNEP Scranton-Wilkes-Barre) have approved a 2-for-1 stock split and 500,000-share increase in authorized stock for a total of 1,520,000 shares.

Paraplegics Mfg. Co. reported sharp increases in 1959-over-1958 sales & earnings. For the fiscal year ended June 30, sales increased 22% to \$497,000, profits increased 28.7% to approximately \$24,000. Pres. Dwight D. Guilfoil told stockholders that the company's transistion during the past year to major concentration on contracts for complex electronic & electro-mechanical assemblies is one of the outstanding achievements in the firm's 8-year history. Paraplegics builds sub-assemblies & completed equipment on a sub-contract basis for electronics & electrical firms.

American Electronics forecasts record earning in 1959 of \$680,000 (78¢ a share) on sales of \$24 million, compared with the Los Angeles firm's net loss last year of \$2,285,825 on sales of \$17.3 million. Pres. Phillip W. Zonne said last week that the anticipated profit would top the previous high of \$603,650 on \$17.9 million sales tallied in 1957. He foresees a 1960 pre-tax profit of \$2.4 million on \$30 million sales. For 1959, first-half earnings totaled \$226,406 (26¢) on sales of \$8.6 million. The 2nd quarter net climbed to \$118,289 vs. first-quarter's profit of \$108,117.

Worth reading: 3 articles in *The Analysts Journal*, organ of Natl. Fed. of Financial Analysts: "Electronics Industry in Europe," by Louis H. Whitehead, and "Semiconductors: Young Giant of Electronics," by J. T. Cataldo, both in July issue; and "Introduction to Investments: TV Educational," by Jack H. Canvin in Aug. issue.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma.	Q	\$0.30	Oct. 15	Sep. 15
Bell Tel. Canada	Q	.50	Oct. 15	Sep. 15
Capitol Records	—	.50	Sep. 30	Sep. 15
Clevite	—	.30	Sep. 28	Sep. 15
Corning Glass	Q	.25	Sep. 30	Sep. 14
Decca	Q	.25	Sep. 30	Sep. 16
Radio Condenser	—	.05	Sep. 21	Sep. 1
Textron Inc.	—	.31¼	Oct. 1	Sep. 15

WEEKLY **Television Digest**

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

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SEP 14 1959

Congress

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TV QUIZ SHOW RERUN set for Oct. 6 by House Commerce legislative oversight subcommittee, which schedules week of hearings on 1958 scandals (p. 1).

VHF BOOSTERS MAKE PROGRESS toward legal status. Senate passes pro-booster S-1886. FCC weighs minimum technical requirements and extends grace period to Dec. 31 (p. 3).

FCC

ALLOCATIONS IN BRIEF—INTERIM & LONG TERM: Providence, Louisville, Grand Rapids & Syracuse drop-ins before FCC in couple of weeks. FCC-military negotiations continue (p. 2).

LAST GASP FROM LAR DALY is plea to President Eisenhower to veto "unequal time" bill. He also loses FCC case for political "double equal time" (p. 2).

STATUS OF "INFLUENCE" CASES summarized. New Mack-White-side trial, to start Nov. 3, blocks progress of all except St. Louis Ch. 2 case—but it needs months of preparation (p. 3).

Stations

LATEST LOG OF STATIONS, a handy list of TV stations in operation or due to be operating by fall of 1959, is printed as a supplement accompanying this issue (p. 2).

Programming

HUBBELL'S HIGH HOPES: That \$7.5 million Ford series of specials wouldn't be possible if it weren't for tape, says producer Hubbell Robinson Jr. (p. 9).

Manufacturing & Distribution

INDUSTRY COMING-OUT PARTIES for new merchandise, survey shows, are becoming more elaborate & costly as manufacturers sense opportunity for selling sellers (p. 12).

PHONO DOLLAR-VOLUME MAY SURPASS RADIO. Booming stereo phono is running neck & neck with radio as dollar producer this year, is cinch to beat out radio next season (p. 13).

TV-RADIO SALES & PRODUCTION FIGURES show July markedly higher than July 1958, and Jan.-July totals run well ahead of the cumulative sales for the year-ago period (p. 14).

Networks

NETWORK COLOR STATUS shows NBC-TV with 79% of its network station list now equipped for off-line color re-broadcasts, CBS-TV with 66%, ABC-TV with 49% (p. 2).

TREYZ ASKS WORLD MARKET as he returns from 5-week inspection tour of TV networks & stations in Far East & Australia (p. 6).

Advertising

FTC CRACKDOWN AHEAD for discriminatory TV-radio-newspaper ad allowances by manufacturers to favored customers, chmn. Earl W. Kintner warns (p. 10).

Educational TV

HOPES & PLANS FOR ETV NETWORKS: Though bottlenecked by lack of vhf channels & funds, educators report progress at Washington conference (p. 4).

Other Departments

KHRUSHCHEV'S VISIT (p. 5). **AUXILIARY SERVICES** (p. 7). **PERSONALS** (p. 8). **FILM & TAPE** (p. 10). **FINANCE** (p. 15).

TV-RADIO BOYCOTT RELIEF: New labor law (S-1555) passed 92-2 by Senate & 352-52 by House may bring "substantial relief from secondary sponsor boycotts," NAB reported to members last week.

Aimed primarily at corrupt union practices exposed in 3 years of Teamsters hearings by Senate rackets committee, this labor reform bill also tightens Taft-Hartley Act rules on secondary boycotts.

Title VII of the new legislation forbids unions to "threaten, coerce, or restrain any person" in attempts to promote boycotts by neutral concerns against any others—such as stations—involved in labor disputes. Under the 1947 Taft-Hartley law, unions were prevented from ordering members employed by neutral firms to pressure them into such reprisals. But Taft-Hartley didn't prohibit unions themselves from applying boycott pressures.

Boasting that "NAB officials played an important role in securing passage of the measure," NAB's "Highlights" bulletin on Washington developments said it's "hoped that with appropriate National Labor Relations Board & court interpretations," Title VII will ease station boycott threats.

Meanwhile Washington Post said "important tool" in a grass-roots campaign for enactment of the bill by such organizations as Natl. Assn. of Manufacturers and U.S. Chamber of Commerce was CBS-TV Armstrong Circle Theatre drama, "Sound of Violence." After 2 showings, mail poured in on Capitol Hill.

ALLOCATIONS IN BRIEF—INTERIM & LONG TERM: There's still nothing definite about FCC's direction in TV allocations. Its staff has completed engineering work on proposals to drop vhf channels into Providence, Louisville, Grand Rapids & Syracuse via co-channel or adjacent-channel mileage cuts (Vol. 15:31). This is "interim" plan to relieve tight areas. Lawyers are now struggling with plenty of heavy legal problems, and package is expected to go before Commissioners in couple of weeks. But even Commissioners themselves can't predict whether they'll vote the additions. Meanwhile, no additional mileage-cut drop-ins have been broached within FCC.

As for long-term, nationwide expansion proposals, don't expect anything significant for a long time. FCC continues dickering with military for more vhf channels, with no indication when answer will come. Many big allocations guns from both sides, including FCC's Comr. Craven, are in Geneva for international conferences, and it had been feared everything would halt until they return. However, we're told, most essential work remains uninterrupted.

LAST GASP FROM LAR DALY: "This is my last gasp for fair play in politics," Chicago's always-irrepressible Lar (America First) Daly promised last week, publicly imploring President Eisenhower to veto "unconstitutional & ridiculous 'unequal time' TV-radio bill" voted by Congress (Vol. 15:36).

But menacing slogan "America First to power in 1960" was tacked on to pronouncement in small ad inserted by Daly in Washington Post. This was indication—if any was needed—that public & broadcasters are long way from hearing last words from one-man party which: (1) Pushed FCC into ruling that newscasts are subject to equal-time demands by candidates. (2) Forced Congress to go to massive trouble of passing law reversing ruling. Daly has already nominated himself for White House, has claimed national air time.

Daly principle of double equal time for candidates was rejected meanwhile by FCC, however. In response to one of many protests & pleadings which he has filed, Commission solemnly met & voted that Daly's "dual" claim to be seen & heard on CBS's WBBM-TV Chicago (Vol. 15:23) was "inconsistent with the provisions, intent & purpose of Sec. 315 of the Communications Act." As Democratic & Republican candidate for Chicago mayoralty nomination, Daly had argued he was 2 politicians. WBBM-TV gave him time to answer Democratic opponent Mayor Richard J. Daley. Then Republican candidate Timothy P. Sheehan got time to answer Daly, who demanded time to answer Sheehan—and so on, without end.

What next for Lar Daly? In editorial, Wall St. Journal had this suggestion: "It may even be that some Chicago newscaster will find him newsworthy now that he has succeeded in limiting the demands of politicians to access to the airwaves. No man to whom so many millions of set-owners are indebted deserves much less."

NETWORK COLOR STATUS: NBC-TV, understandably, is still ahead among 3 major networks in having lineup of o-&o's and affiliates equipped for color-TV transmission. Latest (Aug.) standing: NBC-TV, 79%—CBS-TV, 66%—ABC-TV, 49% of their network lists.

Potential color coverage of 93.7% of U. S. TV is now claimed by NBC, which has 149 outlets of total network (189 excluding non-Continental & satellite stations) equipped to re-broadcast network color. Four of the 18 NBC-TV satellites are also color-equipped.

Local live color origination drops sharply from the network figures, but still shows an NBC lead. Total of 24 NBC affiliates have live local color, as against 8 CBS, 5 ABC and 2 independent TV outlets.

Film & slide color is more prevalent, with 52 NBC, 30 CBS, 14 ABC and 6 independents so equipped (exception: one NBC outlet has slide, but not film color).

Realistic basis was used by NBC's corporate planning div. mgr. Charles M. Kinsolving Jr. in compiling figures above for color status report: "Equipment installed & in operating condition," rather than sometimes hazy basis of color equipment on order plus installations. Report was circulated last week to list (about 60) of NBC-RCA executives.

LATEST LOG OF STATIONS: Handy list of TV stations in operation, or due to be operating by fall of 1959, is printed in this issue as a supplement (No. 4) suitable for office display. It includes all stations in U.S. & possessions, in Canada and along Mexican border. Authorized holders of CPs who definitely indicate they intend to be on air this fall or winter are also included. Non-commercial ETV stations also are identified. Extra copies of log, reprinted on white stock & suitable for mounting, are available without charge to all subscribers upon request. Log also will be incorporated in Map of TV Stations & Network Routes, which will appear as special insert in forthcoming Fall-Winter edition of our Television Factbook

Congress

VHF BOOSTER PROGRESS: Several steps were taken by Congress & FCC last week as they moved toward finding a proper regulatory niche for vhf boosters:

(1) Senate passed S-1886, containing the Communications Act amendments which FCC said it needs before it can legalize boosters. (2) FCC discussed briefly the kinds of rules & regulations it might apply to boosters. (3) FCC extended until Dec. 31 the "grace period" during which it will permit boosters to operate without prosecution for unauthorized construction.

S-1886 doesn't attempt to tell the Commission how to regulate boosters. It merely lets FCC waive the requirement that boosters have an operator in attendance and permits the Commission to excuse existing booster operators for building without CPS.

There's so much pressure on FCC to go easy in booster rules & regulations—to avoid costly requirements—that the Commission is currently thinking in absolutely minimum terms. There's a good chance that boosters will end up with only these requirements: (1) Allowed to operate as long as they cause no interference to any other authorized service. (2) Must have a facility to take them off the air immediately if they produce interference. (3) Must be prepared to accept interference from each other and other services, present & future. (4) Power ceiling of 1 watt.

It's understood that FCC is not inclined to impose any requirements regarding bandwidth, frequency stability, etc., because they would mean wholesale scrapping or rebuilding of boosters—and ferocious political repercussions. The Commission seems willing to risk letting boosters operate until they cause trouble, then jerk them off the air.

FCC may come up with its new rules & regulations by Dec. 31 but, presumably, it wouldn't be able to license boosters until the House also passed S-1886 in the next session. Rep. Harris's Commerce Committee has said nothing, so far, about hearings on the subject.

TV QUIZ SHOW RERUN: The cast of witnesses hadn't been selected definitely last week for subpoenas, but the long-threatened Congressional investigation of 1958 scandals in the conduct of big-money TV quiz shows (Vol. 15:34) is set for public hearings starting Oct. 6.

All-day Washington sessions running for one full week were scheduled by House Commerce legislative oversight subcommittee Chmn. Harris (D-Ark.). He said the hearings are intended to show whether viewers were duped by the shows—and whether new FCC or FTC legislation is needed to protect the public from quiz frauds.

"Some" network officials, sponsors, producers and contestants—and perhaps others in the TV industry—will be called to testify about alleged rigging of quizzes, Harris said. "We'll hold morning & afternoon sessions," he added. "We hope to conclude our work within one week."

"There's no dearth of prospective witnesses," subcommittee counsel Robert W. Lishman told us. "We'll have enough to show how the shows were conducted, and the list will be selective." He said actual selection of witnesses will not be made until his staff has gone over prospects with subcommittee members. Lishman didn't know when the list & order of appearance would be announced.

On hand for the subcommittee's guidance—but not for publication—will be batches of transcripts of testimony taken in a 9-month investigation of the shows by a N.Y. grand jury, which returned no indictments.

No Action on CATV Bill: The bill to place community antenna systems under FCC regulation (S-2653), reported by the Senate Commerce Committee, stands almost no chance of passage this session—being controversial & considerably less important than other legislation—but it will be live in the next session. It was passed over on the Senate floor last week because it was obvious that a unanimous vote couldn't be obtained.

The committee published its report on the bill last week, and the language reaffirms the purpose of the legislation: "There should be no weakening of the Commission's announced goal of local service. The Congress has imposed upon the FCC the obligation of providing a widely dispersed radio & TV service based upon an equitable distribution of frequencies among the communities throughout the U.S. The Congress and the people in any community have no particular interest in the success or failure of any given broadcaster in the area so long as the public receives acceptable service. But if the failure of a station leaves a community with inferior service, its demise ceases to be a purely private misfortune and becomes a matter of real & immediate public concern."

Fight for TV blackouts for baseball in sports anti-trust exemption legislation (Vol. 15:36) was renewed last week by Sen. Keating (R-N.Y.) in a series of Senate speeches. Keating, author of a baseball exemption bill (S-616) which has been shelved by Chmn. Kefauver (D-Tenn.) of the Judiciary anti-trust subcommittee—promised a battle for terms of his measure if any bill reaches the floor. He introduced amendments to Kefauver's own football-basketball-hockey measure (S-2545) permitting baseball club owners to fix geographic areas for teams and impose limitations on major game telecasts. Meanwhile, Sen. Douglas (D-Ill.) joined the long list of Kefauver bill co-sponsors.

Excise tax bill (HR-8725), lifting a 10% levy on private-line inter-city telephone circuits used by broadcasters & common carriers, was passed by the Senate & sent to the White House last week. Completing action on the measure which won House approval last month (Vol. 15:35), the Senate agreed that the tax was inadvertently applied to such communications systems in last year's excise Tax Technical Change Act.

The FCC

STATUS OF INFLUENCE CASES: All of FCC's proceedings examining allegation of improper pressures in TV cases (except the one involving the shift of Ch. 2 from Springfield, Ill. to St. Louis) are officially on ice now—until the end of the new Mack-Whiteside jury trial which starts Nov. 3 (Vol. 15:28).

Judge Horace Stern, who will hear all the pending cases (and who conducted the Mack-Whiteside Miami Ch. 10 & Boston Ch. 5 hearings), last week agreed to postpone the Miami Ch. 7 hearing to avoid the possibility that publicity might prejudice the jury. Also shelved, for the same reason, are the planned Orlando Ch. 9 hearings and the oral argument on Judge Stern's Miami Ch. 10 decision. The Springfield-St. Louis case is not affected by the Mack-Whiteside trial—but it can't move ahead now because it will take FCC attorneys several months to prepare.

All forthcoming hearings will be conducted in the Federal Court House in Philadelphia, octogenarian Judge Stern's home town. Next important development may be issuance of Judge Stern's initial decision in Boston case.

Allocations actions by FCC: (1) Started rule-making on proposal to add Ch. 3 to Corpus Christi. (2) Invited comments on its own proposal to provide additional uhf channels for educational use in Alabama by: (a) Reserving Ch. 29 in Andalusia in addition to present Ch. 2. (b) Reserving Ch. 48 Birmingham in addition to Ch. 10. (c) Exchanging Ch. 77 for Ch. 14 for commercial use in Clanton. (d) Making Ch. 18 Demopolis and Ch. 19 Dothan educational. (e) Switching commercial Ch. 21 from Gadsden to Florence and making it educational. (f) Adding educational Ch. 24 to Munford in addition to Ch. 17. (g) Switching Ch. 22 Opelika from commercial to educational. (h) Deleting commercial Ch. 24 from Sylacauga and adding educational Ch. 75 there. (i) Adding Ch. 14 to Tuscaloosa for educational use. (3) Denied a petition by KTVH (Ch. 12) Hutchinson, Kan. for reconsideration of a previous report which denied its petition to shift Ch. 12 to Wichita. (4) Denied petitions by Tribune Publishing Co. and Fisher Bestg. Co., seeking rule-making to keep the transmitter of Ch. 3 in Salem, Ore. as far from Portland as possible.

Duopoly-rules waiver, requested by WSLs-TV (Ch. 10) & WSLs Roanoke, Va., was turned down by FCC last week. The station licensee—Shenandoah Life Insurance Co.—was seeking to elect Stuart T. Saunders to its board. Saunders is a director of the First Natl. Exchange Bank of Roanoke, the majority stockholder of WDBJ-TV (Ch. 7) & WDBJ Roanoke. FCC stated in part that "it could find no facts to justify a waiver of or deviation from the Commission's established policy promulgated under the duopoly rules." Chairman Doerfer & Comr. Lee dissented.

One application for a new TV station was filed with FCC last week, and 2 were resubmitted: For Springfield, Ill., Ch. 26 by Richard S. Cole, part-owner of KVOR Colorado Springs and KTUR Turlock, Cal. Resubmitted were applications for Ch. 22, Fort Smith, Ark., by Fort Smith telecasters and for Ch. 4, Reno, Nev. by Television Reno. Total pending is now 108 (14 uhf).

FCC admonition—along with a license renewal—has been sent to KTVC (Ch. 6) Ensign, Kan. The station was called on to remember Commission requirements for full identification of sources and/or program sponsors as a result of its use of TV film summaries of the Senate's Kohler strike hearings. Also reminded of the requirement, although no license renewal was involved, was WPIX N.Y.

Two Palm Springs, Cal. translator CPs were affirmed recently by FCC, which upheld an examiner's decision of last Jan. The grants, for Ch. 70 & 73, were originally made in Feb. 1957 but have been delayed by hearings on the grantee's request for an increase in power & change in antenna system. The decision also granted the proposed power & antenna changes.

Request for teaser-announcement rule-making by NAB (Vol. 15:21) was denied last week by FCC. The Commission held that the request was inconsistent with Sec. 317 of the Communications Act which says that all paid announcements must be stated as such at time of broadcast.

The composite week to be used by broadcasters whose licenses expire next year, in preparing their program log analyses, has been designated as follows by FCC (all 1959 except Sun.): Mon., Feb. 2; Tue., March 19; Wed., April 29; Thu., May 21; Fri., July 17; Sat., Sept. 5; Sun., Dec. 14 '58.

Purchase of WSFA-TV (Ch. 12) Montgomery, Ala. for \$2.25 million by operators of WIS-TV (Ch. 10) & WIS Columbia, S.C., from *Daily Oklahoman* subsidiary WKY-TV System Inc. (Vol. 15:30) has been approved by FCC.

Educational Television

HOPES & PLANS FOR ETV NETWORKS: Lack of vhf channels & money continue to be the big bottlenecks in the development of regional, state & national educational TV networks, according to a group of ETV specialists, who met in Washington last week in a 3-day conference sponsored by the Natl. Assn. of Educational Bcstrs.

Educators' hopes have soared & sunk during the last 2 years, as the prospects of Sen. Magnuson's \$51 million ETV aid rose & fell, but there's considerable construction & planning nevertheless. Among the more active areas are:

Florida: Florida's already thriving ETV network will be expanded by additional links within the next 2 years, according to U. of Florida TV dir. Kenneth Christiansen. Proposed are a Gainesville-Madison-Tallahassee link which will connect the state's 3 universities, a Tallahassee-Marianna-Panama City-Pensacola circuit to serve the western part of the state, plus Gainesville-Palatka-Daytona Beach, Daytona Beach-Orlando-Brevard County-West Palm Beach, Gainesville-Ocala-Tampa.

Alabama: Alabama's 3-station network provides service to 78% of homes in the state and to 504 TV-equipped schools, according to Alabama Educational TV Commission gen. mgr. Raymond D. Hurlbert. Three stations are planned for Mobile, Montgomery and Montevallo.

Ohio: The present 4 station network probably will be expanded to 8 by next year. After that, said Ohio State U. TV-radio dir. Richard B. Hull, the addition of 4-5 repeaters would give statewide coverage.

Kansas: An 8-station network costing \$5 million is proposed, according to NAEB v.p. Jack McBride.

Pennsylvania: The 3 ETV stations now operate independently, but state educational leaders are considering linking them, McBride said.

Midwest: A 6-state network, covering Ia., S.D., N.D., Wis., Minn. & Neb. is now under study, reported John C. Schwarzwald, gen. mgr. of KTCA-TV St. Paul-Minneapolis. He said it would probably cost \$2 million to build, \$300,000-500,000 a year to operate.

Oklahoma: Two stations will be added to the 3-station network (KETA & KOKH-TV Oklahoma City and KOED Tulsa). McBride said the 3 existing stations cover 60% of the state, will reach 75% with increased power.

Though many other states have ETV stations, apparently few expect to activate networks soon.

Stratovision ETV was discussed by Philip Coombs, secy. & research dir. of the Fund for the Advancement of Education. He noted that such a service is entirely theoretical now because no channels are allocated for the purpose. However, he said, indications are that a plane at 25,000 feet could transmit simultaneously on 4-6 channels, cover a radius of 150-200 miles and reach some 5 million children at a cost of \$5 each per year.

ETV tape network moved closer with the announcement by Ampex that 13 of the \$2.5 million worth of Video-tape recorders ordered by Natl. Educational TV & Radio Center (Vol. 15:33) were scheduled for shipment to ETV stations by last week's end. Marked for delivery were WQED Pittsburgh, WTTW Chicago, WYES-TV New Orleans, WEDU Tampa, WETV Atlanta, KETA Oklahoma City and KUON-TV Lincoln, Neb. Ampex said that recorders had been shipped the previous week to KUHT Houston, WUFT Gainesville, Fla., WTVS Detroit, KTCA-TV St. Paul-Minneapolis, WMVS-TV Milwaukee and WOSU-TV Columbus, O.

Opposition to College TV: ETV problems at Compton (Cal.) Junior College (Vol. 15:25) are explored by Sept. 9 *Wall St. Journal* which points out that 117 U. S. colleges now use some sort of TV for instruction. Efforts of Compton pres. Dr. Paul Martin to film his professors and present their lectures via the college's TV system, the paper says, have brought "fierce attacks" by the Cal. Teachers Assn., reduction in state aid, dissension among Compton faculty & students, and even violence against the TV equipment. The teachers' organization is concerned about degradation of education quality, exploitation of teachers and possible job threat posed by TV. "One reason for the strong opposition at Compton," the paper claims, "is that its TV program is considered an integral & permanent part of the curriculum. Most colleges that use it do so on an experimental or research basis. The Cal. Teachers Assn. declares that TV use should be experimental until it is demonstrated that learning doesn't suffer. Compton authorities say that this doubt already has been dispelled at over 100 colleges. Meanwhile, Dr. Compton plans to go ahead with his program, expanding it where & when it is needed. And he visualizes the day when reels of film or tape of top teachers will be available to collegiate TV systems, 'just as you have competing texts in English today.'"

NAEB Convention: The Natl. Assn. of Educational Broadcasters will hold its 1959 convention in Detroit Oct. 27-30 at the Sheraton-Cadillac Hotel. The program will embrace product exhibits by manufacturers, TV-radio demonstrations, section meetings, addresses by industry leaders.

Convention fillip, open to the first 100 conventioners who apply, will be a day in Toronto as guests of the Canadian Bcstg. Corp. The day will include a tour of CBC facilities, visits to TV-radio rehearsals, and a reception.

Kindergarten at Home: Curtailment in the budget of the Seattle public schools has pushed kindergarten classes out of the school program for this year. But KIRO-TV (Ch. 7) Seattle has leaped into the breach with *Golden Rule School*, a 30-min. (8:30 a.m.) weekday series for children aged 3 to 6. KIRO-TV, cooperating with PTA leaders and Seattle & King County educators, has adapted the regular kindergarten curriculum for TV. Four Seattle children will be the "class" each week, and homework projects will be assigned to the home viewers. The show is taught by Mrs. Robert Cleath ("Miss Virginia"); is open for sponsorship.

Second year of TV classes via WPIX N.Y. will be initiated next week (21) by the Regents Educational Television Project. New additions to the curriculum include German & Spanish instruction, elementary mathematics. Repeating is a series on the Russian language, produced with St. Johns U., which is offered for college credit. More than \$1 million in time & facilities are being provided the project by WPIX at a fraction of its cost. During its first year as an in-school aid & teaching supplement, the Regents TV project served some 309,000 pupils in N.Y. state alone. TV classes will be held Mon.-Fri., 9:50 a.m. to 3 p.m. The Natl. Educational TV & Radio Center will supply 4½ hours of film programming weekly, with the Board of Regents producing the balance of the schedule.

Allocation petition filed: By Joint Council on Educational TV, to add Ch. 9 to Corning-Elmira, N.Y. for educational use.

"TV College" on educational WTTW (Ch. 11) Chicago is expected to pass 60,000 in 3-year cumulative enrollment this year. The series, offering 10 credit courses this fall, has covered 31 courses since it began in 1956, and is claimed to be the largest offering of TV credit courses on a single channel in the world.

Philadelphia's first locally-originated college-credit ETV courses, *Television Seminar*, start Oct. 5 (6:30-7 a.m.) over WCAU-TV. The courses, in descriptive astronomy & evaluation of literature, will be taught by U. of P.'s Dr. William M. Protheroe & Dr. MacEdward Leach.

A college-credit (U. of Md.) elementary Spanish course originating in the capital, will be televised simultaneously by WTOP-TV (Ch. 9) Washington & WMAR-TV (Ch. 2) Baltimore, starting Oct. 6 (Tues. & Thurs. 6:30-7 a.m.).

Khrushchev's Visit

Keeping up with Premier Nikita Khrushchev will be arranged by NBC news during his American tour with the aid of a chartered convair 440 which will serve as a 15-man "flying newsroom." NBC's plan is to leap-frog ahead of Khrushchev at night, enabling the network to provide complete coverage of the Russian group starting with their arrival at each city. The plane is provided with direct radio communication to NBC's N.Y. HQ., and has sleeping & commissary accommodations. The news team, headed by NBC national news editor Don Meaney, will use film, live and tape TV, drawing on local facilities of NBC affiliates.

* * *

TV tape coverage of Khrushchev's visit will be transmitted nationwide by United Press Movietone to its TV station clients. The service will enable independent TV stations "for the first time" to compete with networks in coverage of national news events outside their individual cities. WGN-TV says service will run from Sept. 15 through 17, will cover tape transmissions of Khrushchev's eastern tour.

When the Russian Premier visits glamorous Hollywood this Sat. (Sept. 19), a tight security clamp will loosen enough to allow TV to cover the Soviet chief's visit to 20th-Fox (where he will see "Can Can" in production) and his address at a dinner sponsored by the World Affairs Council & the City of Los Angeles. Only one TV unit will be allowed into 20th—for pool coverage. Russian security police & the U.S. State Dept. have stipulated that there be no personal contact or interviews with Mr. K. (Quipped one studio executive: "He won't even appear on Paul Coates' show.") L.A. police chief William Parker told Los Angeles TV execs that no camera will be allowed within 60 feet of Mr. K, but this doesn't bother them inasmuch as their lenses can easily pick him up from that distance.

ETV programs on Khrushchev's U.S. visit will be distributed by the Natl. Educational TV & Radio Center to its 43 affiliated stations beginning this week. Robert Hudson programs v.p., said 3 productions will be furnished as part of an expanding effort to provide affiliates with timely public-affairs programming. The productions: "Eisenhower vs. Khrushchev: the Issues," a compilation of film clips, with comments by N.Y. *Times* staffer Harrison Salisbury; "Mission to Moscow," a 60-min. examination by 3 Soviet affairs experts; a film tour of various U.S. centers Khrushchev is scheduled to visit.

Khrushchev parade in Washington Sept. 15 will be covered at one point with network cameras in the windows of the TELEVISION DIGEST and *TV Guide* offices on 14th St.

Networks

MBS-DOMINICAN DEAL DENIED: Charged with violating the Foreign Agents Registration Act, 3 ex-officers of Mutual Bcstg. System were free under bail last week after pleading not guilty to a federal indictment that they made a \$750,000 broadcasts-for-sale deal with the Dominican Republic (Vol. 15:36).

Judge Luther W. Youngdahl in Washington's U.S. District Court set \$5,000 bond for former MBS pres. Alexander L. Guterma, international financier who left the radio network in Feb. after he was charged with SEC violations. Govt. counsel had asked for \$25,000 bail for him, arguing Guterma was in a "sea of trouble" and might flee the U.S.

Bond for ex-MBS chmn. Hal Roach Jr. was fixed at \$3,000 & for ex-MBS director Garland L. Culpepper Jr. at \$2,500. Along with Guterma, they were accused of failing to register MBS as a foreign agent in the alleged agreement with the Dominican govt. to use facilities of the network for propaganda furnished by the Caribbean dictator.

"I absolutely deny the charge," Guterma said in a court statement. "I have always been & will continue to be a loyal American citizen. I have done nothing to deserve the harsh treatment that has been accorded me."

At the same time the 3 were being arraigned, the Dominican Republic filed a civil action in the district court seeking recovery of the \$750,000 from Guterma & Roach. The suit alleged they "fraudulently induced" the Trujillo govt. to enter into the MBS contract to disseminate Dominican "news" throughout "most of the Western hemisphere."

Guterma then went on to N.Y. to keep another federal court date—his arraignment on charges that he & 2 other defendants violated anti-fraud provisions of federal securities laws in United Dye & Chemical Corp. transactions. Judge Edward Weinfeld placed him under \$5,000 bail.

CBS is switching ad agencies, effective immediately, CBS-TV pres. Louis G. Cowan announced last week. The move is from McCann-Erickson to BBDO, which has resigned the ABC-TV account. ABC-TV would not make an agency decision until after network pres. Oliver Treyz & AB-PT pres. Leonard Goldenson return from the Orient, Dean Linger, ABC-TV dir. of adv. told us. (That return, by the way, is discussed in the next column.) NBC-TV's ad account is handled by Grey Advertising Agency.

ARB's regular 7-city Arbitron overnight reports are being favored by NBC-TV over the more expensive, custom-ordered Trendex brand of fast ratings. Although NBC will continue as a Trendex & Nielsen subscriber, the network will discontinue Trendex's special by-request-only service.

First performer to be signed to an exclusive 5-yr. contract under NBC-TV's new talent discovery-development program headed by David Tebet is Marti Barris, singer & songwriter. One of the youngest (21) members of ASCAP, Miss Barris is the daughter of Harry Barris, one of the original "Rhythm Boys" with Bing Crosby. She'll be seen this fall as a guest in NBC variety specials.

"Streamlined" spot-purchase order form for agencies has been developed by CBS-TV Spot Sales. The new sales form will serve both "as an agreement and an amendment if required." Schedule & rates, both gross & net, will be given for all spots.

Treyz Asks World Market: Global sale of U.S.-produced TV shows—at prices reflecting the true size of overseas TV—could add another 25% to the present \$100,000-per-hour price for TV program production costs estimated as the "maximum affordable" for regularly scheduled shows. So said Oliver Treyz, ABC-TV pres., late last week upon his return from a 5-wk. inspection tour of TV networks & stations in the Far East & Australia. More should be done, said Treyz, to "implement the flow" of U.S. video shows overseas.

He added that Japanese TV, now serving some 4 million homes, puts a \$300 ceiling on the purchase of U.S. shows although he was told by broadcasters there that they could easily afford "\$2,500 per half-hour above the \$300 translation & dubbing charges." Japan alone, Treyz estimated, could account for an extra 5% in U.S. program budgets by realistic prices paid for U.S. film/tape shows.

Government restrictions in the Far East on the importation of U.S. shows don't permit viewers to get a well-rounded picture of the U.S. itself, Treyz indicated. In Japan, he said, he discovered "certain obstacles" to the telecasting of TV shows based on the Khrushchev-Eisenhower visits, and noted that a pro-American show such as *The Splendid American* (due Sept. 27 on ABC-TV) is up against a virtual "embargo" in the Far East.

"The American TV industry has no foreign policy," said Treyz, suggesting that an organization similar to "The Johnston office of the movie industry" be created to tackle the problems since "there is no time to waste."

Offbeat NBC-TV activities are being placed under one management roof to "centralize responsibility." These include the network's theatrical investments in Broadway shows, the Hudson Theater (now a TV studio but being reconverted to a legitimate theater), merchandising & licensing of subsidiary TV program rights such as music & book publishing, sale of film prints to educational institutions. In charge will be Alfred R. Stern, who'll also continue his duties as dir. of intnatl. operations for NBC & chmn. of NBC Intnatl. Ltd.

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, Mon.-Fri., 4-5:30 p.m., participations.
Best Foods for Nucoa Margarine (Dancer-Fitzgerald-Sample); *Speidel Co.* (Norman, Craig & Kummel); *Philco Corp.* (BBDO); *Seven-Up Co.* (J. Walter Thompson); *Plough Inc.* (Lake-Spiro-Shurman)

NBC-TV

1959 NCAA Football telecasts, half-sponsorship regionally.
Esso Standard Oil (McCann-Erickson); *Humble Oil & Refining Co.* (M-E); *Standard Oil of Ind.* (D'Arcy); *General Petroleum Corp.* (Stromberger, La Vene, McKenzie); *Phillies Cigars* (Werman & Schorr)

The Deputy, Sat., 9-9:30 p.m., alt.-wk. sponsorship.
General Cigar (Young & Rubicam)

Natl. Open Golf Championship, June 1960, and Natl. Singles Tennis Championship, Sept. 1960.
Eastman Chemical Products (Fred Wittner Adv.)

Lawless Years, Thurs. 10:30-11 p.m., full sponsorship, eff. Oct. 1. *Alberto-Culver* (Geoffrey Wade)

Stations

NAB's 1960 convention committee will be headed by co-chairmen Thomas C. Bostic, KIMA Yakima, and Payson Hall, Meredith Stations. The convention is scheduled for April 3-7 at Chicago's Conrad Hilton Hotel. The committee will meet Sept. 22 in Chicago. Other members: Fred A. Knorr, WKMH Dearborn; J. R. Livesay, WLBH Mattoon, Ill.; Robert J. McAndrews, KBIG Hollywood; Dwight W. Martin, WAFB-TV Baton Rouge; W. D. Rogers, KDUB-TV Lubbock, Tex.; G. Richard Shafto, WIS-TV Columbia, S. C.; F. C. Sowell, WLAC Nashville; Willard E. Walbridge, KTRK-TV Houston. The 1959-60 membership committee, also announced last week, will be headed by co-chairmen W. D. Rogers & Ben B. Sanders, KICD Spencer, Ia.

AFL-CIO has filed formal complaint with FCC against Metropolitan Bcstg. Co. and its WTTG-TV Washington & WNEW-TV N.Y., charging "prostitution of the concept of public service broadcast" and asking for an immediate investigation. The labor organization charges that the stations' Aug. 25 broadcast "Special Report on Labor Corruption," an interview between WTTG's Matthew Warren and Sens. McClellan (D-Ark.) & Ervin (D-N.C.) was a one-sided, unfair discussion of labor legislation. The complaint states further that AFL-CIO considers it likely that the broadcast "was subsidized by the NAM or some other like body." Metropolitan gen. counsel & asst. secy. Robert A. Dreyer asserted that the show was not sponsored by any group and that AFL-CIO would be welcome to equal free time to present its side.

Painful burns to men working on or near cranes used for loading & unloading ships at the Oakland (Cal.) Army terminal were caused by electric current induced into the cranes by the directional antenna array of radio KSAY, according to Secy. of the Army Wilbur Brucker. In a petition to intervene in the station's license renewal, the Army said that the burns were the result of an r/f electric current induced into the cranes and that tests conducted by the Army & FCC revealed that the directional array of KSAY was the primary source of the current. Subsequently, operation of the cranes was limited to hours that daytimer KSAY was off the air. The Army seeks a change in location or power of the station.

Suit against Edward Lamb for \$500,000 (Vol. 15:19) was dismissed by Toledo Common Pleas Judge Thomas J. O'Connor. Plaintiff Russell M. Brown, Washington attorney, had sought legal fees in connection with his defense of the renewal of Lamb's license for WICU-TV Erie during FCC hearings in 1954-57 (Vol. 13:24). Brown's Toledo attorney, Dan McCullough, said he is appealing the dismissal. Judge O'Connor also dismissed the case against Lamb's Dispatch Inc., WICU-TV's licensee.

KXMC-TV (Ch. 13) Minot, N.D. is being sold by John W. Boler's N.D. Bcstg. Co. for \$1,040,000 to the station's v.p.-mgr. Chester Reiten, v.p.-natl. sales mgr. William L. Hurley and consulting engineer Lloyd R. Amoo. N.D. Bcstg. will hold 47.5% until the new owners satisfy liabilities of \$116,169. If the liabilities are cleared up within 10 years, the purchasers can exercise an option to gain control of the 47.5% for its par value—\$19,000. Initially, Reiten will hold 21%, Hurley and Amoo 15.75% each.

First tape-equipped uhf station apparently was WNDU-TV (Ch. 16) South Bend. Its Aug. 10 installation of 2 Ampex Videotape recorders precedes by about a week the recorder installation (Vol. 15:35) at WWLP (Ch. 22) Springfield, Mass.

Three new FM stations of Transcontinent Television Corp. are scheduled to begin operations this week (14). TTC pres. David C. Moore announced last week that WGR-FM Buffalo & WROC-FM Rochester will be affiliated with the QXR network. KFMB-FM San Diego will operate as an independent. "With one of every 4 homes in the U.S. now equipped with an FM set," he said, "FM is beginning to come into its own. This is true . . . in terms of increasing listenership [&] mounting advertiser acceptance." TTC's TV outlets are WGR-TV Buffalo, WROC-TV Rochester, WNEP-TV Scranton-Wilkes-Barre, KFMB-TV San Diego, KERO-TV, Bakersfield, Cal.

Canadian TV billings handled by the dominion's 123 advertising agencies hit a new peak of \$47.9 million last year, the Dominion Bureau of Statistics reported in Montreal last week. Total radio billings reported for 1958 were about half that level—\$24.6 million. The 1958 Canadian all-media figure was above \$233 million, a gain of some \$11 million over the previous year. Also in Canada last week Ziv TV Intnatl. announced the opening of new offices in Toronto, to be headed by mgr. Mike Burnes, with a Montreal office planned for early 1960. The Ziv offices will concentrate on selling U.S.-made telefilms to Canadian TV clients & agencies.

Mary Pickford & husband Charles (Buddy) Rogers have appealed a Los Angeles Superior Court decision ordering them to relinquish their stock in WSJS-TV Winston-Salem, to Piedmont Publishing Co. for \$133,243 (Vol. 15:22). The couple had obtained 1/3 of the stock in WSJS-TV in 1953 for \$50,000 and allegedly made an option agreement to resell to Piedmont Publishing Co. within 6 years. The Rogers claim their stock is now worth \$500,000.

Auxiliary Services

Non-network series of closed-circuit telecasts will be presented in 30 U. S. & Canadian cities for 5 days starting Sept. 22 to celebrate the 1st anniversary of Tyrex Inc., voluntary non-profit group representing 5 major manufacturers of Tyrex viscose tire cord. Wired TV network facilities are not involved. Instead, a 50-min. pre-taped show starring Marie MacDonald, Cliff "Charley Weaver" Arquette, and NBC-TV news personality Chet Huntley will be shown to groups of tire dealers (total: 25,000), using local station facilities & rented closed-circuit feed to hotel & auditorium viewing space. The show is currently being produced in N. Y. by Sales Communications Inc., using Videotape Productions. McCann-Erickson is the agency.

Council on Medical TV, of the Institute for Advancement of Medical Communications (33 E. 68th St., N.Y.), meets Oct. 15-16 at the Natl. Institutes of Health Clinical Center, Bethesda, Md., for discussion of personnel training, financial support of programs, assessment of experimental postgraduate TV courses, etc. A recent Council survey of medical schools showed that 16 have TV installations and about the same number plan to install TV facilities within the next 2 years. A recent addition to the Institute's staff is John Mackenzie, ex-WCBS-TV dir., who has also served on Smith, Kline & French's color TV unit.

Station-CATV twist—a station furnishing community-antenna system with microwave service. WTUV (Ch. 9) Tupelo, Miss. has signed an agreement to furnish local Tupelo Community Antenna Inc. with signals of WREC-TV & WMCT Memphis. Usually, a CATV system has its own microwave bringing in out-of-town signals, frequently over the objection of the local station.

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Personals: William S. Hedges, NBC v.p. for gen. services and founder & past pres. of NAB will direct the company's political bcstg. unit . . . James E. Allen promoted from sales mgr. to gen. mgr., WBZ-TV Boston, succeeding F. A. Tooke, named WBC v.p. for the Cleveland area . . . James L. Anast promoted to dir. of Federal Aviation Agency research & development bureau . . . Peter McDonald, CBC's English-language TV network dir., and Gunnar Rugheimer, asst. dir., resigning to join MCA-TV Ltd. . . . Amos T. Baron, KCOP Los Angeles gen. sales mgr., named TV sales dir., NAFI Corp. best. div.

Arnold F. (Doc) Schoen, ex-WPRO-TV & WPRO Providence, named gen. mgr., WDBO-TV & WDBO Orlando, Fla., succeeding Harold P. Danforth Sr., who continues as an administrative consultant to the stations. Schoen will continue as Cherry Bcstg. Co. exec. v.p. . . . John Logan named CBS-TV Spot Sales Detroit sales mgr. . . . M. J. Frankovich, Columbia Pictures of Great Britain & Ireland chmn., appointed corporation v.p. . . . Lee Bryant promoted from commercial mgr., KARK-TV Little Rock, to new post of sales dir., KARK-TV & KARK.

Donald Hillman, ex-NBC producer, appointed Natl. ETV & Radio Center program associate for the public affairs dept. . . . William T. Corrigan, ex-CBS News, named news dir., KNXT Los Angeles & CBS-TV Pacific network, succeeding Sam Zelman (Vol. 15:33) . . . Eugene L. Reilly named Trendex v.p. for sales . . . Edward D. Ropolo named best. promotion mgr., NBC Pacific div. . . . Bruce J. Bloom, ex-WROC-TV, appointed publicity dir., WCAU-TV Phila.

David Brinkley, NBC Washington correspondent, elected chmn. of exec. committee of radio & TV correspondents' galleries and pres. of Radio-TV Correspondents Assn. to fill out unexpired 1959 term of Julian Goodman, now NBC news & public affairs dir. in N. Y. (Vol. 15:29) . . . Kenneth W. Miller, FCC Conelrad supervisor, has received Air Force Exceptional Service Award for work in development of Conelrad system . . . Charles M. Lammond, Internal Revenue Service Agency coordinator, has received a citation & cash award for activities including production of the IRS documentary film, "Since the Beginning of Time" . . . Robert L. Pratt, radio KGGF Coffeyville, Kan. mgr., named NAB 1959-60 radio PR committee chmn. . . . Ben Strouse, WWDC-FM Washington, reappointed chmn. of NAB 1959-60 FM committee.

RCA's Frank M. Folsom, named dir., Western Mortgage Corp. . . . Dr. J. James McPherson joins U.S. office of education to direct TV-radio-film informational program under National Defense Education Act.

Meeting this week: Mich. Assn. of Bcstrs. (Sept. 16-18), Hidden Valley, Gaylord; Institute of Radio Engineers (17-18), Sheraton-Plaza Hotel, Boston; Natl. Assn. of FM Bcstrs. (18-19), Palmer House, Chicago. Meeting next week: La. Assn. of Bcstrs. (21-22), Frances Hotel, Monroe; WBC 3rd Industrywide Public Service Programming Conf. (21-23), Stanford U., Palo Alto, Cal.; EIA fall conf. (22-24), Hotel Traymore, Atlantic City, N.J.; N.D. Bcstrs. Assn. (25-26), Valley City; IRE & American Institute of Electrical Engineering broadcast symposium, Washington.

Fifteen Fellow Memberships in the Society of Motion Picture & Television Engineers will be awarded during SMPTE's 86th semi-annual convention, Oct. 5-9. The fellowships, recognizing contributions to the TV or film industries, will be awarded to: C. Loren Graham, Eastman Kodak Co.; James W. Kaylor, Movielab Film Labs; Harry P. Brueggemann, Marquardt Corp; Paul Vittum, Eastman Kodak; Walter Beyer, Motion Picture Research Council; Robert E. Birr, GE; James Calhoun, Eastman Kodak; Henry T. Ushijima, John Colburn Associates; Hans-Christoph Wohlrab, Bell & Howell; Julian H. Webb, Eastman Kodak; Philip E. Smith, Eastman Kodak; Robert E. Gottschalk, Panavision Inc.; G. Don Malkames, Don Malkames Inc.; Albert Gillet, Brockliss Simplex Co., Paris; Leon Shelly, Shelly Films Ltd., Toronto.

Gordon T. Stulberg, Columbia Pictures exec., attorney & former Writers Guild of America counsel, will teach a course in the nature & business of entertainment—all phases—emphasizing the impact of guilds, unions, taxes and agency representation on the industry. The UCLA extension course, entitled "The Entertainment Industry—Its Structure & Economy," begins Sept. 23.

George A. Heinemann, NBC mgr. of public affairs, will conduct a 2-point course in TV station operation at Columbia U.'s School of General Studies this fall. Steve White, WRCA-AM-FM program mgr., also will run a 2-point course in TV & radio speaking, in both semesters.

International TV within 5 years was forecast last week by AB-PT pres. Leonard H. Goldenson. "It can be done right now," he told a *Variety* correspondent, in Tokyo, "by bouncing signals off 4 satellites, but it's too expensive at the present time. In my opinion, ways will be found within 5 years, and I think a lot less. And in time zones where it's impractical to watch at specified hours, the shows could be held on magnetic tape and shown as soon as the public gets up." Queried about ABC's plans for overseas TV links, he said: "When, as and if, we will certainly move in that direction. It will be no later than 5 years and probably sooner."

George Stephens, farm dir., KCMO Bcstg., Kansas City, Mo., is now in Europe conducting the stations' 3rd farm-study tour—a 24-day, 7-country trip (Sept. 4-27) for Mo., Kan. & Neb. farm operators & businessmen who deal with farmers. The total of 45 participants (each paying \$1,190) compares with previous totals of 26 & 32. Taped interviews & photographs of the tourists will be aired daily by KCMO-TV & KCMO.

Obituary

Robert Joseph Wade Sr., 51, TV scene designer, died after an operation. NBC-TV's first art director, Mr Wade also designed the sets for the recent *Ransom of Red Chief*. He is survived by his widow and a son.

Paul Douglas, 52, actor, died of a heart attack Sept 11 at his home in Hollywood. His wife, actress Jan Sterling, and a daughter survive.

Programming

Hubbell's High Hopes: TV's most ambitious series of the new season—the \$7.5-million Ford-sponsored series of specials called *Startime*—has by now lined up for its first 13 shows: Rosalind Russell, Maurice Chevalier, Jack Paar, Kate Smith, Jerry Lewis, Ingrid Bergman, Art Linkletter, Ethel Merman, Alec Guinness, Dean Martin, James Stewart, Tony Curtis, George Burns, Jack Benny, Eddie Cantor, George Jessel, Bobby Darren, The Kingston Trio and Marian Anderson (the only star thus far selected for the Christmas show). Alfred Hitchcock will produce-direct a special to be filmed by Revue, and it is also hoped to add Marlon Brando & Marilyn Monroe.

Hubbell Robinson Jr., ex-CBS program v.p., now exec. producer of the Tues. night series which begins on NBC Oct. 6, told us last week that about a third of the 39 specials will be done in N.Y., and except for 4 or 5 filmed shows, all will be taped to overcome the problem of the stars' other commitments. "We have to tape their shows when they can be available," Robinson explained. He has already taped the Dean Martin special to be seen Nov. 17, with Frank Sinatra & Mickey Rooney.

The producer said there will be no TV versions of "vintage" movie hits. "You have to improve on the original—with less budget & time. Many of the movie hits were themselves spectaculars, and how are you going to show those on the small-size TV screen?" Moreover, he believes that many of these past hits are hopelessly dated.

Acknowledging that Ford had told him it expected a hit every week, Robinson remarked, "I can't hit a home run every week. Nobody can. We may have an occasional two-bagger, but I hope it's no worse than that."

* * * *

Talent Associates continues its romance with old movies. Of the 33 specials due to be produced by David Susskind on all 3 networks this season, 17 will be adaptations of existing feature films, the bulk of which are now playing TV's local movie circuits. Four of the announced schedule of specials will be adaptations of Broadway plays, and only 4 will be TV dramatic originals. The remaining 8 specials have not yet been scheduled as to property. Last week, TA was also discussing with UAA rights to another 32 old Warner Bros. pictures as "TV remakes."

Public service programming conference of Westinghouse Bcstg. Co., this month (21-23), at Stanford U. (Vol. 15:18), will include among its speakers Cal. Gov. Edmund (Pat) Brown, FCC Chairman John C. Doerfer and WBC pres. Donald H. McGannon. WBC v.p. Richard M. Pack made the announcement last week. An agenda of 12 panels has been scheduled thus far for WBC's 3rd annual conference (Vol. 13:9; 14:10) which will serve as "a forum for the interchange & development of ideas & methods" for the audience of some 400 educators, broadcasters, civic leaders, and delegates from TV-radio stations across the country. The panels will explore editorializing, religious programming, TV-radio news techniques, TV production, international TV, other subjects. Creativity & the individual will be examined in an opening day "glamor panel" including Martin Manulis, Fred Friendly, Marc Connelly and Dr. Frank Baxter.

On-air TV sales meeting was scheduled Sun. night via WOR-TV N.Y. by the Ideal Toy Corp. to preview new fall products for some 5,000 toy dealers. A pre-program announcement was slated to advise the public that a sales meeting was scheduled and to suggest they tune to other channels for entertainment during the 9-10 p.m. session.

TV habits of 150 middle-class N.Y. families were exposed last week with the release by Columbia U.'s Teachers College of a 177-page doctoral thesis by Dr. Clara Appell, who spent 3 years on the project. Her average viewer turned out to be a married high school graduate with 4.21 people in her home. The average family has had its set for 7 years & 8 months, and finds its eating & sleeping patterns affected. (One viewer: "All that snacking is making a wreck out of my living-room rug.") Some 77% said much of TV viewing was a waste of time, although one man noted he liked programs "that irritate my wife." Almost three-quarters of the respondents believed TV encourages togetherness, and 55% occasionally punish their children by restricting TV. However, another parent recalled that "One night we found our little boy down on his knees praying—he had learned it from *Lassie*." The average female viewer claims that TV stimulates her interest in the theater but not in sex. However, at least one out of 4 of her friends is sexually stimulated by watching dramatic programs. Dr. Appell concludes that "TV can be enriching," but is concerned about its impact on youngsters.

TV staging of the Democratic national convention next July in Los Angeles will be directed by a special Hollywood committee headed by producer-writer-actor George Seaton, former Academy of Motion Picture Arts & Sciences pres. Seaton, active in a similar Democratic group in the 1956 Presidential campaign, will be counted on by natl. chmn. Paul M. Butler for technical advice calculated to make all convention proceedings dramatic for home viewers. "The committee will handle theatrical problems such as lighting, effective line of sight for cameras, speakers' platform backgrounds and so on," a Democratic National Committee spokesman told us. Other members of the committee will include Dore Schary, William Gordon and Allen Rivkin.

TV program supervision by Congress may be necessary "unless the TV stations themselves exercise [public service] responsibility," Sen. McCarthy (D-Minn.) warned last week. A leading critic of broadcasters in debate on equal-time amendments (Vol. 15:31, 33), he said in a Senate speech that FCC's checks on station policies are ineffective, that "steps should & must be taken to assure that our broadcast media exercise in full their responsibility to serve the public interest." Cited by McCarthy as a programming case in point was cancellation by WMAL-TV Washington of Joe McCaffrey's Sun. Celebrity Parade (Vol. 15:36) in favor of taped Notre Dame football games.

Multi-city closed-circuit preview of TV's coming season will be staged by *TV Guide* Sept. 22, with the program originating before the monthly luncheon meeting of the Sales Executives Club of N.Y. Scheduled to participate in the presentation are numerous network executives & TV stars, including ABC-TV pres. Oliver Treyz, NBC-TV exec. v.p. Walter D. Scott, CBS-TV exec. v.p. James T. Aubrey Jr., Arthur Godfrey, Jack Paar, Dick Clark. The program will be projected to meetings of the Poor Richard Club, Philadelphia; Broadcast-Advertising Club, Chicago, and Cleveland Ad Club. Publisher James T. Quirk will preside.

Equal time equals money: What Sec. 315 of the Communications Act can accomplish for minority political parties was illustrated recently in a financial report by the United Independent-Socialist Committee in N.Y. It said Independent-Socialist candidates in 1958 N.Y. state elections got \$150,000 worth of free TV & radio exposure—as well as 49,000 votes—because of equal-time requirements. The miniscule leftist party figured it could get "at least \$500,000 worth of free time in N.Y. state alone in 1960" if it runs a Presidential ticket.

Advertising

FTC CRACKDOWN AHEAD: "Storm clouds" of govt. trouble are hanging over manufacturers in 68 new cases of alleged discriminatory allowances to favored customers for TV, radio and newspaper advertising, FTC chmn. Earl W. Kintner warned last week.

He told the Washington ad club that the 68 complaints now under investigation or review involve special payments for promotion of products ranging from chewing gum to household appliances, and that 27 concern food products.

"The present Federal Trade Commission is pursuing a policy of vigorous law enforcement," Kintner said. "If I also convey the possibility of future govt. storm clouds, then you have correctly interpreted my reason for being here." Kintner also observed that some responsible leaders in advertising had expressed misgivings that ad allowance "practices may be getting out of hand."

Meanwhile, the Food & Drug Administration reported it was preparing a showdown campaign against promoters of "spurious diet aids & useless mechanical devices" to reduce weight. FDA comr. George Larrick said the public is being fleeced out of \$100 million a year by these products.

In Other Media: Boosts in ad rates & circulation guarantees become effective with Feb. 15 *Life* & July *Fortune*. *Life's* one-page b&w rate will increase to \$29,375 from \$26,275 on circulation upped 500,000 to 6.5 million. *Fortune* increases its ad rate to \$4,840 from \$4,500 on a new circulation base of 330,000, up from 315,000 . . . *This Week* (Sept. 13 issue) hit a new circulation high of more than 13 million, adding 2 newspapers for a total of 42.

Grossly exaggerated are those "sold out" reports, says TvB, claiming there are 180 20-sec., 291 10-sec., and 69 1-min. spots still available between 6:30-11 p.m. on 27 key stations throughout the country. The bureau also noted that during the first 6 mos. of 1959, food & food product advertisers invested \$90 million in spot TV against \$65.5 million in the same period 1958, and \$58 million in network TV, representing a \$5 million increase over Jan.-June 1958. And more emotional involvement should be injected in pet food TV commercials, TvB pres. Norman E. Cash told the Pet Food Institute in Chicago. The group represents an annual TV investment of \$15 million, which exceeds 50% of its overall ad spending, Cash said.

It's turnover, not rating that counts in some spot-TV campaigns, reports the latest *Nielsen Newscast*. As an example, it cites the case of a nightly newscast strip vs. a feature movie showcase that plays the same film all week. The news show outrates the film on a per-broadcast basis—65,900 homes reached vs. 30,500. On a monthly basis, however, the movie strip reaches 397,000 homes—73,000 more than the news program gets.

People: Donald A. Wells, Louis J. Roole elected BBDO v.p.'s . . . Lansing B. Lindquist, ex-McCann-Erickson, rejoins Ketchum, MacLeod and Grove as v.p. for broadcast & media activities . . . Kenneth L. Horstmyer, ex-Campbell Soup Co., named Lennan & Newell v.p. . . Edward H. Calhoun named Cunningham & Walsh senior v.p. & mktg. services dir. . . Vincent R. Bliss, ex-Earle Ludgin & Co. pres., named v.p., Campbell-Ewald, Detroit . . . George T. Clarke, N. Y. U. associate prof. of mktg., named dir., Adv. Federation of America's Bureau of Education & Research.

Film & Tape

They Don't Like Specials: TV's new-season emphasis on specials is a mistake, in the opinion of Hollywood producers of the so-called bread & butter shows—the regular weekly film series. Aside from resentment that the specials, which have yet to prove themselves, are reaping most of the publicity & advance ballyhoo, the thinking of producers we talked with is that pitfalls lie ahead for the specials—some of them obvious. Here's the consensus:

There's not enough top creative talent to go around, nor are there sufficient big stars to guarantee sizable ratings for the specials. Because of the star shortage, there's apt to be much "floating around" by stars—which may prove tiresome to viewers. The sheer number of specials will bore, rather than entertain the viewer. The very word "special" loses its meaning when hundreds are seen.

Not one producer we talked to admits to being worried that specials may harm his show's ratings. On the contrary, they believe a bread & butter series with a regular audience has a better chance of making it for the season than a special series—which some compare to an anthology having no regular star or format.

Said Rod Amateau, producer-director of *Dobey Gillis*: "For the specials, you have no viewing habit, and you're working uphill every week. On the other hand, the viewer will forgive a regular series for an occasional bad show because he likes the series or the leads. I always watch Danny Thomas. Sometimes the show's great, sometimes it's pathetic. But you always stay with it, because you've grown to love its people. A special doesn't have this advantage. I feel it should be like a banana split at Wil Wrights—you're allowed only one. With so many specials fighting each other, it's going to be like a 3-ringed circus, and viewer interest will be diluted in the confusion." Vincent Fennelly, producer of Four Star's *Wanted—Dead or Alive*, added that he believed Westerns & private-eyes will be bigger than ever this season, despite the onrush of specials.

Hal Hudson, producer of Dick Powell's *Zane Grey Theatre*, was skeptical of the industry's ability to come up with "200 or more outstanding shows." He said specials hurt his series because pre-emption by them "gives our regular audience a chance to see our opposition."

And Howie Horwitz, producer of (Warner Bros.) 77 *Sunset Strip* on ABC, concedes that NBC's opposing specials are bound to affect his ratings. "They begin their special at 8:30 p.m., and we come on at 9, so the audience has the choice of seeing part of the special & our show, or they may stick with the special. We open Oct. 16, and NBC has Victor Borge opposite us. Both nets are throwing the book at us (CBS with Desilu Playhouse). I'm concerned, but not afraid. The specials will cut into the ratings of all shows—but it will depend on their quality in the final analysis."

The Hollywood telefilmmers complain that on the whole they do a far superior job of selling the sponsor's product—and on a much smaller budget. Yet year in, year out, they are overlooked while the laurels & awards usually go to the big-budgeted specials. Producers of film series point out that Fred Astaire, who won 9 Emmy awards last spring for his special, had months to prepare his one show, contrasted to series producers whose rehearsal schedules are brief. Another obvious reason for producer concern is of course that the more time the networks allot for specials, the less time remains for filmed series.

Three thousand movie theaters closed last year, says the new *Film Daily Yearbook*, bringing the total down to 16,000. At the same time, drive-in theaters increased from 4,500 to a new high of 4,700.

Friday's Plans: Seven years ago Jack Webb introduced the *Dragnet* series which brought him fame & several millions of dollars. Today his Mark VII Ltd. company doesn't have a single series in production. When we asked Webb about this, the producer-director replied philosophically: "This business is riddled with ups & downs. I've been confused as to what the people want. I think there are too many private-eye series this season & I believe there will be a high rate of casualties at the end of the year. There is a sameness about the private-eye series, and I don't think the new shows bought in Dec. will include them."

Webb has 2 pilots available for year-end sales: *Black Cat*, (newspaperman) & *Johnny Guitar* (Western), a co-production with Revue. He's not in either series, being more interested now in producing-directing than in acting. He has just finished shooting a movie, "—30—" for Warner Bros., and, if he doesn't sell a series in the next few months, will produce another Warner cinema.

Dragnet, which finished its 7-year run on NBC this summer, will now be placed completely into syndication by MCA-TV films. Webb produced & starred in 278 *Dragnet* episodes. "I was bored doing them long ago, but the ratings held up, so we kept on making them," he commented. Note: *The Saturday Evening Post* is currently running a 3-parter on Jack, entitled "The Facts About Me."

ITC's First Year: Independent TV Corp., telefilm production-distribution firm jointly owned by Jack Wrather and Britain's Associated TV Ltd., has finished its first year of existence with an impressive sales score. As of Sept. 1, ITC had grossed \$13,989,787 in global operations with 19 different series sold & being telecast in the U. S. & 39 foreign countries.

ITC's gross is 50% up over the previous year's sales (Sept. 1957-Aug. 1958) of Television Programs of America, which ITC acquired by purchase, said ITC pres. Walter Kingsley. The firm, he added, has "been operating in the black since Jan. 1," after an initial 3-month period of staff & production reorganization.

At network level this year, ITC has made sales deals on new nighttime episodes & daytime reruns of *The Gale Storm Show* to ABC-TV and renewed *Fury* (ex-TPA property) for a 5th year with General Foods & Borden Co. In syndication sales, it has launched *Four Just Men*, *Cannonball*, *Sgt. Preston of the Yukon*, *Jeff's Collie* (*Lassie* reruns), *Brave Stallion* (*Fury* reruns) and the tape/film *Ding Dong School*.

NEW YORK ROUNDUP

Albert McCleery, who originated the no-scenery *Cameo Theatre* technique on NBC-TV, has been signed to a long-term exclusive producer contract by CBS-TV. He'll be assigned to the development of network film & live properties, and will report to program v.p. Michael Dann.

MCA-TV's *Johnny Midnight*, newly-syndicated Edmond O'Brien-starrer produced by Revue Productions, has been bought by P. Ballantine & Sons for 26 Eastern markets, starting in Jan. 1960.

20th Century-Fox's N.Y. HQ is planning to put a profit-sharing plan into operation among its TV & theatrical film salesmen early next year. MCA has a similar arrangement, but the 20th-Fox deal will be the first among movie majors in the TV field.

Musicians Defense Fund has filed a complaint against the American Fed. of Musicians (AFM), charging \$3.5 million in music re-use fees are being withheld from MDF. The money, says MDF, is due from feature film distributors including C&C Films (RKO features), NTA (20th-Fox features), and Emka Ltd. (MCA subsidiary distributing Paramount features).

ABC-TV has coined what's probably the longest & most self-explanatory title for a one-shot special in the coming TV season: "Frank Sinatra's Welcome Home Party on TV for Elvis Presley." It's due to be aired in May 1960 under U.S. Time Corp. (Timex watches) sponsorship as one of four 60-min. musical specials. May we expect a sequel? "Elvis Presley's at-Home Party in Hollywood for Frank Sinatra on TV to Thank Him, Cha Cha Cha."

Pulse Inc. pres. Dr. Sydney Roslow, known in TV as a research authority, is branching out by investing in a European TV film-distribution business, in association with Hugo Lodrini of Rome, Italy. Pulse is not involved.

Robert Saudek Assoc., producer's of CBS-TV's Leonard Bernstein-N.Y. Philharmonic specials, will tape a solo performance by Pablo Casals in San Juan, P.R. this fall for exposure on one of the 4 hours. Ford Motor Co. will sponsor.

Lee Francis, dir. of adv. & promotion for ABC Films, is visiting Manila, Hong Kong & Tokyo, to promote the *Counterthrust* series currently being filmed in the Far East . . . John T. Ross, exec. v.p. of Robert Lawrence Productions (Canada) Ltd., has been named pres. of the company eff. Oct. 6 . . . Joe Landis, ex-NBC-TV producer-dir., named West Coast operations dir. of Irving Mansfield & Peter Arnell's new TV packaging firm.

Harvey Lembeck, Maurice Gosfield & Allen Melvin, all comedy regulars in Phil (Bilko) Silvers' platoon, will be starred in a new nightly local variety show on WABC-TV.

HOLLYWOOD ROUNDUP

Despite the popularity of Warner Bros.' Edd Byrnes ("Kookie" of *77 Sunset Strip*; 22,000-24,000 fan letters monthly) WB has no intention of slanting the second season of the series toward Byrnes, we're told by producer Howie Horwitz. "We're going to avoid the trap of making it a 'Kookie' show. Edd attained his popularity with his present role, and we have no intention of expanding it. We'll give him an episode or 2 of his own, but he had that last year," Horwitz said.

Desilu Productions last week began production of *U.S. Marshal*, starring John Bromfield, and syndicated by NTA. John Auer is producer . . . KTLA's taped series, *Polka Parade*, has been sold to Tidy House Products of Iowa for 34 midwestern markets.

Labor consultant David L. Cole, undertaking a study of the feasibility of a merger of Screen Actors Guild & AFTRA, is in Hollywood conferring with the 2 actors unions. He has retained a large research staff to help him and will need several months before reporting to the unions.

Ralph Levy to produce-direct Jack Benny's CBS specials this season . . . Tapix Corp. will hold a 4-day videotape clinic next month to demonstrate its movie facilities to the TV & movie industries . . . Crandell Brown of Metro's story dept. has been named story ed. of MGM-TV . . . Tom McKnight is being signed to produce the *Pony Express* series for Cal. National. Grant Sullivan stars in the series.

Trade Report

SEPTEMBER 14, 1959

INDUSTRY COMING-OUT PARTIES: No longer do TV-radio-phono manufacturers merely introduce new merchandise to distributors. Recognizing evolution of products as opportunity for selling sellers—for hyping distributor-dealer enthusiasm for buying as well as selling—manufacturers today make productions out of introductions.

More money, time and effort are being put into set introductions today by virtually all of 9 set manufacturers we surveyed. Some now debut new lines with skill & sure-footedness of dowagers bringing out debutantes. Others introduce their products with imagination, production and expense of a Broadway-bound musical—complete in some instances with traveling road shows.

Although there are still some holdouts for so-called business-type meetings, as opposed to extravaganzas, most manufacturers we talked with agree there is a correlation between distributor-dealer buying and scope & lavishness of presentation. Most have increased presentation activities, most now employ professional staging skills. Firms like Admiral, Philco, Packard Bell, Motorola believe that bigger & better showings are yet to come.

Although most manufacturers are reluctant to reveal dollars spent on introduction meetings, forthright Admiral totals its costs for its 1959 meetings at \$500,000—“substantially higher than any former expenditure ever made by Admiral.” Also reporting increased spending: Motorola, Philco, V-M, Packard Bell. GE & Zenith told us they spend about the same each year, and RCA reported that its introduction meetings this year cost less than they did last and even 5 years ago. Here are their comments:

Admiral: New lines were introduced at distributor-dealer meetings in Chicago. Introduction show then went on the road, with stops for regional dealer meetings in Miami Beach, Atlantic City, Las Vegas. Admiral's show, planned & staged with professional assistance, included both merchandise & female models, orchestra. Result: “The general reaction & sales results from our 1959-line introduction were so outstanding that Admiral is giving serious thought to going on the road again next year. We believe a great deal of enthusiasm is generated when a dealer has an opportunity to visit a resort city and to be a guest of a company at a full-staged presentation of products.” Previously, Admiral showed new lines to distributors at a Chicago meeting. Distributors ran own introductions for their dealers.

GE: Introduced its lines to dealers at a 2-day “business” meeting in Syracuse. “GE's TV receiver dept.,” we were told, “some years ago abandoned lavish, theatrical line showings in favor of a more business-like approach. Effort is concentrated on introducing the products in such a way as to emphasize their demonstrative features & salability.” GE sees little correlation between extravaganzas & sales, believes “our distributors appreciate our exchange of ballyhoo for a more serious approach.”

Motorola: Introduced 1960 TV-radio-stereo lines to distributors & dealers at 14 meetings at plush hostels across the country. Some 10,000 dealers attended. Motorola employed MCA to plan & stage the costly series of meetings, “but the costs both in time & money were more than justified by the fine results obtained. Our intentions for next year are an even broader based set of regional meetings. Obviously, we believe there is a relationship between how well the program is prepared and buying.”

Packard Bell: Introduced its lines at a 2-day distributor convention in L.A. and at 26 dealer showings. Sales promotion mgr. Theodore A. Flynn told us: “Compared to showings 5 years ago, the recent showings were considerably more sophisticated & elaborate, with more time & effort spent on creating an effective selling situation. With a growing market & continued boom economy, it seems likely that the showings will continue to grow more elaborate & costly due to competitive pressure.”

Philco: Introduced its electronics lines to distributors at a national convention in Acapulco, Mexico. The program was staged by Dramaturgy Inc. of Chicago. Philco's 1959 program was more elaborate than its 1958 presentation, and “as far as anyone can tell, the peak is not in sight, due to the competitive nature of the business.” Philco points out that “it stands to reason that an imaginative presentation will capture more interest initially than a dull one. From that point on, the products must stand on their own—good products naturally win good orders.”

RCA: Introduced its lines to distributors at a 3-day meeting in Chicago in June. RCA planned & staged its own program, although it employed Jim Handy to produce special films & slides. Ad & sales promotion mgr. J. M. Williams told us: "Our expenditures were lower than those of last year and, as a matter of fact, for those of 5 years ago. We believe we had a very much improved presentation because of changing the character of the meeting completely to a business-type meeting." Williams believes extravaganzas have hit their peak, agrees there's some correlation between distributor-dealer buying & the lavishness of presentations, but contends "so far as dealers are concerned, it is our belief that they buy on the quality, the features and the pricing of our lines. While they might buy heavier initially because of razzle-dazzle, this will even out over the future if the necessary ingredients are not present in the merchandise."

Zenith: Holds distributor conventions twice yearly. Exec. v.p. L. C. Truesdell told us: "Since we have been highly successful with our meetings, I do not plan to make any changes in the foreseeable future. It is our feeling at Zenith that the products & programs are more important than the showmanship & staging; therefore, we have not increased our expenditures in this connection over the past several years. At each of our meetings we employ an outside company to arrange for setting up the stage, backgrounds for the products, etc. They do not participate in the speeches, but they do handle the staging. I will not permit any of our speakers to use speeches prepared by outsiders or by another person. At Zenith, we do not believe that a hired writer can interpret the message as well as the people working with the products & programs each day." Zenith's Dec. meeting is usually a one-day presentation of products & programs. The June meeting "is more elaborate because we introduce more so-called showmanship & stimulation for the benefit of our distributors' salesmen. More importantly, it is more elaborate because we devote at least one half day for training these wholesale salesmen on the new products."

V-M: Smaller instrument makers, like V-M, also have the problem of product introduction to distributors. This year, V-M is carrying the sales message to distributors in a series of 22 regional meetings. Last year, it had distributors travel greater distances to attend one of 4 regional meetings. Pres. Victor A. Miller told us: "V-M is definitely not putting on an extravaganza in new product introduction to distributors. The 4 key men in our consumer products sales activity are all on the road right now [Aug.]—traveling in pairs & conducting a group of scheduled small distributor meetings." He described V-M's approach as "strictly a home-grown presentation worked out by our own internal folks in conjunction with our ad agency. We attempt to focus on the product & policies rather than on an elaborate method of presentation."

PHONO DOLLAR-VOLUME MAY SURPASS RADIO: Radio will soon slip into 3rd place as a dollar-producer for home-electronics industry, yielding its 2nd ranking to booming stereo phono. Radios & phonos will run neck-&-neck this year, but as stereo popularity keeps building up, phono category is almost a cinch to beat out radio next year.

Unitwise, radio sales will continue to far exceed phonos—by 3-to-1 or greater in 1959—but rising dollar value of phonograph is leading it to big-money class, second only to TV in the home-electronics firmament. In this context, we're using EIA's definition of phono—including self-contained phonos, record players and phono-radio combinations, but excluding TV-phono combinations (which are counted as TVs).

Spurred by almost complete conversion to stereo, average factory price of phonos jumped more than \$20 from 1958 to 1959—to about \$85 from \$64 last year. And 1958's average price was \$13.50 higher than the \$50.50 of 1957.

Conservative estimate of factory sales of all kinds of phonos for this year is 4.5 million units—up from last year's 4.1 million. This would put dollar value of 1959 factory phono sales at \$382.5 million, up from \$263 million in 1958 and \$247 in 1957 (4,872,000 units). If phono sales should hit 5 million this year, dollar sales volume would total about \$425 million.

Factory sales of domestic radios last year totaled \$304 million (including home, clock, portable, auto—everything except phono-radio combinations). In 1957, total was \$351 million, highest since 1947-48 post-war boom. The 1959 radio total should be somewhat higher than that figure, but whether it will tie phono volume of \$382.5 million is debatable. TV will remain well ahead of both radio & phono categories, recovering from last year's \$668 million to around \$800 million.

Although an increasing number of phono units now have radio tuners in them, sales of separate radios don't seem to have suffered one whit. And radio may yet be responsible for far bigger phono boom. When FCC finally approves standards for stereo broadcasting—in 1960 or 1961—stereo phono-radio combinations should break the sales barrier with a roar that will make the 1959 phono-sales surge sound like a monophonic whisper.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 28 (34th week of 1959):

	Aug. 21-28	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	142,162	138,758	134,921	3,684,890	2,950,455
Total radio	287,977	274,526	293,771	8,945,026	6,193,529
auto radio	87,951	83,041	68,928	3,434,420	1,893,813

EIA statistics for week ended Sept. 4. (35th week of 1959):

	Aug. 28-Sept. 4	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	141,550	142,162	112,992	3,826,440	3,074,802
Total radio	369,035	287,977	274,604	9,314,061	6,492,061
auto radio	125,087	87,951	91,738	3,559,507	1,991,761

TV-RADIO SALES & PRODUCTION: Retail TV & radio sales for July were appreciably higher than those of July 1958 and pushed the Jan.-July totals well ahead of the cumulative sales for the year-ago period. TV's July performance marked the 5th consecutive 1959 month in which TV surpassed sales of the corresponding 1958 month. July-over-June 1959 sales show TV healthily ahead, radio sales down sharply.

July production of TV sets was well below the June 1959 output, but considerably ahead of July 1958. The cumulative output for Jan.-July 1959 was higher than that of the first 7 months of 1958. TVs with uhf tuners totaled 21,022 in July, 29,064 in June, and 23,205 in July 1958. Radio production was down in July vs. June 1959, but ahead by far on the July-to-July and year-to-date reckonings. FM radio production totaled 24,553 in July, 50,783 in June, and 11,816 in July 1958. Following are EIA's official monthly sales & production figures:

	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
May	431,911	279,536	266,982	237,189
June	571,003	344,795	377,090	250,362
July	350,360	370,575	274,999	279,010
Total	3,133,075	2,634,530	2,442,929	2,456,662

Radio sales for July (excluding auto) totaled 526,827 compared with 678,195 in June and 465,545 in July 1958. Jan.-July radio retail sales were 3,685,708 vs. 3,177,679 for the year-ago period. Radio production for July totaled 829,035 (including 254,725 auto) compared with 1,430,165 in June (637,806 auto) and 592,972 (186,379 auto) in July 1958. Cumulative Jan.-July radio production totaled 7,936,621 (including 3,154,921 auto) vs. 5,212,135 (1,650,898 auto) for Jan.-July 1958.

Texas Instruments expanded its overseas marketing last week with the appointment of 4 exclusive distributors in Denmark, France, Sweden and Switzerland. Chmn. Cecil Dotson said that the European transistor market is expanding rapidly and that increasing specialization & mass production will call for more transistors & allied semiconductor products. TI's subsidiary Texas Instruments Ltd., Bedford, England, currently produces & markets products to sterling areas of the world. The expanded EurOps program is intended to make TI semiconductors available on a world-wide off-the-shelf basis within a few years.

Record \$3-million Zenith ad campaign for autumn promotion of TV, radio, phono and stereo sets, as well as hearing aids, was announced last week by exec. v.p. for marketing L. C. Truesdell. Zenith, reflecting the general fall consumer-electronics ad splurge (Vol. 15:36), is increasing its 4th quarter magazine ad spending by 40%.

Trade Personals: Walter G. Bain promoted from v.p. in charge of the Washington office, defense electronic products, to new RCA post of communications & missile electronics v.p.-gen. mgr., succeeded as Washington office mgr. by Richard E. Postauer; Harry R. Wege, missile & surface radar div. gen. mgr., named v.p. . . . Leo F. Leary named mfg. mgr., Raytheon's semiconductor div.; Henry F. Schunk, mgr., Newton-Brighton plant moves to Lewiston, Me. to set up new plant, succeeded by Ray T. Mijanovich; Dr. Walter F. Levertton appointed engineering mgr.; Raymond J. Barber named controller.

Curtis B. Hoffman promoted from gen. mgr., Clevite Corp. Brush Instruments div., to electronics v.p., succeeded by John H. Harris . . . L. D. Dannenbaum elected Nuclear Electronics Corp. exec. v.p. . . . Dr. Robert L. San Soucie appointed Sylvania's Amherst Engineering Labs communications research & development dept. mgr.; John H. Skehan Jr. named sales training mgr., Sylvania Electronic Tubes, succeeding James W. Ritter, appointed Northeast district distributor sales mgr.

Joseph T. Colliflower, ex-ACF Industries Erco div., named Litton Industries Md. div. operations dir.; Howard F. Burbank, ex-United Aircraft Norden div., appointed Litton Md. div. quality control dir. . . . William F. Bergeron named Sylvania Electronic Tubes industrial & military sales engineer, Eastern region; Joseph H. Orebaugh appointed entertainment sales engineer, Midwestern region; Jeff R. Wheatley appointed industrial & military sales engineer, Pacific region.

Edward Y. Gerding named Tung-Sol commercial engineering Eastern regional mgr.; Walter E. Britton named to similar post in Detroit region . . . Jack Lipnick named CBS Electronics Eastern field engineer, specializing on receiving tube applications & the use of stereophonic phonograph cartridges for the entertainment market . . . Jack Houseman appointed to new post of Packard-Bell home products div. Southern Cal. sales mgr. . . . Bertram A. C. Udovin named mgr., Du Mont Point Mugu Facilities, Pacific missile range . . . Col. Bernt Balchen, USAF (Ret.) named aviation consultant, General Precision Labs.

Charles H. Teskey, AT&T Long Lines Dept. Washington asst. atty., retires Sept. 30 after 36 years . . . Raymond J. Gill and Norman A. Sabye appointed Motorola Chicago military electronics center contract mgrs.

Walter Ware Slocum, ex-Daystrom v.p., appointed Internatl. Resistance pres., succeeding Charles Weyl, named chmn., succeeding Ernest Searing, who will retire . . . James S. Laidlaw promoted from engineering v.p. to v.p. & gen. mgr., Hycon, succeeding William T. Snebold, resigning but continuing as a dir.; Edmund W. Baker succeeds Laidlaw . . . J. Robert Peltz named Sylvania Electronic Tubes Eastern region sales engineer for equipment sales dept.

EIA Fall Conference: Electronic Industries Assn. gathers in Atlantic City, N.J. next week to review industry progress in a 3-day conclave (22-24) to be spiced by such program highlights as these:

1. Premier showing of a public-relations TV film on the electronics industry prepared jointly by EIA & NAM. The film is scheduled for distribution to 265 TV stations which telecast *Industry on Parade* in public-service time.

2. Report with slide film on the recent Russian tour by the electronics industry committee under the auspices of the State Dept. The report will be made by EIA marketing data dept. dir. Frank W. Mansfield & Ray Ellis, former dir. of EIA's intnatl. dept.

3. Address by Donald A. Hipkins, Small Business Administration's deputy administrator for procurement & technical assistance, on the role of small business in military electronics production.

GE has been awarded a \$29,209,851 contract with unprecedented incentive clauses for the production of nose cones for the Thor missile. GE missile & space vehicle dept. gen. mgr. H. W. Paige said about it that the contract has 2 types of incentives: "One is for performance which is distinctly above the expected norm. This will assure the Govt. of less cost for spare parts, maintenance and training of operation crews." The 2nd incentive provides a "small percentage of incentive profit" from each dollar that GE saves the Govt. on production costs.

Transistorized TV tuner is being produced by Gen. Instrument Corp. which says component is the smallest of its type and the first to be fully transistorized. Pres. Monte Cohen says the transistorized tuner operates on a 25th of the electrical power required by standard tuners, weighs only 9½ ounces, and packs 287 separate parts into 15 cubic in. The new tuner, he adds, was 2 years in development, and was designed initially for battery-operated portable TV sets.

Motorola has received a \$19-million contract from North American Aviation's L.A. div. to develop the mission & traffic-control system of the proposed B-70 supersonic bomber. Motorola v.p. & military electronics div. gen. mgr. William S. Wheeler said his firm will subcontract a "substantial part" of the \$19-million award to 9 other electronics companies.

Electronics division has been formed by The Martin Co. in Denver in conjunction with its Titan missile facilities there. Martin Denver operations gen. mgr. H. W. Merrill cited "growing requirements in the area of weapons & space exploration activities" as reason for establishing electronics operation, said it will employ some 1,000 persons.

Conley Electronics has franchised Collins Radio to use & sell its Fidelipac continuous one-reel automatic tape magazine in the broadcast-equipment field. Collins uses the magazine in an automatic tape control record-&-playback unit made for around-the-clock use in TV-radio stations.

Raytheon has been awarded \$30 million in contracts by the Navy's BuShips to develop & produce sonar equipment for U.S. subs. The new devices involve electronic control of underwater firepower, advanced communications & detecting equipment.

Acquisition of Pan-Air Electronics Corp. by Electronic Equipment Engineering Inc. was announced last week. EEE pres. W. D. Price said that Pan-Air will be moved from Burbank, Cal. to EEE's Dallas HQ and be operated as a wholly-owned subsidiary.

Finance

Beckman Instruments reports a profit on increased sales for the fiscal year ended June 30 compared with a loss registered in the previous year. Pres. Dr. Arnold O. Beckman forecasts increased profits in 1960 for the Cal.-based electronics firm, pointing out that incoming orders for 3rd & 4th quarters were highest in company's history. For the fiscal year ended June 30:

	1959	1958
Sales	\$44,872,768	\$39,823,317
Net income	1,771,689	(964,923)
Earned per share	1.30	—
Shares outstanding	1,363,094	1,354,343

National Co. Inc. more than tripled profits, doubled sales in the 6 months ended June 30:

	1959	1958
Net sales	\$6,195,856	\$2,990,898
Net income	143,493	43,519
Earned per share	20¢	5¢

Tenney Engineering, which had been talking merger with Victoreen Instrument Co. until policy differences cropped up (Vol. 15:36), reports a heavy drop in income despite slightly increased sales for the 6 months ended June 30:

	1959	1958
Net sales	\$2,583,795	\$2,494,732
Net income	39,811	129,769
Earned per share	8¢	31¢
Shares outstanding	485,200	411,333

Sprague Electric increased its income nearly 3-fold on sharply stepped-up sales for the 6 months ended June 30:

	1959	1958
Net sales	\$27,352,408	\$19,474,434
Net income	1,839,207	658,627
Earned per share	1.47	53¢
Shares outstanding	1,247,912	1,244,987

United Artists Corp. scored record-high earnings during the first half of 1959, up 21% over the year-ago period, chmn. Robert S. Benjamin reported last week. Gross worldwide income of the motion picture & TV film producer also increased appreciably. For 26 weeks ended July 4:

	1959	1958
Gross income	\$44,844,000	\$37,517,000
Net earnings	1,597,000	1,319,000
Earned per share	96¢	79¢

Loew's Inc. will issue its first dividend in more than 2 years on Oct. 14 with a quarterly payment of 30¢ a share to stockholders of record Sept. 22, pres. Joseph R. Vogel announced last week. He said resumption of dividend payments is justified by "most encouraging" prospects for continued profitable operations and by the improvement in all divisions, which closed out the fiscal year on Aug. 31 operating in the black. Dividends were discontinued following the quarterly payment of a 25¢ dividend in June, 1957 by Loew's Inc.'s predecessor company.

Columbia Pictures Corp. earnings in the year to end next June 30 are expected to improve over the low level of fiscal 1959, reports the *Wall St. Journal*. "Columbia has not yet reported results for the year ended June 30, but it's believed the company had a loss from operations which was likely offset by a non-recurring profit of \$2,622,000 from the sale of the company's West Coast lab facilities." According to a top official, adds the newspaper, "gross revenues in the year ended June 30 were about the same as the \$113,600,000 in the preceding year, and Screen Gems, the TV producing & distributing subsidiary, had 'profitable operations' in fiscal 1959 and its gross revenues were 'considerably higher' than the \$28 million of fiscal 1958."

Industro Transistor Corp. suffered a net loss of \$34,330 for the year ended June 30, compared with the loss of \$75,783 in the previous year.

Officers-&Directors stock transactions as reported to SEC for Aug.:

Allied Artists. George N. Blatchford bought 700, held 700. Albert Zugsmith bought 1,000, held 94,800.

American Bosch Arma. William S. Wasserman sold 500, held 2,500 in holding company, 4,569 in trusts, 12 personally.

American Electronics. Charles L. Jones bought 1,500, held 1,800. Philip W. Zonne sold 1,500, held 62,800 personally, 4,000 in trust for children.

Amphenol-Borg. Lester M. Grether exercised option to buy 1,100, held 2,100.

Audio Devices. Bryce Haynes sold 2,000, held 883. Joseph K. McCammon sold 1,400, held 16,091.

Avco. Victor Emanuel sold 63,600, held 69,115. James B. Kerr sold 7,700, held 4,366. Frank S. Larson sold 100, held 2,803. Lloyd P. Smith sold 10,000, held none. Kendrick R. Wilson Jr. sold 9,100, held 8,100.

Belock Instrument. Donald C. Walton sold 200, held 21,779.

Cinerama. Marshall A. Jacobs sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., none personally. Hazard E. Reeves sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., 150,923 personally. Delores J. Russell sold 167 through Sound Syndicates Inc., held 22 in Sound Syndicates Inc., 1,105 personally.

Consolidated Electrodynamics. Franklin H. Donnell bought 1,300, held 11,500. T. P. Morgan bought 100, held 200.

Corning Glass. Eugene C. Sullivan sold 200, held 30,685.

Daystrom. Lewis E. Minkel bought 400, held 500.

Decca Records. Milton R. Rackmil bought 200 as co-trustee, held 10,700 as co-trustee, 1,713 personally.

Desilu Productions. Edwin E. Holly sold 2,000, held 2,000. Martin N. Leeds sold 5,000, held 35,100 personally, 1,200 in trusts for sons.

Electronic Communications. Hal A. Kroeger sold 300, held 50.

General Dynamics. Lisle W. Adkins sold 3,500, held 1,800.

GE. Harold E. Strang bought 2,650, held 11,303.

General Instrument. Monte Cohen sold 1,000, held 7,718. Fred C. Rummel exercised option to buy 6,350, held 6,756.

General Precision Equipment. John C. Maxwell bought 200, held 700. Gaylord C. Whitaker sold 500 through trusts, held 16,190 in trusts, 6,026 personally.

General Telephone & Electronics. Theodore S. Gary acquired 640 for holding company through trust in exchange for debentures purchased in March 1957, sold 500, held 282,996 in holding company, 7,526 personally.

General Transistor. Jerome Fishel sold 153, held none.

Hazeltine. Laurence B. Dodds sold 260, held none.

Hoffman Electronics. I. J. Kaar sold 3000, held none. J. D. McLean exercised option to buy 1,500, held 1,600.

IBM. Edward E. Ford sold 10,700 through trust, held 74,795 in trust, 41,241 personally. T. J. Watson Jr. sold 1,500, held 34,301 personally, 26,171 in trusts.

International Resistance. George Back exercised option to buy 1,600, held 1,800. Walter H. Powell bought 500, held 620. C. D. Vannoy exercised option to buy 1,600, held 1,620. Edward S. Weyl exercised option to buy 3,000, held 21,815.

ITT. Fred M. Farwell exercised option to buy 15,000, held 17,266. Frederick R. Furth acquired 3,480 as bonus, held 4,059. Henry H. Scudder exercised option to buy 2,200, held 2,360.

Lear. James P. Brown sold 176, held 654.

Loew's. Nathan Cummings bought 1,000, held 57,550.

P. R. Mallory. H. C. Buell exercised option to buy 214, held 1,406.

Motorola. Arthur L. Reese bought 100, held 200.

National Telefilm Associates. George K. Gould exchanged 9,411 for National Theatres securities, held none.

National Theatres. B. Gerald Cantor bought 2,600 and 1,900 more through Cantor Fitzgerald & Co., held 105,000 personally, 20,000 in Cantor Fitzgerald & Co., 5,000 in Cantor & Son Inc., 3,000 in Cantor Fitzgerald Foundation, 1,000 in Cantor Fitzgerald & Co. profit-sharing trust, 1,000 in First Nevada Corp. Burt Kleiner bought 1,900 through Cantor Fitzgerald & Co., held 20,000 in Cantor Fitzgerald & Co., 15,000 personally, 3,000 in foundation, 1,000 in First Nevada Corp., 5,000 in Cantor & Son Inc. Ely A. Landau bought 2,500, held 7,500.

Oak Mfg. O. Corson Ellis bought 100 jointly with wife, held 100 jointly with wife, 125 personally.

Philco. Henry F. Argento bought 3,000, held 3,876.

RCA. Martin F. Bennett exercised option to buy 1,200, held 1,328. John L. Burns exercised option to buy 20,000, held 20,411. Ralston H. Coffin exercised option to buy 200, held 300. Rodolfo A. Correa exercised option to buy 200, held 286. David Sarnoff sold 10,000 (Vol. 15:33), held 5,000. Edward M. Tuft exercised option to buy 1,200, held 1,855.

Republic Pictures. Victor M. Carter bought 249,383, held 347,720. Sidney M. Davis sold 500, held none. Douglass T. Yates sold 4,277 and 207,739 more through Tonrud Inc., held none. Herbert J. Yates sold 74,469, held none.

Servomechanisms. Najeeb E. Halsby sold 1,680, held none.

Texas Instruments. P. E. Haggerty sold 100, held 125,143. S. T. Harris exercised option to buy 5,000, held 22,904 personally, 433 in trust. W. F. Joyce bought 100 and exercised option to buy 5,000 more, held 13,562.

Thompson Ramo Wooldridge. Burton F. Miller sold 600, held 4,057 personally, 9,000 in trust. V. G. Nielsen sold 3,200, held 7,038. Horace A. Shepard bought 3,400, held 4,400.

Trans Lux. Harry Brandt bought 100 and 200 more through H. Brandt Foundation, sold 900 through G. Brandt Foundation, held 168,600 personally, 18,180 in H. Brandt Foundation, 12,650 in G. Brandt Foundation, 2,000 in Brapick Corp., 17,600 for wife.

Trav-Ler Radio. Isadore Edelman bought 100, held 2,500. Ellis Friedman bought 2,500, held 21,540. Joe Friedman bought 10,000, held 236,233. D. J. F. Shea sold 600, held none.

Westinghouse. B. M. Brown exercised option to buy 200, held 300. Zenith. Frank A. Miller sold 200, held 1,500.

Reports & comments available: RCA, comments, Reynolds & Co., 120 Broadway, N.Y. 5 . . . Clevite, notes, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . Tele-Broadcasters, analyzed by Arthur B. Hogan Inc., 6705 Sunset Blvd., Hollywood 28 . . . CBS, study, Oppenheimer & Co., 25 Broad St., N.Y. 4 . . . American Broadcasting-Paramount Theatres, review, Pershing & Co., 120 Broadway, N.Y. 5.

MCA Inc., big Hollywood combine which embraces Revue Productions Inc. & Music Corp. of America, will offer 400,000 common-stock shares for public sale through Lehman Bros., according to an SEC registration statement (File 2-15561). The price & underwriting terms will be supplied in an amendment to the statement. Proceeds would be used to reduce 9.25 million in bank notes and to add to working capital. Outstanding now are 3,595,735 shares of MCA Inc. common stock, principal holders including chairman Jules Stein (39.7%) & pres. Lew Wasserman (19.8%). A *Wall St. Journal* source pegged value per share at \$20.

Granco Products Inc. reports record-high sales of \$3,070,486 for its FM radios and other electronic equipment for the fiscal year ended June 30, up 38% over the fiscal 1958 volume of \$2,223,180. The net income soared to approximately \$50,000 vs. \$2,812 the previous year. Pres. Henry Fogel said the current backlog is double the unfilled orders tallied this time last year. He said the Long Island City firm will kick off a major ad campaign later this month to promote FM. The campaign will open in N.Y., be extended next year to other major FM areas. It embraces a \$15,000 time-buy on AM stations WCBS & WRCA N.Y.

Allied Radio Corp., Chicago assembler & distributor of hi-fi components and other electronic parts, which recently acquired Knight Electronics Corp. and Allied High Fidelity Stores Inc., plans public sale of 333,335 outstanding common-stock shares. In an SEC registration statement (File 2-15,550), the firm said the offering price of the shares, now held by 14 selling stockholders, would be supplied by an amendment. Underwriters are headed by White, Weld & Co.

General Dynamics has sold \$60 million in 20-year promissory notes to Prudential Insurance Co. of America, chmn. Frank Pace Jr. announced last week. The loan bears a 5.5% interest rate, will be used to augment working capital. A similar loan of \$75 million with a 5.2% interest rate was negotiated by General Dynamics with Prudential on Sept. 29, 1958. Pace said the \$135-million long-term notes sold to Prudential plus available short-term credits will satisfy firm's capital needs for "foreseeable future."

Raytheon foresees record-high sales this year approaching \$500 million—more than \$100 million ahead of 1958's volume, pres. Charles F. Adams told the San Francisco Security Analysts Society last week. Pointing to Raytheon's first-half record sales & net profit, he said: "We expect further improvement in the balance of the year so that 1959 definitely should be the best year in our history." For the 6 months ended June 30, the firm earned \$1.49 a share on sales of \$232 million, compared with \$1.29 a share of \$179.1 million in first-half 1958.

Missiles-Jets & Automation Fund Inc. boomed in its first year from Aug. 7, 1958 to July 31, 1959 pres. Andrew G. Haley reports. Net assets increased 79.6% to \$4,847,918 from \$2,699,255; net asset value per share rose 43.6% to \$13.14 from \$9.15; shares outstanding increased 25% to 368,829 from 294,997.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Hoffman Electronics ..	—	\$0.15	Sep. 30 Sep. 11
IT&T	Q	.25	Oct. 15 Sep. 18
Loew's Inc.	Q	.30	Oct. 14 Sep. 22
Loew's (Marcus) Theaters Ltd.	Q	1.00	Sep. 30 Sep. 14
RCA	Q	.25	Oct. 26 Sep. 18
Webcor	Q	.15	Oct. 1 Sep. 21
Western Electric	Q	.90	Sep. 30 Sep. 21

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SUMMARY-INDEX OF WEEK'S NEWS

Congress

SENATE FREEDOM-OF-SPEECH "WATCHDOG" subcommittee, headed by Yarborough, set up by Commerce Committee to insure "impartial" news handling. Magnuson, Yarborough & McGee tell why (p. 3).

MAGNUSON HOPES FOR "FAIR" CATV LAW as he gives status report on legislation. Sen Moss calls for "common-carrier" regulation, foresees "chaos" unless controls are imposed (p. 5).

Stations

SPOT STILL CLIMBING with advertiser spending, primarily in announcements, reaching new quarterly peak of \$158.9 million in Apr.-May-June period of 1959, reports TvB (p. 15).

Programming

MR. K. ON TV—that was the big news effort for all 3 networks last week. One network v.p. estimates that \$3.5 million is the cost to the major webs for the Khrushchev coverage (pp. 1 & 8).

Networks

OPTION TIME DEFENDED against anti-trust charges as final reply comments are filed, making FCC rule-making on network practices ripe for ultimate decision. Networks & affiliates vs. KTTV (p. 4).

WANT RATINGS? Call Ollie Treyz at ABC. Annual rating war is on again. This time, ABC is giving them out, and NBC wants to withhold them (p.7).

Educational TV

ATTACK ON ILLITERACY will be mounted in four southern states by 10 commercial, 3 ETV stations. Reading, writing lessons will be beamed at more than a million "functional illiterates" (p. 6).

Manufacturing & Distribution

NEW MANSFIELD 10-YR. FORECAST sees TV set sales rising to plateau of 8.5 million yearly—one third of them color sets (p. 19).

EIA ASKS GOVT. TO STEM TRANSISTOR IMPORTS. tells OCDM that domestic producers find Japanese prices impossible to meet, cites threat to national security (p. 19).

Advertising

NAB CODE'S PRESCRIPTION for touchy spots gets specific about laxatives, deodorants, depilatories, toilet tissue, corn & callous remedies, foundation garments (pp. 3 & 17).

FCC

MONRONEY DECREES ALLOCATIONS DELAY. attacks FCC for "5 years of dead-center stalling." He predicts no new vhf channels will be found, says new assignments can be made via "modern engineering" (p. 6).

Film & Tape

UA ANTI-TRUST SUIT is filed in federal court N.Y. by Justice Dept., charging offshoot UAA with "lessening of competition" by cornering Warner Bros., UA and RKO feature backlogs (p. 10).

TAPE COMMERCIALS ARE BIG BUSINESS in N.Y. today, our exclusive report of production status of leading firms reveals. Networks have set the sales pace, but some independents are making a real dent (pp. 4 & 12).

TAPED SPECIALS' SPECIAL PROBLEMS. Record number of taped specials fill Hollywood vaults, present unique storage, insurance, financial situations (p. 9).

SYNDICATORS CONFORM TO NAB CODE. Coast NAB exec., in progress report, tells of complete cooperation, no violations (p. 10).

RED FEATHER IN WEB CAPS: Total of \$3.5 million in public-service time & production is involved in current coverage by 3 major networks of Premier Khrushchev's visit. This is the estimate of ABC-TV program v.p. Tom Moore—an estimate not challenged by other 2 networks.

News executives didn't hesitate last week to seek pre-emptions of daytime shows on the networks for the intensive first-day coverage of the Soviet leader's arrival. At CBS-TV, ousting of daytime soap operas (House Party, The Big Payoff & The Verdict is Yours) amounted to over \$200,000—although Firestone's night-time \$300,000 time-&-talent buy of the first of 7 "Eyewitness to History" specials helped to balance the books.

Whether networks will ax shows as freely later in the season when Ike visits Russia remains to be seen. All assured us last week, however, that they considered the Eisenhower-Khrushchev visits as "top priority news" and "would not hesitate" to bump new shows if necessary for Nov. coverage of the Eisenhower trip to Russia.

Coverage has scored as prestige effort for the networks in any case, most observers & critics agree. In case of ABC-TV particularly, the network's first all-out news push with the Khrushchev coverage should be of real value to its image in the viewer & advertiser mind.

NBC BOOSTING LATIN-AMERICAN TV: Role of U.S. telecasting interests in development of foreign TV is subject of hot debate in many western hemisphere countries, as American networks & multiple-station owners focus attention on other lands.

Among most promising foreign areas—in long run—is Latin America, but in these nationalistic countries traditional fear of "Yankee domination" weighs heavily against acknowledged advantages of U.S. technical & programming knowhow. Against this ticklish background, U.S. interests are moving extremely cautiously into participation in TV station operation south of the border.

U.S. operators know there's no quick road to riches in Latin TV. Although TV has been in operation there for many years, there are still no TV profits in most Latin American countries and TV will be "public service" operation in many lands for a long time to come, under leadership of such astute operators as Emilio Azcarraga in Mexico and Goar Mestre in Cuba.

Quietly NBC has been acquiring minority interests in new TV stations in Latin American countries—countries where TV is neither brand new nor traditionally profitless. Why? As an NBC official & veteran of Latin American business explained to us: "Our interest is in the future of TV all over the world. We're not interested in running things but in encouraging the development of the medium itself." Implicit in his comment: What helps TV helps RCA-NBC.

In Mexico, NBC has small interests in 2 upcoming stations—in 2nd & 3rd biggest cities in the country. In each case, control is held by solid Mexican business groups headed by respected veteran radio broadcasters. NBC's Mexican interests: (1) About \$40-50,000 worth of stock in upcoming (end of Oct.) XEHL-TV (Ch. 6) Guadalajara headed by Alejandro Diaz. (2) Investment of similar magnitude in TV del Norte Monterey due in Jan. under leadership of veteran broadcaster Gustavo de la Garza.

Shares in ownership of other upcoming stations are held by NBC International in Lima, Montevideo and in 2 Argentina outlets. Network is looking for more opportunities for minority TV ownership in Latin America and presumably in other parts of globe.

But NBC denies it plans to establish little "NBC networks" in Latin American countries. Its officials see in the station-ownership plan a way to help get TV started in some countries and a way to increase public interest in TV in others—both of which would redound to benefit of RCA-NBC in sales of equipment and film & tape programming.

In Mexico situation is particularly touchy. Existing TV system, Telesistema, is controlled by Azcarraga-O'Farrill combine, which has poured millions of dollars into TV without receiving one cent of profit. In encouraging independent TV operators, NBC International officials say their only purpose is to help speed TV-set circulation & increase interest in all TV. They point to TV's development in U.S.: when real competition began, all stations benefited and billings reached record high after record high.

Latin American telecasters are getting together this week for meeting in Havana which may have important significance to U.S. telefilm interests. Under direction of Cuba's Mestre & Mexico's Azcarraga, they are forming Television Interamerican S.A. (TISA), hoping to make it a sort of Latin American film-buying cooperative with complete control over film prices, subject matter and dubbing. Such a block-buying system could help U.S.-film distributors, but most of them fear that it would force telefilm prices way down. One proposal understood to be under consideration at meeting would limit annual Latin American purchases of TV film to 20 of the 65-100 series normally offered on the market, the TISA group deciding what price its members should pay for the films.

Our roundup of the other TV networks disclosed "nothing new or planned" in the way of CBS TV investments in South or Central America. CBS TV Stations pres. Merle Jones told us CBS's planned TV operation in Buenos Aires, in conjunction with Goar Mestre of Havana, is proceeding on schedule and its studio for live, film and tape organizations should be operating before year's end. He said that CBS is exploring a TV production company in Lima, Peru, again with Mestre, and may reach some decision during the latter's N.Y. visit some 2 weeks from now.

AB-PT, however, did go over the border last week by acquiring a minority interest in Costa Rica's first TV station, which is scheduled to begin operations as Ch. 7 in Dec. AB-PT would not disclose financial details of its buy into Televisora De Costa Rica Ltda., San Jose; said it reflected the firm's continuous program of aiding by investment and the furnishing of technical & administrative assistance in the development of TV in fast-growing markets.

SENATE FREEDOM-OF-SPEECH 'WATCHDOG': The unusual & touchy mission of trying to insure "free speech," apparently in both broadcast & printed media, has been assigned to a new subcommittee of Senate Commerce Committee. Chairman is Sen. Yarborough (D-Tex), other members Sen. McGee (D-Wyo.) & Scott (R-Pa.).

Brief statement issued by Sen. Magnuson (D-Wash.), in establishing subcommittee, said its job will be to insure freedom, fairness and impartiality in the treatment of news. "The subcommittee will receive information & complaints concerning the operation of communications media," he said. "In this sense, the subcommittee will be a watchdog subcommittee."

"It will look out for free speech generally, not just TV," Magnuson told us later. Newspapers? Magazines? "Primarily the licensed media," he said. What prompted establishment of subcommittee? Said he:

"There have been complaints of discrimination for a long time. FCC makes decisions on complaints 5-6 months after the fact. The subcommittee would be a sort of clearing house. Logically, first would be to watch the administration of Sec. 315 [on political equal time]." Magnuson wouldn't say, however, that new Sec. 315 was dominant reason for subcommittee's formation. He said he has "no opinion" on whether Democrats have been discriminated against by TV-radio. And he added that recent troubles of ex-MBS officers, charged with Dominican Republic propaganda deal (Vol. 15:37), had nothing to do with situation.

Yarborough summed up subcommittee & its role thus: "There has been a long-standing feeling of lots of people that the handling of news hasn't been as impartial as it ought to be. Complaints have been growing through the years that certain political parties haven't been treated fairly, that public affairs programs are offered at poor times and are inadequate. This is not a powder puff committee. There's a deep need for it. It won't be a quickie, crash program. It will be long term. I've turned down the opportunity to head a lot of subcommittees that will make more headlines, but I believe this is important. Actually, we get more complaints about programs that teach murder to children than everything else put together."

Yarborough said that his group agreed not to meet before Oct. 10, that he doesn't know whether it will have a staff and whether it will conduct hearings.

McGee said that he is "impressed with the dependence of the country on TV & radio." New political equal-time law and problems of ex-MBS officials "brought the problem into focus," he said. Discussion of Sec. 315, he asserted, showed "terrifying possibilities in irresponsible hands." "The subcommittee will be a public sounding board for grievances," he said. "It's mostly precautionary. The 1960 elections are one factor." He added that both Democrats & Republicans have complained about unfair treatment by stations.

Sen. Scott sailed for Europe when session ended, couldn't be reached for comment.

NAB CODE'S PRESCRIPTION FOR TOUCHY SPOTS: The "common-sense guideposts" on personal-product commercials, promulgated last week by NAB Code Review Board, should be welcomed by all but the very crudest merchandisers. Recommendations are reasonably specific on what to avoid & what to seek in commercials covering: laxatives, deodorants, depilatories, toilet tissue, corn & callous removers, cold & headache remedies, foundation garments (for full text, see p. 17).

Board asked this question in its report: "Is there cause for concern over taste & propriety in specific TV commercials?" It then reviewed its own confidential survey, which "revealed negative opinions of the viewing public that should be of great interest to responsible advertisers, their agencies and to broadcasters," and it summarized criticism from within & without the industry. Conclusion: "Clearly, the need for self-examination of TV advertising through the TV Code Review Board not only is proper but is urgent."

Sensitive-product subcommittee of board was headed by E. K. Hartenbower, KCMO-TV Kansas City, whose colleagues were Code Board chmn. Donald H. McGannon, Westinghouse stations, and Gaines Kelley, WFMY-TV Greensboro. The subcommittee has been working since March 15.

Report ends on a strong upbeat note: "Any self-examination must contain negative elements. The committee re-emphasizes that it is among the strongest proponents of commercial TV. It believes without question that TV is ideally suited for the advertising of most personal products. It has found that the great majority of these products are presented tastefully & effectively . . . are indeed, welcomed into the home. The committee's prime object is to encourage such TV advertising. To do so requires the ingenuity & cooperation of advertiser, agency, broadcaster . . . an unbeatable combination [when] moving toward the same objectives."

OPTION TIME DEFENDED AGAINST ANTI-TRUST CHARGES: Anti-trust angle in FCC's option-time rule-making, as stressed by KTTV Los Angeles (Vol. 15:13), received close attention last week as parties filed reply briefs, and the whole matter was left to ripen for FCC consideration.

FCC had proposed a variety of changes affecting option time, most important of which was a reduction from 3 to 2½ hours per quarter of the day (Vol. 15:17 & Apr. 27 special supplement). When parties commented on the proposals (Vol. 15:31-32), KTTV concentrated its fire on contention that FCC had to outlaw option time altogether because Justice Dept. said it is illegal.

Last week, heavy guns of networks & affiliate groups were zeroed in on this argument. Essence of their comment: Dept. of Justice opinion isn't binding on FCC. They went on to point out that: (1) Opinion was that of Asst. Attorney General Victor R. Hansen, not that of the Attorney General. (2) If Attorney General had given the opinion, it would be entitled to no more weight than that of "other persons learned in the law." (3) FCC gave Hansen's view due consideration, anyway. (4) The opinion is wrong, anyway.

Those going into anti-trust angle at greatest length, with legal citations as long as your arm, were CBS, CBS affiliates, NBC affiliates.

N. Y. TAPE ACTIVITY BOOMS: Tape commercials are now big business. Our checkup among 12 leading producers of video-taped commercials in N. Y. area shows 1959 gross total of more than \$5 million (see p. 12), by conservative estimate.

Most of these taped spots will be used on networks, since costs of duplication & conflicting tape service-charges, etc., still inhibit widespread use of recorded TV commercials in spot campaigns.

Networks themselves are biggest producers of TV tape commercials, accounting for nearly 50% of assignments in the N. Y. area. It's not surprising; networks, particularly NBC, crusaded for video tape long before leading film producers added tape facilities.

Biggest TV sponsors can be found on the roster of video tape clients in 1959, including such TV bell-wethers as Procter & Gamble, Colgate-Palmolive, Nabisco, Kellogg, General Mills, General Foods, S. C. Johnson & Son, Toni, Best Foods, Warner-Lambert, Pontiac, Texaco, Du Pont and U. S. Steel.

Tape is only 15% of total N. Y. TV commercial business, producers tell us. But many predict this figure may rise to 25-30% of total during 1960, may near 50% in 1961.

MANAGERS REPORT ON BUSINESS: Our "Quickly Questionnaire" to station managers late last month has drawn interesting consensus of current industry thinking on the state of business, allocations, color, tape, editorials, CATV, other matters.

Business continues fine. Of 175 respondents, 165 answered our "How's business?" question. Of these, 152 reported business on the good side (including 42 who checked "record-breaking"). Only 13 were in the negative area (1 Bad, 12 Indifferent).

Predictions for total 1959 revenue (vs. 1958) brought 156 Ups vs. 1 Down and 4 No-change. The bulk of percentage-increase predictors placed their gains between 5% & 30% ahead of last year, with 1 fortunate soul spotting his station's gain in the 75% to 100% bracket.

The profits picture (total 1959 estimate) was similar, with 135 expecting to finish ahead of last year, and 7 behind. No change: 16. About a third of the profit-stations placed their advance from 5% to 10% and 4 expected from 75% to 100% more than in 1958.

The problem of allocations drew response from 156 stations (129 vhf, 27 uhf), of whom the largest number (67) preferred the solution of all vhf in 25 channels. The 2nd largest group (31) voted for deintermixture. Behind these came mileage reductions & drop-ins (24); all uhf (13); no change (12); miscellaneous (6); and no answer (3).

Of 92 now using tape on their stations (65 more were not), the large majority (76) were not requiring an additional service charge of any kind for airing tape commercials, vs. the 16 who said they did make such a charge.

Editorializing—or plans to editorialize—were common to more than half the respondents. Yes: 61. Planning to: 26. No: 82.

Can you state the number of color sets in your area?—drew 95 affirmatives; 66 negatives. Close to half (40) of the 95 estimators checked "Over 1,000"—and all but 2 of the rest estimated their quantities below that figure. Asked when they thought color would take hold nationally, 31 did not reply; and the others checked as follows: 1959: 0. 1960: 12. 1961: 54. Thereafter: 72.

Asked about charges for telefilm programming, more than half rated them high (76) and impractically high (13). Only 1 said low—and 75 settled for fair.

Station managers who believe that CATV systems should be required to secure licenses from FCC ran 126, vs. 17 who said no. Of the 147 who answered the question as to whether any CATVs were picking up their signal, 89 said yes, 58 said no.

We give you herewith the answers to our code-board question, but we suggest you not put too much stock in them because (in the light of later consideration) of the unintentionally misleading wording of our own question. The query read: "Do you agree with the TV code board that hemorrhoid commercials do not belong on TV?" The answers: Yes, 78; no, 85. But we now can't help wondering if our twisty question did not mislead many busy, fast-answering respondents with its unintentional ambiguity—so that many a man who checked "no" just after reading a question about the questionable product, thought he was voting against it rather than for it. Our fault—and we promise to keep further queries in our Questionnaires crystal clear. Thank you for your impressive response.

Congress

MAGNUSON HOPES FOR 'FAIR' CATV LAW: There will be considerable to-do about CATV legislation in the next session of Congress, even though Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, last week uttered soothing remarks about keeping everyone happy.

Magnuson's comments on the Senate floor came after Sen. Moss (D-Utah) suggested that CATV be given common-carrier regulation, something CATV operators don't want. Said Moss:

"Some control must be exercised over CATV systems or there will be chaos in the broadcasting industry. I therefore urge that during the Congressional recess members & staff of the Interstate & Foreign Commerce Committee give some serious thought & study to proposed legislation which can be brought before the Senate next session which will subject the CATV's to the same regulations which are applicable to common carriers & public utilities. I believe that such action could be justified on the basis that these systems charge the public for their service, and that there is therefore a rate-making problem. The public interest & protection for the public must be given first consideration."

Sen. Magnuson later had this to say, in answer to requests from Sen. Mansfield (D-Mont.) & Sen. Keating (R-N.Y.) for a status report:

"A community antenna is an antenna service, actually, but the point has been made that it might be considered in the nature of a common carrier. Then the question of programming comes into the problem. We do not want to put those concerned under the regulation of programming. That is not their business. They serve a greater purpose. We are hoping to work the problem out so that there will not be any conflict with boosters, competitively or otherwise, because the booster problem is one that is encountered only out west, where, for example 20 families may live in a valley, and are not able to get a TV program unless they have a little kitchen booster set. A community antenna would not serve them, anyway. It could not be done economically. Some of the definitions contained in the bill need to be clarified so that everyone concerned is treated fairly. I am sure it can be worked out."

National Community TV Assn. wants CATV to get precisely the same regulation FCC applies to stations—

nothing more, nothing less. NCTA is particularly upset by the provision in the bill reported by the Senate Commerce Committee which would have FCC make decisions "to facilitate the continued operation of the local station."

Says NCTA: "This vague & confusing public-interest factor is obviously the result of broadcast industry pressures, since it would seem to place the local station, no matter what the circumstances of its operation, in a favored position without regard to what the public might desire or to where the overall public good might lie . . . It is difficult to say how any fair-minded legislator can object to the application of the usual 'public interest' standard which is designed to do what is best for the public at large, rather than what might best suit the interests of a local TV station seeking to inhibit the operation of a competitor for its audience."

New equal-time bill was signed Sept. 14 by President Eisenhower who stated: "This law will make possible the continued full participation of radio & TV in the news coverage of political campaigns, which is so essential to a well informed America. There is no doubt in my mind that the American radio & TV stations can be relied upon to carry out fairly & honestly the provisions of this act without abuse or partiality to any individual, group or party."

Joe McCaffrey's Sun. public-issues feature *Celebrity Parade* was not cancelled by the station but by the sponsor, said WMAL-TV Washington gen. mgr. Fred Houwink in answer to Senatorial critics (Vol. 15:37). The show, owned by sponsor Retail Clerks Intnatl. Assn., was cancelled by the sponsor after its 1:30-2 p.m. Sun. spot was pre-empted for delayed telecasts of Notre Dame football games. The demise of the program was lamented recently by Sen. Mansfield (D-Mont.); and Sen. McCarthy (D-Minn.) used it as a case in point when he mentioned possible TV program supervision by Congress. WMAL-TV says it is planning a similar program as a public service.

A Senator's death on the feature film "Man from 1997," televised by WTOP-TV Washington Sept. 13, caused a rash of phone calls to newspaper offices a la Orson Welles' 1938 "War of the Worlds" broadcast. Anxious set owners were informed that the deceased was "Senator Robert A. Heffnerist," who died dramatically on the program.

Monroney Decries Allocations Delay: TV program critic Sen. Monroney (D-Okla.) believes that more competitive facilities are what's needed to produce better programs—and that FCC is to blame for “5 years of dead-center stalling” on allocations moves which would provide the needed channels.

In the Senate last week, Monroney asserted that it's time for FCC to move “toward making possible the maximum use of the wavelengths of the spectrums which are available under new, modern engineering & electronic techniques.” He listed the following markets which he said need more stations: Providence, Louisville, Grand Rapids-Kalamazoo, Charlotte, Syracuse, Rochester, Birmingham, Wheeling-Steubenville, Johnstown-Altoona, Dayton, Champaign-Urbana, Toledo, Jacksonville, Raleigh-Durham, Shreveport, Knoxville, Binghamton, Fresno, Bak-ersfield, “and others.”

“Five months have passed,” he said, “since the FCC advised Sen. Magnuson it was looking for more vhf channels. Plainly it has found none. It is only realistic to predict that none is to be found. Assuming the improbable discovery of new vhfs for TV, it would take years, perhaps as long as a decade, before they could be utilized.”

The FCC

Tentative award of Ch. 5 in Weston, W. Va. was given to WJPB-TV Inc. of Fairmont, W. Va. last week by FCC examiner Jay A. Kyle. The grant is conditioned on WJPB-TV disposing of its interest in a Ch. 35 grantee for Fairmont. The only competitor for the channel, Telecasting Inc., owner of off-air WENS (Ch. 22) Pittsburgh, agreed to dismiss its application for an option to purchase 50% of WJPB-TV Inc. for \$25,000. An earlier contestant—West Virginia Radio Corp.—dismissed its application last May when WJPB-TV paid its out-of-pocket expenses.

TV test signals transmitted by stations while programs are on the air have been placed on a regular basis by FCC. The Commission amended its rules, effective Oct. 4, to prescribe the area within the vertical blanking interval (between frames) during which test & reference signals may be transmitted by stations (Vol. 13:14). Blanket authorization for the tests was given on Oct. 11, 1956 for the purpose of developing & testing the feasibility of such signals. Since the institution of rule-making on April 5, 1957, permission has been extended several times.

Rules covering amateur radio service, citizens radio service and disaster communications service (parts 12, 19 and 20), will soon be available from the Govt. Printing Office. The rules are included in volume VI of the FCC rules, loose-leaf, available for \$1.25 (\$1.75 foreign) from Supt. of Documents, Govt. Printing Office, Washington 25, D.C.

FCC granted waivers to 3 stations last week to permit them to identify themselves with additional communities: WSJS-TV (Ch. 15) Winston-Salem, N.C. with Greensboro; WJHL-TV (Ch. 11) Johnson City, Tenn. with Kingsport & Bristol; KTVH (Ch. 12) Hutchinson, Kan. with Wichita.

Single application for a new TV station filed with the FCC last week was for Ch. 10, Medford, Ore. by a local group headed by C. E. Wilson, owner of KBOY there. Total pending is now 109 (14 uhf).

Annual outing of the Federal Communications Bar Assn. will be held Mon. Oct. 5 at the Manor Country Club near Washington.

Educational Ch. 23, Richardson (Dallas area), Tex., has been granted to Richardson independent school dist.

Educational Television

TV Attacks Illiteracy: A mass, multi-state TV attack on adult illiteracy will be mounted in Jan. when 13 southern TV stations (10 commercial & 3 ETV) hopefully begin beaming 98 30-min. reading & writing lessons at more than a million so-called functional illiterates in N. C., S. C., eastern Tenn. and Ala. The 6-month ETV program—involving more than 500 hours of public-service time—is being masterminded by The Literacy Movement in the Southeast by TV, coordinated by the John C. Campbell Folk School of Brasstown, N. C., and is an expansion of pilot programs conducted last winter (Vol. 15:1).

The lessons are designed to teach non-reading adults to read & write at the high 3rd-grade level and are intended primarily as initial or refresher instruction for adults who have had less than 5 years of schooling, according to Mayes Behrman, Literacy Movement dir. and head of the Folk School's literacy div.

Most of the TV stations will telecast 4 lessons weekly, 6:30-7 a.m. The Alabama stations will televise at night. Participating in the program are N. C. stations WECT-TV Wilmington, WNCT-TV Greenville, WTVD Durham, WFMY-TV Greensboro, WBTW Charlotte, WLOS-TV Asheville; S. C. stations WCSC-TV Charleston, WIS-TV Columbia, WBTW-TV Florence; WRGP-TV Chattanooga, Tenn. Alabama coverage will be provided by the 3 outlets of the state ETV network, under sponsorship of the Alabama Literacy Movement.

Development of exchange programming between European TV & Natl. ETV & Radio Center is a primary objective of NET pres. John F. White who was to leave Sat. for a 28-day exchange of ideas with broadcast leaders in Great Britain, France, Germany, Italy. He is accompanied by educational KQED San Francisco mgr. James Day. Meetings are scheduled with BBC, Radiodiffusion-TV Francaise, the German Federal Ministry for Posts & Telecommunications, and Radio-Televisione Italiana. Prior to their return Oct. 17, White & Day will attend the London meeting of the European Bestg. Union.

Hoffman Electronics has entered the educational TV field with introduction of a TV receiver designed for use in school classrooms. Hoffman consumer products div. v.p. & gen. mgr. Ray B. Cox said the set, called “the Scholar,” is the first widescreen TV receiver designed exclusively for educational use. It has such features as a key-operated power switch to eliminate unsupervised use, adjustment controls to eliminate tampering, and the company's Pan-O-Vision. Scholar can be used in classrooms to see commercial TV programs or modified to function as part of a closed-circuit educational TV system.

Harvard's first TV college-credit course will be offered over WGBH-TV (Ch. 2) Boston & WENH-TV (Ch. 11) Durham, N.H. beginning Oct. 5, at a tuition fee of the price of 2 bushels of wheat—\$5—as provided in the will of John Lowell Jr., who established the Lowell Foundation (1836) which pays for a large part of the University's extension courses. The course: “European Imperialism,” taught by Robert C. Albion, professor of oceanic history.

NBC-TV's “Continental Classroom” will offer a 2 semester course in college-level modern chemistry for academic credit from 309 U.S. colleges & universities. This is an increase of 44 over last season's “atomic age physics” course for credit. Chemistry lectures, conducted by Dr. John S. Baxter, begin Sept. 28 at 6:30 a.m. local time.

NET Puts Mrs. FDR on ETV: An ambitious ETV exploration of world affairs, featuring Mrs. Eleanor Roosevelt as host-moderator, is being produced for the Natl. ETV & Radio Center for distribution by NET to its network of affiliated ETV stations, pres. John F. White announced last week. The series of 9 monthly 60-min. programs will debut Oct. 11, the date of Mrs. Roosevelt's 75th birthday.

The TV series, *Prospects of Mankind*, will cast Mrs. Roosevelt in discussions with guests on major international problems, and will be produced by educational WGBH-TV Boston in cooperation with Brandeis U. The programs will be filmed each month at Brandeis's Slosberg Music Center. Within a week or 2 after recording, the programs will be telecast by ETV stations across the nation. NET hopes to utilize public service time on commercial stations in cities without ETV stations, and told us that 15 prints will be made of each filmed program for circulation each week to affiliated & interested commercial broadcasters. (For another Mrs. R. series see next col.)

Canadian ETV in-school programming gets underway Jan. 6 with the first of 26 10-min., 15-min. and 20-min. telecasts via CBC's national TV network. The projected ETV series, planned by the Natl. Advisory Council on School Bcstg., is being evolved by CBC's school-broadcasts dept. in consultation with special committees of teachers. The series provides 4 or 5 programs in each of various subject categories—music, science, history, current events, others—for school grades ranging from 2 to 9.

San Diego viewers were treated to an unexpected ETV program recently when commercial KFSD-TV granted city school superintendent Dr. Ralph C. Dailard a 10-11 a.m. time spot to deliver his annual pre-school address to 6,000 school system teachers & staff. The city has no facilities to accommodate an audience of that size. TV sets located in more than 120 schools and in the education center enabled Dr. Dailard to deliver his message to the educators—and other viewers. KFSD-TV exec. v.p. & gen. mgr. William E. Goetze said the program was unprecedented in San Diego.

Auxiliary Services

TelePrompTer still plans to air the return Patterson-Johansson bout next year. That's the status after the session last week between promoters of the June 26 fight and the N.Y. State Athletic Commission. The session failed to establish clear-cut links between mobsters and the closed-circuit-aired fight. Summoned to the session were TelePrompTer pres. Irving Kahn, fight mgr. Cus D'Amato (who disappeared), attorney S. Schweig, Rosensohn Enterprises pres. Vincent J. Velella, promoter William Rosensohn.

Natl. Community TV Assn. membership totals 371 (plus 15 mfr. associate members) with the recent addition of systems in: Walnut Creek, Cal.; Alva, Okla.; Muleshoe, Tex.; Lander, Wyo.; Springfield, Ore.; Roswell, N.M.; Huntsville, Ala.; Roseburg, Ore. The latest mfr. member is Rego Insulated Wire Co., Hoboken, N.J.

Unusual CATV system in Renovo, Pa.—Greater Renovo TV Corp., managed by Ray Rathmell—reports that it sells service to 5 non-profit CATV systems in addition to its own 890 subscribers. The 5 serve 500 homes.

Translator grants: Ch. 70, Marietta, O., to Zanesville Publishing Co.; Ch. 70, 74 & 78, Yreka and Weed, Cal.; to Nor-Sis TV Corp.

Programming

Want Ratings? Call Ollie: The network rating war that usually accompanies the start of the fall season is on again. Opening gun was fired Sept. 16 by an NBC v.p. who told TV columnist Marie Torre that the network would de-emphasize ratings this year in its publicity because they tended to spotlight "the very programs that prompt critical tirades." NBC would return ratings "to the trade where they belonged."

ABC-TV pres. Oliver Treyz promptly picked up his slide rule and charged into the fray with a telegraphic barrage at all U.S. TV editors, citing the first fall round of Nielsen reports for the competitive (all 3 networks) 24 markets—in which ABC-TV received a 35% nighttime share of audience vs. a 33.0% for CBS & 24.8% for NBC. Although the same levels won't necessarily be reflected in later national Nielsen reports, the trend was apparently encouraging enough for Treyz to tongue-in-cheek: "The timing of the sudden de-emphasis (on ratings) seems odd."

On Sun. Sept. 13, ABC-WB's veteran *Maverick* series scored a 53.0 Trendex audience share in the 7:30-8 p.m. period vs. NBC-Revue's *Riverboat* with a 25.7—although *Riverboat* had been deliberately slotted to steal audience from *Maverick* with an earlier start & heavy audience promotion. (Although, like the Nielsen 24-city reports, they don't show a national viewing picture, the Trendex reports do show just that—a trend.) On Sept. 15, ABC's *Sugarfoot* scored a 28.8 share against NBC's 34.0 for the well-promoted *Laramie* debut. The same night, another familiar ABC western, *Wyatt Earp*, grabbed a 39.3 Trendex share vs. the opening night of *Fibber McGee & Molly* on NBC, which bagged a 28.8 share. Routine CBS programming (no series starts were involved) scored well, but not spectacularly, in all cases.

Also announced by ABC on Sept. 18 was its increase in average program share of daytime audience, according to the Sept. Trendex report. Trendex shows ABC's 2-4 p.m. daytime block gained a 31.1% average program share against 25.2% for NBC. CBS scored highest with 33.4%. In Aug., ABC scored a 27.4%, CBS 31.9% and NBC 26.0.

WNTA-TV's same-play-each-night *Play of the Week* series will start with "Media," starring Judith Anderson. The series begins Oct. 12 with each live TV production running for 7 days (Mon.-Fri. 8-10 p.m., Sat. & Sun., 3-5 p.m.). Subsequent productions will include "The Power & The Glory," "The Last Days of Lincoln" and "The Cherry Orchard." Production will be supervised by Talent Associates. A similar undertaking, "Broadway TV Theater" was presented live on WOR-TV N.Y. in 1952 but was, at that time, financially unfeasible and lasted only a year. Four more new programs announced by WNTA-TV last week were *Ladies of the Press* with Faye Emerson; *Face to Face*, interview series; *The J. Fred Muggs Program* featuring the ex-*Today* show simian; and *Seminar in American Civilization*, with Max Lerner.

Mrs. Roosevelt will make a new 30-min. tape series *Thinking Things Through*, to be handled by Flamingo Films and produced in N.Y. by Pyramid Productions and newly-formed Morlee Productions. The 39 episodes will feature Mrs. R. moderating discussions on world & national affairs by foreign exchange & American students. Flamingo hopes to sell the series as a mid-season network replacement, or to syndicate it. Mrs. Roosevelt is also scheduled to do a 9-part series called *Prospects of Mankind* for the Natl. ETV & Radio Center (see adjacent column).

More about

MR. K. ON TV: The 3 networks were up to their electronic ears last week in news coverage of the visit by Russia's Nikita S. Khrushchev. Highlights:

ABC-TV: Although short of news budget dollars as compared to the veteran CBS-NBC news operations, this network took its biggest public affairs plunge last week. Primary object: To sharpen the network's "public service image" in the minds of TV viewers who, as one network source put it, "often think of ABC as just an outlet for Westerns."

Coverage by the network's news team, headed by John Daly, was more extensive than most viewers realized. Starting with an 11:30 a.m.-1 p.m. pickup of the Sept. 15 Khrushchev arrival, in which ABC had 6 cameras in the 19-camera pool and which cost the network more than \$50,000 in production costs apart from losses in show pre-emptions, ABC doggedly kept pace with its rivals. Altogether, nearly 8 hours of daytime pickups & nighttime recaps were aired by ABC last week, plus newscasts.

One of ABC's freshest gimmicks was the use of one-time White Russian prince Nicholas Orloff, for 12 years chief interpreter for the United Nations multi-language audio system, to give simultaneous translations of the Soviet leader's speeches. The other 2 networks relied chiefly on the official Soviet interpreter.

"We're still in the early stages of creating a news coverage identity for ABC," we were told by one network executive last week. "Our coverage probably costs us more out-of-pocket than does coverage by NBC & CBS. They may actually be spending more, but much of it is covered by sponsorship. We don't have this kind of recognition for our public affairs shows—yet. But it will come."

* * *

CBS-TV: With slightly more than 6-½ hours of network time, both day & night, devoted to the fall season's biggest news story during the first week, CBS-TV fielded its first-line news team against NBC-ABC rivals. Featured in the network's coverage were Howard K. Smith, Douglas Edwards, Paul Niven, Whitman Bassow, Daniel Schorr, Bill Downs, Robert Pierpoint, Charles Von Fremd and Neil Strawser, with veteran Walter Cronkite as anchor man.

Alone among the 3 networks, CBS-TV was carrying part of its extensive Khrushchev coverage as sponsored program fare, thanks to a 7-program Firestone buy of the *Eyewitness to History* series (7:30-8 p.m.) time. "Eyewitness," as even CBS was quick to admit to us, did much to cover any losses incurred in pre-emptions. What the entire coverage was costing, CBS declined to say.

On Friday, a CBS remote-TV crew covered live Khrushchev's visit with Mrs. Roosevelt at Hyde Park.

* * *

NBC-TV: Having won the coin toss to run the pooled TV coverage of Khrushchev's Washington visit, NBC's Washington news mgr., Elmer W. Lower, functioned as pool producer, bossing an assembly of 19 cameras (18 at fixed points, including TELEVISION DIGEST's Washington office in the Wyatt Bldg., plus an NBC mobile unit) and more than 150 newsmen & technicians.

At night, NBC-TV took over the 9-9:30 p.m. slot Sept. 15 in prime time for an unsponsored *Journey to Under-standing* tape/film special, and began featuring Khrushchev coverage thereafter in everything from Dave Garroway's *Today* to further "Journey" specials during the week. NBC newsmen prepared for further coverage of the Soviet leader's visit with the aid of a chartered airliner designed to function as a "flying newsroom" (Vol. 15:37).

Program billings worth over \$150,000 were scrapped by NBC last week to provide the day-night coverage, which will total nearly 12 hours of network time.

In a gesture of U.S.-Soviet good will, NBC gave Radio Moscow a helping hand by providing Soviet radio correspondent Alexander Losev with radio & AT&T facilities for a direct feed to Russia.

When President Eisenhower returns the Khrushchev visit with a trip to Russia later this fall, NBC-TV expects to have "at least 6 prime-time news specials" on this topic, whether they're sponsored or not, we were told by William McAndrew, NBC news v.p. The specials will pre-empt mid-season shows if necessary, he added.

Sidelights: The intensive 3-network coverage of the Khrushchev visit was not without its lighter moments. A lady in Washington called the Natl. Press Club during Khrushchev's luncheon address to ask if the TV coverage could be cancelled so that she could see her niece, who was due to be a guest on *Queen For a Day*. Also in the security-conscious Capital, NBC newsmen Robert McCormick, at the corner of New York Ave. & 14th St., stopped 4 people at random to get man-on-the-street reaction. All 4 proved to be members of the security detail.

The busy technicians of the network pool covering Khrushchev's arrival had little time to observe diplomatic niceties when signaling among themselves. One observer in the control room reported such snatches of conversation as: "Go for a closeup on Ike—Khrushchev's upstaging him with the hat bit," and "Watch those high-angle baldy shots—they're both beginning to look like 'Mr. Clean.'"

In N.Y., WNEW-TV and in Washington, WTTG managed their own version of a welcoming gesture to the visiting Soviet official by scheduling for the weekend the first Soviet feature film, "The Forty-First" (a story about a Soviet lady sniper who shoots her White Russian lover after a castaway romance on an island). The picture (now with English sound) won the 1957 Cannes Film Festival.

* * *

RCA's Gen. David Sarnoff represented the communications industry at an historic 90-min. get-together of Khrushchev & 28 leading U.S. industrialists, financiers and educators in N.Y. last week. The reception was arranged by former Gov. W. Averell Harriman at his home to bring the Soviet leader into contact with representatives of what he describes as America's "ruling class." Gen. Sarnoff told us he had a lengthy discussion with Khrushchev but felt he was not at liberty to disclose details. Among the guests: Intnatl. GE Corp. pres. W. Rogers Herod, General Dynamics chmn. Frank Pace.

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Warner Bros. will have built-in cross-plugs on its private-eye mysteries this fall, we're told by ABC-TV. Scripts will include short scenes in which detective heroes of 77 *Sunset Strip*, *Bourbon Street Beat* and *Hawaiian Eye* telephone each other long-distance occasionally, to compare notes or seek out-of-town information. Same technique, unfortunately, can't be used for the (pre-Don Ameche) WB-ABC Westerns.

Emmy Awards will be streamlined for the 1959-60 season, Natl. Academy of TV Arts & Sciences pres. Walter Cronkite stated last week. Out will go the old (and frequently overlapping) 42 TV award categories, to be replaced by a new list of only 21. The new award groupings were endorsed by Academy officials at a recent Chicago meeting and are designed to recognize program achievement in basic fields, and talent performances in a much-reduced list of categories.

Film & Tape

TAPE'S SPECIAL PROBLEMS: For the first time, Hollywood film vaults are beginning to be filled, not with TV or movie film, but with tape. Reason: the record number of taped-in-advance specials to be shown this season. And TV executives are now confronted with a new set of problems—mostly not anticipated when their deals were made.

For one thing, there is the matter of interim financing. This has never been a problem on live TV, for which the sponsor gives the production company a weekly check. Nor is it a problem in TV film series, for which interim financing can be arranged with a bank while films are being made before the season begins, and until the sponsor's money comes in. But banks are unlikely to be interested in such short-term financing as, for instance, the taping of a special in Oct. to be shown in Dec. Who, then, is to put up the money? In at least one situation we know of, the producer persuaded the ad agency to pay an advance on production costs although agency & sponsor were not obliged to do this. It's a new & unique problem, with no pattern of financing evolving as yet.

The same is true for insuring a taped special. The question has arisen: who should insure a taped program worth perhaps \$350,000—the sponsor or producer? Again, no standard solution has been reached, and an answer must be found in each individual situation.

Another question is storage. There is not merely the question of how long a tape can be held in storage without damage. One producer checked NBC to see where it was storing the only 2 tapes in existence of a special he had made—which has yet to be telecast. He learned that both tapes were stored in the same vault. When he tactfully pointed out that if a fire or like disaster should hit that vault, both tapes would be gone, the network promptly stored them in separate vaults.

Also factors are the morals & strike clauses found in every contract. What would happen to a taped special should the network encounter a strike? Or if the star should become involved in a morals charge in the period between making the special & exhibiting it? The problems of storage, strikes and morals clauses are of course also encountered by film series—but never to the extent of extreme concentration of investment in a single unit of property such as a taped special. Human error—a mistake by a technician, for instance—could erase such valuable tapes and \$300,000 would disappear along with the show. As for the morals clause, if the star of a film in an anthology series became involved in a career-destroying situation, the sponsor could always withdraw the film, with a loss of \$30-50,000 at most. If a series star got in a jam, it would be more serious, but he could be replaced. If the star of a top special became involved in an unsavory situation, he would jeopardize the entire investment.

Executives we've talked to raise these points—and admit they don't know the answers. They are slowly, cautiously groping for solutions—answers that will have to be discovered by trial & error.

NTA began a weekend airlift of 30 executives & families as well as home-office files & equipment after the close of business on Fri. (Sept. 18) from N.Y. to Los Angeles in 2 chartered airliners. The same executives are due to start work this week (Sept. 21) in NTA's new HQ in the Natl. Theatres & TV Bldg. in Beverly Hills.

HOLLYWOOD READING REPLACEMENTS: With the new TV season moving into high gear, Hollywood production companies are accelerating their pace (Vol. 15:31) to prepare a record number of new vehicles for presentation to agencies & sponsors at year's end.

Most of the production executives we talked to last week expected more Dec.-Jan. casualties than ever before—and they are backing up their judgment with considerable new-show activity. A couple of months ago they were content to rely on unsold pilots for year-end casualty-replacement needs; now they feel it necessary to add new film.

Significantly, among those anticipating a number of 13-wk. casualties is NBC. Last week the network gave producer Jack Chertok the green light to produce a pilot for *Port of Entry*, a series about the U.S. Immigration Service. NBC had previously asked Chertok to prepare a 60-min. pilot of a Western series, *Mace Hunter*, but now has advised him to cut it to a half-hour show. Network thinking here is that it will be easier to sell a half-hour show than a 60-min. series in Jan.

NBC has also told producer Louis Edelman to go ahead with production of 10 more episodes of *The Barbara Stanwyck Theatre*. Three had been produced last spring, and when the series had not been sold, the network temporarily shelved it. Now it hopes to land a year-end sponsor.

NBC has also given an okay to producer Walter Mirisch to turn out the pilot of *The Iron Horseman*, a half-hour Western. This all amounts to an unprecedented rate of new activity for NBC at this time of the year.

Even the network's telefilm subsidiary, Cal. Natl., is stepping up plans for what's to be offered in a couple of months. Its pilot, *Pony Express*, is now galloping into full production, and heading for a Jan. sale.

At MGM-TV, which had a disastrous pilot season last spring (7 made, 0 sold), there is much preparation for new vehicles to be offered in Dec. Among those being considered are a mystery (possibly 60-min.); a Western (*Paradise Kid*); *Dr. Kildare*, based on the movie series; *Steven 7*.

At 20th-Fox TV, production chief Martin Manulis has just finished a pilot for *Mr. Belvedere*—a series now being discussed with NBC—and other pilots anticipated for the short-season are *The Peggy Lee Show*, *Formula for Adventure* (science-fact), and *Arsenal Stone* (Western). Other finished pilots: *Helimarines*; *Whodunit*, optioned by NBC, and *New Frontier*, optioned by CBS.

Producer-director Jack Webb has 2 unsold pilots available, *The Black Cat* & *Johnny Guitar*, the latter a co-production with Revue. As for Revue, it has pilots of *Roadblock* and *The Miss & the Missile*, and is working on a number of projects, both for year-end & next spring sales.

Four Star, the No. 2 independent (Revue is No. 1), hasn't yet crystallized its plans for the year-end push, although some of its unsold pilots will be offered. Pres. Dick Powell tells us he won't decide on pilots for two 60-min. series, *Michael Shane & Stagecoach West*, until he sees how the 60-min. shows fare this fall.

In addition to its unsold pilots left over from last spring, Screen Gems is considering offering *Stakeout*, produced originally for syndication, for a year-end sale. And Desilu Productions is also planning some new product in addition to its unsold pilots.

NBC-TV's latest network sales dept. inside joke on a program sale scored last week (see Network Sales Activity). One NBC salesman asks another, "If Helene Curtis has bought six-thirds of 5 *Fingers*, how many fingers does Helene have?"

TAPE & FILM ALTAR BOUND: "Film is still attracting the bulk of the commercial business," we are told by Nathan Zucker, pres. of Dynamic Films and of the Film Producers Assn. "We're not trying to keep networks out of the tape-commercial field—but we'll fight an attempt to use tape as a 'loss leader' for other TV business." Faced with this stepped-up, relatively new rivalry from networks in the commercial field, FPA plans an extensive fall program to promote itself, and to help members make the transition from film-only to combined film-&-tape operations.

Zucker was discussing fall plans of the 12-yr.-old, 54-member FPA as they relate to tape/film developments. He pegs the annual volume in commercials of the FPA's 33 film-producer members at approximately \$35 million "or about 80% of eastern U.S. commercial production." The 21 associate members, primarily film industry suppliers, handle "nearly all" the lab, optical work, etc., in N.Y.

"Film-commercial volume is still growing, but tape is beginning to take a noticeable share of an expanding market," Zucker said. (For other news of tape commercial growth, see story & chart pp. xx and xx.)

FPA will expand its membership in a new drive, we were told. Primary targets will be the independent TV-film producers, who lack a N.Y. organization, and commercial animation houses, who are eligible for FPA membership but are lightly represented. Independent theatrical-film producers will also be approached. FPA also plans to assemble a "fact book" directory for annual publication which will give agency men a rundown on eastern film producers, laboratories, facilities, fire codes, police regulations, basic union scales, other useful data.

Advertisers & agencies will also be pinpointed in FPA's fall promotional plans. A series of seminars for agency men & members of the Assn. of Natl. Advertisers are planned, says Zucker, as well as a Speaker's Bureau to furnish film men for public appearances, an Information Bureau to answer trade questions & advise members, and the production of "a film about the flexibility of film."

"We're getting wonderful cooperation from IATSE officials," Zucker told us, referring to the film-&-stage union primarily threatened by the NABET-IBEW entry into the commercial field via network-produced tape commercials. "We have a common interest. They want to have film technicians trained in the use of tape equipment. We want to help our producers to get into tape. So we are evolving joint long-range training programs, and we are happy that union leadership has recognized our problem."

U.S.-Soviet TV-film swap has been arranged by Natl. Telefilm Associates and Sovexport films, official Russian distribution organization. The first-of-its-kind deal, which also covers exchange of theatrical movies, was arranged by NTA pres. Oliver A. Unger and NTA Intnatl. v.p. Vernon Burns in Moscow with Alex N. Davydov, pres. of Sovexport Films, and A. G. Makarova, acting head of the Sovexport American & English depts. A Sovexport letter of intent covering the exchange calls for terms to be "individually negotiated" on each property. No official announcement of what TV product would be exchanged initially was made by NTA, but it is understood that 6 American films are being negotiated for (including "High Noon," "Cyrano de Bergerac" and "Gulliver's Travels") as well as Russian features & cartoons. All dubbing for both Russian & American products will be handled in the Soviet Union Unger said—"the art of dubbing is extremely perfected there."

UA Anti-Trust Suit: After nearly 2 years of spadework, the Justice Dept. last week filed a civil anti-trust action in N.Y. Federal Court against United Artists—a suit similar to the still-pending action brought against Columbia Pictures' offshoot, Screen Gems. The charge: UA has created a "lessening of competition" by cornering TV-distribution rights to the feature backlogs of Warner Bros., RKO Pictures, and UA itself. No trial date has been set.

Queried for comment, United Artists Associated (UA subsidiary that handles TV feature distribution) in N.Y. told us they weren't worried by the Justice Dept. action, and that they intended to pursue all existing sales plans, which include promotion & sales of a new juvenile-slanted comedy package & preparation of a new feature-film package for fall release.

Currently, UAA is distributing some 1,500 sound-on-film features from the combined libraries, WB "Merrie Melody" and "Popeye cartoons," comedy shorts and other TV film-fare. The WB backlog, one of TV's biggest (800 sound features, 200 silents, cartoons, shorts, etc.) came under UA jurisdiction last fall when UA won out over National Telefilm Associates in a hotly contested race for control of Eliot Hyman's Associated Artists Productions, then distributing the pre-1948 WB films. Nearly all of UA's own product handled by UAA ("African Queen," "Moulin Rouge," etc.) was made by independent producers after 1948. The RKO backlog, no stranger to TV, was acquired by UAA in April 1959 from C&C Films Inc. for subsequent runs.

The earlier Justice Dept. action against Screen Gems—filed in April 1958 after SG acquired distribution rights to the Universal-International backlog in addition to that of its Columbia Pictures parent—is expected to come to trial this fall.

Syndicators & NAB's Code: After over 2 months on the job as asst. dir. of code affairs for NAB, Frank Morris has only praise for the telefilm producers of Hollywood whose film & scripts he's been watching. Morris, who was placed in charge of NAB's first telefilm-code coast office July 6 (Vol. 15:28), told us he hasn't found a single violation.

The ex-CBS censor, who emphasized that adherence to the code is strictly voluntary, has confined himself to syndicated films, inasmuch as the network continuity acceptance depts., of course, keep a close eye on the film they telecast. Consequently, Morris has been viewing rough cuts & scripts of films produced by ITC, Gross-Krasne, Revue, Desliu, Ziv and Screen Gems. Said he: "It meant letting one more man in to see their films & read their scripts. They could do without that, but they've all shown good faith," he tells us.

Morris has suggested prop changes in instances when sales of the film might have been hindered by product conflict (such as showing a certain make of car in a series that might be salable to a sponsor selling a different car). This is in no way a NAB code violation, but a service the producers have found useful. Studios also check with Morris on interpretations of various provisions of the code, and says he, "We have had some lively discussions, but the producers do understand our position—and do cooperate."

NTA Pictures Inc. will turn over its theatrical distribution activities "probably to a newly formed independent company" on Oct. 1, NTA pres. Oliver Unger said last week. Reason: National Theatres & TV Inc., parent company of NTA Pictures, would contravene the consent decree of the movie industry if it remained in theatrical distribution. NTA will still control the TV distribution rights to pictures acquired for both theatrical & TV issue.

NEW YORK ROUNDUP

United Artists TV expects to launch its 2nd syndication telefilm series early this fall in regional & station sales. The 2 strongest program contenders are *Miami Undercover*, a hardboiled crime series featuring Rocky Graziano, and *Hudson's Bay*, and an outdoor costumed adventure series with Barry Nelson & George Tobias, we're told by a UA sales official. *Tales of the Vikings*, a 30-min. series produced by Kirk Douglas' Bryna Productions, launched in syndication earlier this season, has scored a number of major regional & station-group deals.

Art Theatre of the Air Inc. hopes to put station & agency film buyers in a continental buying mood by serving a brioches-et-chocolat *petit déjeuner* at daily screenings of a TV package of 52 foreign feature films at N.Y.'s Fine Arts Theatre. Screening titles, a new film each day, will be announced in advance of the initial screening date (Oct. 5) in trade-paper ads.

Ralph Edwards Productions' *About Faces*, audience-participation-guest-star program in which contestants identify faces from the past, has been acquired by ABC-TV for its daytime schedule. *Ex-Dragnet* regular Ben Alexander will m.c.; time & date are not set. Edwards' long-run *Truth or Consequences* daytime series on NBC-TV is due to be dropped this fall.

Tom Donovan has been signed to direct "The Killers," Hemingway adaptation set for CBS-TV's *Buick Electra Playhouse* Nov. 19 . . . Elmer Bernstein, music dir. for *GE Theatre*, *Riverboat*, *Staccato*, also will arrange & conduct score for *Race for Space*, David Wolper-produced 90-min. special . . . Fred Coe will produce at least 6 *Playhouse 90* dramas next season.

Ingrid Bergman, due to star in a drama special on the Ford series on NBC this fall, commenting in N.Y. last week on pre-taped TV: "I think it's wonderful. You're not working blind, as you are in pictures where you shoot it 25 times because you're not sure if it's right. Now, you can see it right away and it doesn't take 3 months to put it together." Any truth to reports that she might tape a 90-min. Anna Karenina in Paris? "I've discussed it, and I'd like to do the Anna role," she told us, "but people remember the Garbo version—and Garbo did it so well."

The Kingston Trio will sing for 7-Up in a 1-year TV-spot deal involving 15 60-sec. filmed spots and 60- & 90-sec. taped radio announcements. Ironically the trio was originally scheduled to appear on NBC-TV's "America Pauses for Sept." sponsored by Coca Cola, whose current commercials feature another pop music group, the McGuire sisters.

Archibald MacLeish's "The Secret of Freedom," specially-written 60-min. drama for NBC-TV's *Project 20*, is scheduled for pre-production publication in the Oct. *Esquire*. Telecast date is April 30, 1960, 8-9 p.m.

Peter De Met Productions, Chicago will tape 26 regularly scheduled football games during the coming season for programming next spring and summer. The plan is similar to De Met's baseball series (Vol. 15:34). Tapes are edited to 60-min. and shown in off-season months.

MGM-TV production chief Richard Maibaum & Paul Monash of his creative staff were in N.Y. last week conferring with TV v.p. George Shupert on new projects.

HOLLYWOOD ROUNDUP

TV film's need for a central clearing-house for titles, is seen again in Screen Gems producer Herbert Leonard announcing a series, *The Searchers*, after Cal. studios & producer Bernard Girard had previously announced that Neville Brand would star in a series by that name. When we asked the Girard office whether they planned to change the title of their series, the reply was, "No. We announced our series first, and we'll put it in production first." All that mattered, it was added, would be which series sold first. Meanwhile, Cal. Studios also announced deals for pilots of *Man of the House*, *Gentleman Joe* and *Trinity 4-3000*, all to be produced by Robert Angus.

Ronald Reagan, Screen Actors Guild pres. from 1947-1952, has been nominated for SAG's presidency, to succeed Howard Keel. Keel declined renomination because he will be away from Hollywood, starring in the musical, "Saratoga," on Broadway. Other SAG nominations: Keel, first v.p.; Dana Andrews, 2nd v.p.; Rosemary DeCamp, 3rd v.p.; Robert Keith, recording secy.; George Chandler, treas.

"The Troubleshooters," United Artists TV series starring Keenan Wynn, resumed production last week on location at El Monte, Cal. . . . *Grand Jury*, NTA series starring Lyle Bettger & Harold Stone, went into production at Desilu Gower studios last week.

Liberty records has bought Gene Autry-owned Flying A Productions' buildings & land (including a 4,000-foot studio) in Hollywood for "more than \$250,000." Liberty, which said it needs the space & site for expansion, plans to spend over \$200,000 for renovation. Flying A, which produced the Autry series, and *Buffalo Bill Jr.*, and *Annie Oakley*, among others, has been dormant in TV production.

Producer-writer Douglas Morrow & Cal. Studios will turn out 3 pilots in a co-production deal signed over the weekend. California's Philip N. Krasne and Morrow will turn out films of *Kitty Hawk* to be piloted in London Nov. 1, with Kathleen Crowley & Herbert Marshall starring; *It Happened in Sun Valley*, not cast; *Mother's the Governor of Texas*, starring Constance Bennett. "Texas" was originally to have been made at Screen Gems, but that deal fell through.

Flying Eagle Publications has challenged Screen Gems' right to use the title *Manhunt* for a telefilm series. FEP, which has been publishing *Manhunt* magazine since 1953, claims it has intended to use the title on a TV series of its own, plans a restraint action in N.Y. Supreme Court.

There is one *Richard Diamond, Private Detective* telefilm which has never been shown. It's a story about a snake. After viewing the film, Four Star decided the public didn't want to see snakes on their TV screens, so the film was shelved.

Revue Productions has assigned producer Richard Irving to develop new projects. He is also producing (his 3rd Revue series) 39 episodes of the *Coronado 9* syndication series, starring Rod Cameron. Background footage for the San Diego-based private-eye series was shot there recently.

Screen Gems will syndicate this fall a new 3-part cartoon series featuring *Quick Draw McGraw* (billed as "the 98th Western on TV, guaranteed to be like all the others,") *Snooper & Blabber* ("original mystery series") and *Augie Doggie* ("a situation comedy").

BACKGROUND

No. 4

N.Y. TAPE-COMMERCIAL PRODUCERS—September 1959

FIRM NAME	STUDIO & DIMENSIONS	BASIC EQUIP'M'T & MANPOWER	TAPE CLIENTS & AGENCIES	COMPANY BACKGROUND
<p>ABC-TV Network 7 W. 66th St. New York 23, N.Y. SU 7-5000 Tom DeVito, mgr., program services. <i>Estimated 1959 tape-commercial billings: \$500,000.</i></p>	<p>7 W. 66th St.—TV 1—62' x 86' and TV 2—58' x 85' (Can be one complete studio with total sq. footage of 9,678.) Also TV A—79 sq. ft., TV B1—350 sq. ft., TV B2—144 sq. ft., TV B3—288 sq. ft., 1 W. 67th St.—TV 11—1,400 sq. ft., 240 W. 44th St.—2,351 sq. ft., 219 W. 48th St.—2,328 sq. ft., 202 W. 58th St.—1,690 sq. ft.</p>	<p>5 Ampex VTRs, use of complete ABC-TV camera & technical facilities, no mobile unit. Use of N.Y. ABC-TV personnel as needed <i>Unionization: NABET</i></p>	<p>Campbell Soup (BBDO); Reynolds Metals (Clinton Frank); Sylvania (JWT, now Kudner); Minn. Mining & Mfg. (MacManus, John & Adams); P&G for Lilt (Grey); Oldsmobile (D.P. Brother); Chevrolet (Cambell-Ewald)</p>	<p>Last of the 3 networks to become active in tape commercial field (March '58), ABC-TV created this tape operation early in 1959. There's no color at present. New business is coming in and expansion is planned. At present, ABC is concentrating on production of tape commercials for ABC-TV clients, although clients are free to re-use them on other networks.</p>
<p>CBS-TV Production Sales Div. 524 W. 57th St. New York 19, N.Y. JU 6-6000 Edward L. Saxe, v.p. CBS-TV operations. William B. Lodge, v.p. engineering admin. <i>Estimated 1959 tape-commercial billings: \$1 million.</i></p>	<p>111 E. 58th St. 4 studios, all approx. the same size: 40' x 50', 254 W. 54th St.—52' x 45' x 50', 261 W. 47th St.—33' x 42', 246 W. 47th St.—59' x 25', 49' x 145' 1st Ave.—81' x 86', 1697 Broadway—66' x 56', 2250 Broadway—65' x 70', 15 Vandeventer Ave.—71' x 60' x 44' x 42—45' x 16'.</p>	<p>14 Ampex VTRs, 1 mobile unit, use of CBS-TV cameras & technical facilities. Use of N.Y. CBS-TV personnel as needed <i>Unionization: IBEW, IATSE</i></p>	<p>Revlon (Various agencies); Kent (Lennon & Newell)</p>	<p>Formed in 1957 as part of the network's production dept. and began shooting tape commercials that fall. Active in promoting use of taped commercials in daytime TV. No push on color TV, but stresses "CBS creative touch" in use of production techniques, trick scenery, etc. Tape operations don't have autonomy of NBC's but have become one of leading production shops.</p>
<p>Elliot, Unger & Elliot (div. of Screen Gems Inc.) 711 Fifth Ave. New York 19, N.Y. JU 6-5582 William Unger, exec. in charge of video-tape commercials Nat D. Eisenberg, mgr. of video-tape operations Alfred Mendelsohn, gen. sales mgr. <i>Estimated 1959 tape-commercial billings: \$250,000.</i></p>	<p>210 E. 5th St. (60' x 80')</p>	<p>2 Ampex VTRs, 3 RCA camera chains, 35 mm. & 16 mm. kinescope equipment, effects amplifier. <i>Creative: 5 Technical: 5 Unionization: IATSE</i></p>	<p>Eversharp-Schick (Compton); Du Pont (BBDO); P&G for Drone (Compton); for Whirl (Benton & Bowles); Naisuco (Kenyon & Eckhardt); Toni (North); Nucoa (Footle, Cone & Belding)</p>	<p>Formed as a film-commercial production company in 1947; acquired first tape equipment in April 1958. Affiliated with Screen Gems 1959. Business primarily is in film, but tape now amounting to 15% of total volume with expected boost to 20%-30% in 1960. Company noted for "high fashion" technique.</p>
<p>Filmways Inc. 8 E. 50th St. New York 22, N.Y. PL 1-2500 Martin Ransohoff, pres. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>206 E. 95th St. (50' x 70') 2475 2nd Ave. e.f. Oct. (100' x 100') (90' x 90')</p>	<p>1 Ampex VTR, 2 additional recorders ordered for new studios, 3 Pye camera chains, effects amplifier. <i>Creative: 2 Technical: Hire as needed Unionization: IATSE</i></p>	<p>P&G for Gleem (Compton); Colgate-Palmolive for Palmolive Soap, PAB, Dental Cream (Ted Bates); Lever Bros. of Canada, Ltd. for Breze (MacLaren); Carter Products for Arrid (Bates); Aeroshove (J. Walter Thompson)</p>	<p>Formed 1953 as industrial & commercial film firm; has grown to be one of 3 largest commercial-tape producers. Entered experimental-tape production in fall of 1958, expanded facilities in 1959. Maintains a "share facilities" deal with Warner Bros., is now active in TV film programming.</p>
<p>Intercontinental TV, S.A. 551 Fifth Ave. New York 17, N.Y. MU 2-3404 (European HQ: Rue du Bac, Pont Royal Hugo Seiler, exec. v.p. Macolin Seccot, sales dir., U.S. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>Rent when needed</p>	<p>2 Ampex VTRs, both in mobile units, 3 RCA camera chains, 3 more on order, effects amplifier. <i>Creative: 4 Technical: 7 American, 4 French, 2 Swiss Unionization: U.S. personnel are NABET (on leave); French & Swiss TV unions</i></p>	<p>Pontiac (MacManus, John & Adams); Liggett & Myers for Oasis (McCann-Erickson); Simca (Meltzer); Pharmaceutics Inc. (Parkson); Warner-Lambert; (Lambert & Feasley)</p>	<p>Formed early in 1959, began operations in April 1959. Basic plan was to provide offices in N.Y. (for agency consultation, new business) and production facilities (meeting U.S. TV standards in Europe) for "authentic" location shooting. Primarily in business of taping programs, shoots commercials to order in Europe.</p>

<p>Metrotape (WNEW-TV N.Y.) 205 E. 67th St. New York 21, N.Y. LE 5-1000 Lewis Hicks, operations mgr. <i>Estimated 1959 tape-commercial billings: \$150,000.</i></p>	<p>205 E. 67th St. 2 studios, both (71' x 42')</p>	<p>2 Ampex VTRs, 6 camera chains, no color. Use WNEW-TV creative & technical personnel as needed</p>	<p>Presently producing tape commercials only for use on WNEW-TV, but plans to broaden service before end of year with outside tape assignments.</p>	<p>Formed in 1958 as an offshoot of Metropolitan Bestg., primarily to handle tape-commercial production for WNEW-TV N.Y. Recent expansion of facilities & continued demand have caused Metropolitan to plan active pursuit of outside tape business for network & spot use. Costs are held to highly competitive level.</p>
<p>National Video Tape Production Inc. & Sports Network Inc. 86 W. 44th St. New York 36, N.Y. MU 2-0117 Richard E. Bailey, pres. Anthony M. Hennig, v.p., video tape & closed circuits. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>None, mobile equipment only.</p>	<p>2 mobile video tape cruisers with Ampex VTRs, 3 3-&4-camera mobile units. <i>Creative: 3 Technical: 8 Unionization: IBEW</i></p>	<p>Shell Oil (JWT); CBS for Coca Cola; Theatre Network TV for Sylvia, Ford Motors & Monsanto Chemical</p>	<p>Formed in 1955 as Sports Network, expanded to tape commercials early 1959. Mainly a production facility, renting tape mobile units by the day at base rate of \$600. Produces no film commercials. Sports Network program operations set up regional network facilities for sporting events using AT&T transmission facilities.</p>
<p>NBC Telesales 30 Rockefeller Plaza New York 20, N.Y. CI 7-8300 James G. Hergen, dir. of telesales <i>Estimated 1959 tape-commercial billings: \$1.2 million.</i></p>	<p>30 Rockefeller Plaza (40' x 160') 67th & Columbus Ave. (A—3,180 sq. ft.) (B—3,000 sq. ft.) (C—3,000 sq. ft.) Ziegfeld Theater (3,033 sq. ft.) Colonial Theater (2,850 sq. ft.) Ave. M & East 14th St. Brooklyn, N.Y. (70' x 164') (80' x 144')</p>	<p>14 Ampex VTRs, 2 RCA VTRs (14 equipped for color), other NBC-TV live facilities, tape & camera mobile unit; similar color-equipped mobile unit planned for Jan, 1960. <i>Creative: 9 Technical: Use NBC-TV crews as needed Unionization: NABET, primarily; some IATSE</i></p>	<p>Toni (North); Liegett & Myers (Dancer-Fitzgerald-Sample); P. Lorillard for Newport (Lennen & Newell); Oldsmobile (D.P. Broth-er); Nabisco (McCann-Erickson); Spreid (Norman, Craig & Kum-mel); RCA (Kenyon & Eckhardt); Texaco (Cunningham & Walsh); Studebaker-Lark (D'Arcy); Du Pont (BBDO); Dove Soap (Ogilvy, Ben-son & Mather)</p>	<p>Formed as service branch of sales dept. in 1958, began taping in Sept. 1958, achieved present semi-auton-omous status in mid-1959. Active in promoting agency use of tape in TV commercials. Also produces closed-circuit telecasts & kinescopes.</p>
<p>NTA Telestudios Ltd. 1481 Broadway New York 36, N.Y. LO 3-1122 George K. Gould, pres. Al Markim, v.p. sales <i>Estimated 1959 tape-commercial billings: \$1 million.</i></p>	<p>1481 Broadway (48' x 72') auxiliary studio in same bldg.</p>	<p>5 Ampex VTRs, mobile facilities planned, 3 RCA cameras. <i>Creative: 10 Technical: 15 Unionization: IBEW & IATSE</i></p>	<p>Kellogg (Burnett); Sealtest (N.W. Ayer); Instant Maxwell House (Benton & Bowles); Johnson's Wax (B&B); Buitoni (Albert Frank-Quenther Law); Gen. Mills, various products & agencies</p>	<p>Formed in late 1956 as subsidiary of National Telefilm Associates, began taping commercials in 1957. Active independent and one of pioneers in field. Also makes duplicate tape copies to order.</p>
<p>Termini Videotape Services Inc. 1440 Broadway New York 18, N.Y. PE 6-6323 Anthony A. Termini, pres. <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>Use of WOR-TV N.Y. facilities, 1440 Broadway, N.Y. (35' x 44')</p>	<p>2 Ampex VTRs, mobile unit with RCA cameras, control facilities, effects amplifier. No permanent staff, personnel hired by job</p>	<p>Edsel (Kenyon & Eckhardt); Vic Tanny (direct)</p>	<p>Formed 1945 to provide film editorial services to producers; moved into tape field in '58. Originally a studio operation, firm added mobile equip-ment in June 1959. Maintains flex-ibility with small staff, pool of N.Y. technicians on which to draw.</p>
<p>Videotape Productions of N.Y. Inc. 205 W. 58th St. New York 19, N.Y. J 2-3300 Howard S. Meighan, pres. <i>Estimated 1959 tape-commercial billings: \$1 million.</i></p>	<p>205 W. 58th St. (60' x 75')</p>	<p>4 Ampex VTRs, use of 2 tape mobile units of the Sports Network, by special agreement; 4 RCA cam-eras, effects amplifier, kinescope equipment. <i>Creative: 4 Technical: 12 Unionization: IBEW & IATSE</i></p>	<p>Nabisco (McCann-Erickson); P&G (Compton & Grey); Westinghouse (M-E); Firestone (Campbell-Ewald); Footpoint (Compton); Armstrong York (Ogilvy, Benson & Mather); U.S. Steel (BBDO); Bell & Howell (M-E); Iyrex Inc. (M-E)</p>	<p>Formed in 1958, began operations in Dec. 1958. Partially financed by Ampex Corp. & Minnesota Mining. Makes no film commercials, but makes kinescopes & duplicate tapes on order. Active in pioneering the use of video tape, has invited agency groups to attend tape sessions.</p>
<p>WPIX Inc. 220 E. 42 St. New York 16, N.Y. MU 2-6500 L. J. Pope, v.p. in chg. of operations <i>Estimated 1959 tape-commercial billings: \$100,000.</i></p>	<p>220 E. 42 St. (50' x 50')</p>	<p>2 Ampex VTRs, 4 studio & 9 re-mote cameras, all RCA, no color. <i>Creative: 12 Technical: entire WPIX staff as needed Unionization: IBEW, IATSE</i></p>	<p>P. Ballantine & Son, R. J. Reynolds (both Wm. Esty); Ideal Toy (Grey)</p>	<p>Entered field of commercial tape production in Oct. 1958, has been ac-tive in production of taped com-mercials since, primarily for use on station, but now broadening produc-tion scope to include outside assign-ments & commercials for use on other outlets.</p>

Networks

MBS Case Postponed: Motion to reorganize Mutual Bcstg. System under the bankruptcy act has been postponed until Oct. 6 by U.S. Referee Asa Herzog. Postponement was agreed upon on Sept. 18 by counsel for Mutual and for N.Y.C., which is pressing a claim against Mutual regarding the city's business tax. The Dominican Republic & its legal counsel were enjoined from continuing Mutual in a civil suit in Washington by Referee Herzog who transferred the matter to the Federal Bankruptcy Court in N.Y. Trial date to determine if the D.R. has a valid claim against Mutual was set by Herzog for Oct. 22. The claim is for \$750,000, a sum allegedly paid to ex-MBS official A. L. Guterma, who assertedly entered into a contract to use Mutual for propaganda purposes. Herzog granted the D.R. until Oct. 22 to produce any contract that may have been formulated by Mutual officials. Counsel for the D.R. told the court "Mutual is not specifically mentioned" in the contract and said that Guterma had signed "as president of the Radio News Service Corp." However, the action "was predicated on statements by Guterma that he was also pres. of the Mutual network."

* * *

Alleged plan to use Mutual Bcstg. System as a propaganda outlet for the Dominican Republic (Vol. 15:36, 37) was unearthed by pres. Robert F. Hurleigh while on a routine news assignment in that country, he said last week at a luncheon forum of the Poor Richard Club in Philadelphia. Hurleigh said he immediately returned to N.Y. to inform the network's new owners. The result was the indictment of the network's ex-pres. Alexander Guterma, ex-chmn. Hal Roach Jr., and ex-dir. Garland L. Culpepper Jr.

NBC has turned over its stock in Broadcast Music Inc. to BMI for \$21,320, the price at which the stock was originally issued. "This sale of stock in no way affects our relationship with BMI," an NBC spokesman said Sept. 18. The network will remain a licensee of BMI.

Alan Livingston's NBC contract as West Coast program v.p. is being renewed with a "substantial increase," effective Nov. 1, he told us last week. The new long-term pact will be submitted to the bd. of directors in Oct., and is expected to be approved without change. Livingston joined NBC's Cal. Natl. as pres. 4 years ago, and 6 months later was named to his present position.

Denied are those reports that Robert F. Lewine, NBC's TV network programs v.p., is switching networks to head up CBS Films Inc. Merle Jones, who doubles as pres. of CBS TV stations div. and the film unit, told us last week that the rumor, to his knowledge, is without foundation.

Record-making Canadian TV entertainment package (\$2.5 million) was signed last week by Ford Motor Co. of Canada Ltd. and CBC. The package embraces a 39-week series of 90-min. & 60-min. spectaculars originating both in Canada & the U.S.; various U.S. TV programs, *The Deputy*, the *Tennessee Ernie Ford Show*, others.

Now it's Shakespeare who's involved in the latest conflict in scheduled specials. John Houseman, ex-producer of *The 7 Lively Arts*, has scheduled a CBS-TV pre-taped version of "A Midsummer Night's Dream" for mid-winter airing on "Playhouse 90." At NBC-TV, exec. producer Hubbell Robinson has scheduled an adaption of Shakespeare's fantasy (starring Charles Laughton and due to be taped in England) as one of the dramatic specials in the Ford-sponsored series for early 1960. With the bumper crop of specials due this fall, there have been several such conflicts in recent weeks (Vol. 15:30).

MGA's Anti-Trust Suit: Musicians Guild of America filed an \$11-million anti-trust suit last week in Los Angeles against the American Fed. of Musicians (Local 47), NBC, CBS, ABC, MCA, RCA, Revue Productions, Desilu Productions, Capitol Records and several other unspecified companies & individuals. Complaint alleged the companies are blacklisting, boycotting and otherwise interfering with employment of MGA members. Suit alleges also that the defendants are violating the Sherman anti-trust act by "unlawfully contracting, conspiring and combining to monopolize & restrain the performance of services by professional musicians throughout the U.S. and in foreign commerce." The suit asks a preliminary & permanent injunction to restrain & enjoin the defendants from "agreeing, combining, conspiring or contracting with each other or with any person or corporation from interfering or threatening to interfere with the employment of any of the plaintiffs, and with their joining & supporting MGA." AFM pres. Herman Kenin promptly termed the suit "a publicity stunt financed by an organization that is dying on the vine because it has failed to do anything other than disrupt, disappoint and mislead."

No further ABC investments were made in Australia, Japan, or other far eastern points as a result of the recent Goldenson & Treyz trip to those areas. But both executives, who returned Sept. 11 after 5 weeks abroad (Vol. 15:37), said last week that they were interested in co-production film program agreements in Japan and station investment in Australia. A possibility for ABC investment may be a third commercial channel in Sydney or Melbourne which, as pres. Goldenson indicated, could be supported in those areas. At present AB-PT has a minority interest in The News Ltd. of Australia, owners of a new TV outlet in Adelaide (Vol. 15:31).

New agency for ABC-TV is Doyle Dane Bernbach, named for its "refreshing & satisfying" slick copy approach, Dean Linger, ABC-TV adv. & prom. dir., announced. Linger talked to 30 agencies in a 2-week period before choosing DDB as BBDO's successor. The switch is effective when pending production assigned to BBDO is completed.

NETWORK SALES ACTIVITY

ABC-TV

The Untouchables, Fri., 9:30-10:30 p.m. participations.
Procter & Gamble (B&B), Du Pont (BBDO)

NBC-TV

Sunday Showcase premiere presentation of "People Kill People Sometimes" Sept. 20, 8-9 p.m. 6 1/3 segments of *Five Fingers*.
Helene Curtis (McCann-Erickson)

Eastern Regional football games, order is for 3 games on Oct. 10 & 31 and Nov. 14.
Phillies Cigars (Wermen & Schorr)

The Greatest Show on Water, special 30-min. film program featuring champion water skiers, preceding World Series coverage Oct. 4.
Johnson Motors Corp. (J. Walter Thompson)

Ryder Cup competition between U. S. and British professional golfers, Nov. 7, 6:30-7:30 p.m.
Chrysler Corp. for the Valiant car (BBDO)

Macy's Thanksgiving Day parade, 11 a.m.-noon.
Ideal Toy Corp. and Lionel Toy Corp. (Grey)

Richard Diamond, Mon., 7:30-8 p.m., co-sponsorship.
Block Drug (Sullivan, Stauffer, Colwell & Bayles), and Pharma-Craft (JWT)

Stations

SPOT STILL CLIMBING: Spot TV spending edged up again in the second quarter of 1959, advancing from the first-quarter level of \$156.4 to a new ceiling of \$158.9, reported TvB pres. Norman E. Cash last week. The report was based on a 347-station checkup compiled by TvB and N. C. Rorabaugh. It represented a total dollar gain of 22% over the comparative period of 1958.

Daytime spending proved to be spot TV's boom town, with expenditures totalling nearly \$59.2 million in the Apr.-May-June period as against \$44.5 million in the 1958 quarter. Nighttime spot advanced from a 1958 period level of \$73.2 to \$80.4 million (the smaller gain reflecting the tighter situation on availabilities at night). Late-night buying also hopped upward, moving from \$12.6 million to \$19.2 million for the period.

Three-fourths of the spot activity in the 1959 quarter was in the form of announcements (total: \$120.6 million), and the heaviest dollar-volume spending by a single advertiser classification was registered by food & grocery product TV spot. A particularly active category—giving something of a preview of heavy activity that's due to break this fall with the launching of Detroit's regular & compact-sized cars—was the automotive group. By TvB's count, auto spending in the second quarter of 1959 "more than quadrupled over the like period of 1958," moving from a national-regional level of \$917,000 to more than \$4 million.

Some new faces (see chart, this page) showed up in the ranks of the top 100 spot TV spenders, including 2 auto names: American Motors, General Motors.

100 Largest TV-Spot Advertisers of 1959's 2nd 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 ..	\$11,764,800	51.	Tidewater Oil Co. ..	612,500
2.	Adell Chemical Co. ..	4,581,700	52.	B. T. Babbitt Co.	611,800
3.	Colgate-Palmolive ..	3,839,100	53.	Norwich Pharm.	601,900
4.	General Foods	3,831,700	54.	Falstaff Brewing ..	589,900
5.	Lever Brothers Co. ..	3,276,400	55.	Sun Oil Co.	585,400
6.	Continental Baking. .	2,801,000	56.	Theo. Hamm	582,200
7.	Amer. Home Prod. . .	2,348,300	57.	Pharma-Craft Co. . .	573,000
8.	Miles Lab., Inc.	2,004,300	58.	Hertz Corp.	542,100
9.	Warner-Lambert	1,990,200	59.	Amer. Motors	541,100
10.	Brown & Williams'n ..	1,889,200	60.	Helena Rubinst'n ..	530,000
11.	Borden Co.	1,739,200	61.	Standard Oil Co. . .	527,900
12.	Kellogg Company ..	1,662,600	62.	Parker Pen Co.	516,200
13.	J. A. Folger & Co. . .	1,463,300	63.	Sonny Boy Co.	507,900
14.	Inter. Latex Corp. . .	1,409,100	64.	Wm. Wrigley, Jr. . .	495,900
15.	Texize Chem., Inc. . .	1,345,800	65.	Esso Standard Oil ..	481,000
16.	Revlon, Inc.	1,323,000	66.	U.S. Rubber Co. . .	472,500
17.	Philip Morris, Inc. .	1,301,900	67.	Exquisite Form	470,900
18.	Ford Motor Co.	1,191,300	68.	U.S. Borax Co.	465,300
19.	Reynolds Tob. Co. . .	1,189,500	69.	Alberto-Culver	461,300
20.	Bristol-Myers Co. . .	1,162,800	70.	Ralston-Purina	461,100
21.	Corn Products Co. . .	1,140,900	71.	Helene Curtis Ind. . .	457,700
22.	Anheuser-Busch	1,129,400	72.	Asocd. Prods., Inc. .	455,500
23.	Carter Prod., Inc. . .	1,115,000	73.	E. F. Drew Co.	448,800
24.	P. Lorillard & Co. . .	1,107,400	74.	Stand. Oil of Ind. . .	442,400
25.	General Mills	1,098,300	75.	Amer. Chiclet Co. . .	440,600
26.	Coca-Cola Co. Btls. .	962,700	76.	Natl. Cranberry ..	439,200
27.	Avon Prod., Inc.	945,800	77.	Duffy-Mott Co.	439,100
28.	Standard Brands ..	943,900	78.	Schlitz Brewing	437,800
29.	Robert Hall	894,500	79.	Atlantic Refining ..	435,900
30.	Andrew Jergens	876,400	80.	Revere Camera	432,200
31.	Sterling Drug	859,200	81.	Chock-Full-O'Nuts. .	421,500
32.	Pepsi Cola Co.	850,500	82.	Wilson & Co.	421,300
33.	Ward Baking Co. . .	842,700	83.	M.J.B. Co.	418,700
34.	Lanolin Plus, Inc. . .	799,700	84.	Armour & Co.	418,400
35.	Amer. Tob. Co.	793,200	85.	Max Factor	416,700
36.	Welch Grape Juice. .	738,200	86.	Safeway Stores	408,800
37.	Pam Entprs., Inc. . .	729,000	87.	S. C. Johnson	393,300
38.	Food Mfgs., Inc. . .	727,500	88.	Amer. Bakeries	391,300
39.	General Motors	725,700	89.	Pacific Tel. & Tel. .	388,600
40.	National Biscuit	707,500	90.	P. Ballantine	383,500
41.	Jacob Ruppert	703,000	91.	Chrysler Corp.	381,200
42.	Drug Research	683,000	92.	Glamorene, Inc.	376,000
43.	Liggett & Myers	679,500	93.	Salada Sheriff	375,600
44.	Pabst Brewing Co. . .	679,400	94.	Bon Ami Co.	368,900
45.	Carling Brewing	670,600	95.	Dr. Pepper Co.	366,500
46.	Gillette Co.	664,200	96.	Interstate Baker's. .	358,200
47.	Purex Corp., Ltd. . .	663,100	97.	Nat'l Brewing	356,900
48.	Wesson Oil	657,100	98.	Block Drug Co.	356,300
49.	Shell Oil Co.	634,500	99.	B'ch-Nut Life Sav. .	354,600
50.	Cont. Wax Corp.	617,100	100.	Philco Corp.	354,200

FM Potpourri: To Chicago last weekend came the new Natl. Assn. of FM Bcstrs. for a 2-day session to raise funds (\$250,000) and to chart the way to promote FM as a national ad medium, to hypo sales of FM receivers, and, generally, to get the dream at long last off the ground. Or, as Concert Network pres. T. Mitchell Hastings Jr. put it: "The audience is there, now it's up to us to furnish the factual ammunition to prove FM's purchasing power to advertising professionals & to advertisers." Among ad & research men slated to address the whirlwind convention was Pulse dir. Dr. Sydney Roslow.

There's little doubt that FM is stirring with new vigor & hope. As Granco Products pres. Henry Fogel views it: "FM is waking up from its 20-year sleep." His firm kicks off a major ad campaign this week (Vol. 15:37) with the hard-sell emphasis on FM first & Granco second.

The nature of the 1959 FM market can be glimpsed in 2 recent surveys conducted by FM broadcasters. A July study of the Detroit market for radio WLDW, involving some 370 mail interviews, disclosed such facts as: 51.6% of FM radios are tied in with a hi-fi system; daily FM listening averages 5 hours, 19 min.; 74.1% listed good music as FM's prime appeal, and 21% also liked FM's commercial treatment. The respondents: 49.4% were professional, technical, semiprofessional, or skilled craftsmen; 85.6% lived in single homes; 28.4% (the largest group) earned between \$7,501 & \$10,000, and 84.1% owned their homes. A survey by WLOL-FM Minneapolis found that 65% of listeners are in scientific, professional and managerial positions, nearly half (42%) earn \$5,100-\$10,000, 59% own their homes, and 86.8% have or are working for college degrees.

Video-tape exchange of ideas will be used by Storer Bcstg. Co. this week (23-25) during the annual program meeting of the managing & program dirs. of its 5 stations: WJW-TV Cleveland, WITI-TV Milwaukee, WAGA-TV Atlanta, WSPD-TV Toledo, WJBK-TV Detroit. Each station has taped selected local programs which will be reviewed for discussion in the WJBK-TV studios. TV v.p. George B. Storer Jr. pointed out: "For years we've been trying to exchange local TV ideas & techniques, but until the advent of video tape it just couldn't be done satisfactorily. There isn't any practical way to describe a TV production. You must see it. The smallest station often has the biggest idea."

Copies of WBZ-TV Boston films of a recent Chicopee, Mass. slot machine raid, are being supplied to the U.S. Internal Revenue Service's Boston bureau for use in training special agents. The films had been made by news editor John Luttrell & cameraman Dick Smilgis accompanying federal agents on raids on 5 veterans' clubs.

News-starved Detroit was succored by CKLW-TV Windsor, Ont., during the recent newspaper strike in the Motor City. News editor Austin Grant had thousands of mimeographed bulletins prepared daily for free distribution at downtown newsstands & traffic centers. The giveaways carried general news—and plugs for the stepped-up newscasts over CKLW-TV & CKLW.

Stereo survey of 410 radio stations by Granco Corp. shows that 59% of the 237 respondents currently are broadcasting stereo, 21% will begin shortly. Technical preferences: 62% for FM/AM simulcast, 36% FM multiplex, 2% AM multiplex. Public reaction to stereo broadcasting was 24% excellent, 28% good, 48% fair.

RCA's fall TV-studio-equipment seminar, to be held in Camden, N.J. Oct. 19-22, will cover tape, color, transistorized switching, cameras and projectors.

Television Digest

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Personals: Charles T. Ayres, Eastern sales mgr., Omar Elder Jr., gen. counsel, Daniel Melnick, program development dir., named ABC-TV v.p.'s . . . Clifford W. Slaybaugh, ex-RCA, named to new post of mgr., associated companies, NBC intrnatl. operations . . . Richard D. Heffner, ex-Metropolitan Educational Television Assn., named information program services dir., CBS owned stations . . . Charles Woodard Jr. elected WBC v.p. & asst. to the pres. . . .

Robert E. Swezey, v.p.-gen. mgr., WDSU Bestg. Corp. WDSU-TV (Ch. 6) & WDSU New Orleans, resigns eff. Jan. 1, continuing as stockholder, v.p. & dir. He will be succeeded by Louis Read, v.p.-commercial mgr.

Donald Boyce promoted from commercial mgr. & regional sales mgr. to station mgr., WSEE-TV (Ch. 35) Erie, Pa.; Edward G. Zellefrew promoted from chief engineer to technical mgr. Both succeed Cecil Sansbury. (Vol. 15:35) . . . Terry H. Lee, ex-WITI-TV (Ch. 6) Milwaukee, named managing dir., WAGA-TV (Ch. 5) Atlanta (both Storer stations), succeeded as WITI-TV managing dir. by Joseph W. Evans Jr.; Lee succeeds J. Robert Kerns, resigned . . . Charles Young named natl. sales mgr., Robert Bennett local sales mgr., KTTV Los Angeles . . . Arthur A. Watson, ex-NBC senior operations analyst, named business mgr., WRCV-TV & WRCV (Ch. 3) Philadelphia.

Frederick R. Griffiths promoted from operations mgr. to program mgr., WJAR-TV (Ch. 10) Providence, R. I. . . . Wes Potter named WPSD-TV (Ch. 6) Paducah, Ky. program dir., succeeding Fitz Hooton . . . Francis W. Hunt named operations mgr., KTVI (Ch. 2) St. Louis . . . Charles A. Burton named exec. v.p., Bureau of Best. Measurement, Toronto, succeeding Charles C. Hoffman, resigned to join the Encyclopaedia Britannica.

Stretch Adler, ex-Official Films & Screen Gems, named Paramount Television Productions network sales dir. . . . Clifford Hanna elected Videe Films pres., William R. Witherell Jr., named v.p.-gen. mgr., William E. Lane appointed secy.-treas.; Richard G. Dorn, George T. Hall, Arthur G. Reeves, J. L. S. Scrymgeour elected dirs., as were the 3 officers . . . Leo Silber resigns as house counsel of Official Films . . . David B. Meblin named Avery-Knodel Pacific Coast TV div. mgr.

Donald N. Martin, ex-NAB PR chief, establishes own PR firm, Donald N. Martin & Co., 355 Lexington Ave., N. Y. (Oxford 7-0526) . . . A. James Ebel, KOLN-TV Lincoln, Neb., named chmn. of NAB 1959-60 engineering advisory committee . . . Cliff Gill, KEZY, Anaheim, Cal., named chmn. of NAB 1959-60 radio standards of good practice committee . . . Joseph L. Floyd, KELO-TV Sioux Falls,

S. D., named chmn. of NAB 1959-60 TV film committee . . . Carl Bleiberg named publicity & PR mgr. of WRC-TV Washington . . . Bill Campbell promoted from radio WCAU Philadelphia sports dir. to similar position for TV & radio (WCAU-TV, Ch. 10) . . . Paul B. Mowrey, TV consultant, has opened new offices at 7½ E. 81st., N.Y. (YUkon 8-7171).

Ex-Gov. James E. Noe, owner of KNOE-TV (Ch. 8) & KNOE Monroe, La. and radio WNOE New Orleans, filed papers qualifying as a La. gubernatorial candidate Sept. 15—in a coalition with Gov. Earl K. Long who announced that he would run for lt. gov.

Meeting this week: NAB Board convention committee (Sept. 22) Conrad-Hilton Hotel, Chicago; N.D. Bcstrs. Assn. (25-26), Valley City; Meeting next week: Assn. of Independent Metropolitan Stations (27-29), Hotel Roosevelt, N.Y.; Ill. Bcstrs. Assn. annual meeting (Sept. 30-Oct. 1), St. Nicholas Hotel, Springfield; Natl. Assn. of Best. Employes & Technicians constitutional convention (Sept. 30-Oct. 2), Sheraton-Blackstone Hotel, Chicago.

Selection of TIO Chief Next Week: Sept. 24 should tell the story in the designation of a dir. for the new NAB-sponsored TV Information Office (Vol. 15:36). Clair McCollough, WGAL-TV Lancaster, Pa., head of the 9-man selection committee told us that the group definitely expects to pick its man on that date. He declined to identify leading candidates, although it's known that CBS Washington news dir. Ted Koop has asked that his name not be considered and that the name of Howard London, former TV-radio dir. of March of Dimes, has been withdrawn. There's considerable betting that the man will be Lou Hausman, CBS radio adv. & promotion v.p.

TIO offices are now operating at 666 Fifth Ave., N.Y., with a young lady available to answer the phone—which is changing to a still-to-be-designated number.

Unable to continue without financial aid, KICA-TV (Ch. 12) & KICA Clovis, N.M. owners Mae Strauss & Frank Lesley are transferring control to owners of KDUB-TV (Ch. 13) Lubbock, Tex. In exchange for the stock of KICA Inc., \$100,000 in debentures and \$96,149 in notes, the sellers receive 25% each in a new holding company—Texas-New Mexico Bestg. Co. The new company will be controlled by KDUB-TV, which has guaranteed payment of all the liabilities of KICA Inc.—approximately \$170,000—exclusive of notes & debentures held by the sellers. In addition to the 50% acquired by the guarantee, KDUB-TV owners will control 5% of the sellers' stock—to be held in trust.

Taped baseball & football games will be televised by WISN-TV to sports-conscious Milwaukee this fall & winter. Station mgr. William Goodnow has installed one RCA tape recorder, has a 2nd on order. Tapes of Winter League baseball games from Cuba will be aired late Sat. nights. Home football games of Marquette U. will be taped by the station for Sun.-afternoon playback.

Radar weather analysis will be televised by WITI-TV Milwaukee as a regular feature upon installation of special Bendix weather-radar equipment. The equipment, embracing a scanning antenna atop WITI-TV's studio building, will enable viewers to detect weather conditions within ranges of 25, 50, 150 miles of the city.

No more fish & KPOI? FCC has directed the owners of radio KPOI Honolulu to show cause or request a hearing within 30 days on why their call letters should not be rescinded because of confusion with KPOA in the same city.

Advertising

More about

PERSONAL-PRODUCT PITFALLS, PER NAB: NAB Code Review Board, in its report on personal-product commercials (see p. 3), offers a series of "common sense guideposts, each formulated in unanimous agreement." It also notes: "Of course, they cannot cover every commercial technique. The committee recognizes the need for flexibility in its analyses & recommendations." Product-by-product, here they are:

Laxatives

Avoid:

Techniques which over-dramatize the discomfort of one requiring a laxative; which emphasize the speed or efficiency of the laxative; which duplicate the mechanics of elimination by charts or props.

Seek:

Techniques which demonstrate the pleasant after effects of the product, and dramatic settings connected with places other than the family bathroom.

Deodorants

Avoid:

Graphic words like "sweat" & "odor"; camera shots which show the arm pit or the actual application of the deodorant; those which demonstrate the deleterious effects of perspiration on clothing; settings connected with unpleasant odors.

Seek:

Clinical words like "perspiration"; visual devices like the "silhouette" technique which lend an impersonal air; techniques which imply cleanliness & good grooming after use of the product.

Depilatories

(including body lotions, women's razors, electric shavers)

Avoid:

Wording or camera shots which depict axillary or body hair as "unsightly" or "bristly"; camera emphasis on the arm-pit area; scenes which show the actual process of hair removal from legs or face; settings or costuming over-emphasizing sexual attraction.

Seek:

Situations, settings and descriptions which dwell on high fashion or good grooming; which are associated with the purchase or after effects of the product.

Toilet Tissue

This category seems the most "sensitive" of the seven product categories in the study. With rare exception most television advertising for toilet tissue was found to be in excellent taste, undoubtedly because of the need of special decorum & delicacy in treating the product.

Avoid:

More blunt terms for the product such as "toilet paper," direct descriptions & demonstrations of its softness, strength or tearing qualities; settings associated with its actual use.

Seek:

Techniques which have a fantasy or fictional air; settings associated with the purchase or storage of the product; devices which describe or compare the tissue indirectly.

Cold & Headache Remedies

The committee studied commercials for the popular analgesic headache remedies, nasal sprays and decongestants. In its opinion, most unfavorable reaction from the

viewing audience comes from annoyance after repeated exposure rather than from any offense to good taste.

Avoid:

The overuse of visual devices of the circulatory, digestive or nasal systems; sound effects or copy which describe discomforts morbidly.

Seek:

Audio & video techniques which show the pleasant after-effects & relief gained from the product; visual demonstrations which rely on the abstract rather than graphic.

Corn and Callous Remedies

(including athlete's foot preparations & foot powders)

Avoid:

Words like "itching" & "burning"; visual dramatizations of foot discomfort; presentations of product in use.

Seek:

Means of demonstration by comparison & techniques which show the product as an adjunct to good grooming or well-being.

Foundation Garments

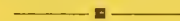
Problems of taste in the 6 preceding categories have centered on techniques which might tend to disgust or repel the viewer. Commercials for foundations garments, bras and girdles, because of their real or implied association with sex, can create problems of offense to propriety or decency. The committee emphasizes the need for special care on the part of the advertiser in creating the commercial, and great caution on the part of the broadcaster in scheduling it.

Avoid:

The use of "live" models unless fully clothed; copy appeals or camera shots emphasizing sexual allurements; copy appeals to teen-agers; demonstration with the human hand; overuse of close-ups.

Seek:

Copy appeals of style & fashion; the use of "dummies" or visual devices like the "ectoplasm" technique which demonstrate the garment rather than the body.



HypnoVision, described as a new film-direction concept calculated to mesmerize audiences, will debut in Allied Artists' "The Hypnotic Eye," producer Charles B. Bloch let it be known last week. Emphasizing that HypnoVision is a production technique and not a camera process, Bloch explained it as a combination of applied psychology, music written under the direction of a psychologist, the power of suggestion, other ingredients. The resultant potpourri effectively integrates the audience in the dramatic action, "can make the mouth water or the flesh creep, the body relax or the nerves tauten." HypnoVision was developed by the film's scripter, writer William Woodfield.

People: Gene Accas named network relations v.p., Grey Adv. . . . Joseph G. Standart Jr. and Jerome G. Darrow named Young & Rubicam v.p.'s . . . Robert L. Garrison and William B. Bachman Jr. appointed MacManus, John & Adams senior v.p.'s . . . Robert P. Engelke, ex-ABC, named Ted Bates media supervisor . . . Arno H. Johnson, v.p. & senior economist, J. Walter Thompson, elected chmn., Adv. Research Foundation, succeeding Ben. R. Donaldson . . . Harry R. Bender, Jack M. Reeves and R. Forrest Rosenberger elected Ketchum, MacLeod & Grove v.p.'s . . . Donald J. Wilkins, ex-Erwin Wasey, Ruthrauff & Ryan, appointed to head new Washington office of Adv. Fed. of America; Burton E. Hotvedt, Klau-Van Pietersom Dunlap Adv., named AFA v.p. . . . Dine & Kalmus, PR firm, has moved to Suite 1012, 527 Madison Ave., N.Y. 22, N.Y.

Growth-minded agencies must look to air media if they expect to move into the substantially higher-volume area, Emil Mogul, pres. of Mogul Williams & Saylor said at the first fall seminar meeting of the League of Advertising Agencies. Although TV may be too expensive for many accounts today, he said, "this obstacle will be cleared tomorrow" through tape & other innovations, and "unless you're ready to step in with a working, knowledge air-media setup, you stand in danger of losing long-nurtured business." Another Mogul executive—gen. mgr. Richard Lockman—told the Ad Men's American Legion post in N.Y. that low-budget tape commercials for test campaigns will win over to TV many print advertisers heretofore afraid of expensive film tests. On the creative side, Lockman urged showmanship in commercials—"because the viewer is there to be entertained," and often mentally tunes out a dry hard-sell message. If the advertiser spends "the huge sum for time, he should not skimp on extras such as music."

Advertising Federation of America has appointed Donald J. Wilkins to head its new Washington office, due to open this month as AFA's first move toward shifting its HQ from N.Y. to the Capital by Sept. 1960. Wilkins recently headed the Washington office of Erwin Wasey, Ruthrauff & Ryan, and previously held a similar position with Robert Orr Associates. He'll share offices temporarily with the Washington Advertising Club, 1320 G St. N.W., District 7-8245.

Spot-TV spending by brewers in the first half of this year exceeded \$22 million, a 15% increase over Jan.-June 1958, TvB reported recently. Anheuser-Busch, Jacob Ruppert and Pabst Brewing were the top spenders, accounting for more than \$4-million total in spot campaigns. By all indications the upswing should continue, with heavy syndicated film buying for the fall, registered earlier this summer (Vol. 15:30).

"Implied" beer drinking in TV commercials "is at variance with the spirit & intent of the good-taste provisions of the TV code," subscribing stations have been warned. NAB's TV Code Review Board said it has found no instances where "actual on-camera consumption" of beer has been shown by code stations in commercials. But "use of special photographic techniques which show first a full glass of beer and then an empty one seems to be on the increase."

Drug spending on TV jumped 29% in the first half of 1959, totaling \$59.5 million in network & spot vs. \$46.2 million in 1958's comparable period. TvB figures released recently also showed that network-TV drug spending totaled \$33.1 million this year plus \$26.4 million in spot TV, against respective 1958 totals of \$25.8 & \$20.4 million. Leading network drug spenders were American Home Products (\$9.8 million), Sterling Drug (\$6.5), Pharmaceuticals Inc. (\$3.9), and Miles Labs (\$3.4).

Lipton's soft-sell TV commercials may get harder this fall. The Lever Bros. subsid. last week announced an agency switch of its \$4-million Lipton Tea account from Y&R (where its been for 22 years) to Sullivan, Stauffer, Colwell & Bayles (known best for its hard-sell TV approach on packaged products like Pall Mall & Noxzema), effective Oct. 19.

Timebuyer opinion of 30-sec. rates is being probed by NBC Spot Sales in the latest in its series of questionnaires to agencies (Vol. 15:35). Richard H. Close expects to have a report on the survey ready in about a month.

Foreign

More On That Foreign Market: Some telefilm producers are finding that revenue from the principal foreign TV markets may make the difference between profit & loss. In many instances the producer of a network series spends more on production than he receives from the sponsor, expecting his eventual pay-off from reruns. But when networks deals won't permit U.S. syndication for at least 3 years, the foreign market assumes vital importance.

Spartan & Sharpe-Lewis Productions recently sold 52 *Peter Gunn*, 34 *Yancy Derringer* and 42 *Cavalcade of America* episodes in Australia. They are currently considering an offer from Canada for *Gunn* and dubbing their *Meet McGraw* in Spanish for Latin America. Warren Lewis informs us a producer can gross \$2,500 an episode from the latter area, [ITC set this figure (Vol. 15:30) at \$2,915] but adds that after dubbing & distribution costs are subtracted, the net is about \$1,800.

Lewis, formerly production chief at Four Star, recalls that *Four Star Playhouse* was sold in England 5 years ago for \$3,000 an episode. He says, however, that since that time the British market has become almost "monopolistic" (largely because of import quotas), so that it's much more difficult for a producer to get a good price there.

TV trouble brews in Britain over increases in airtime rates (Vol. 15:33) ranging up to 20% for peak hours. Commercial program contractors are being raked over the coals by advertisers & agencies who term the increases "unjustifiable, damaging, illogical and unexplained," reports Britain's *Advertiser's Weekly*. The uproar comes at a time when some of the commercial contractors are reporting record-high profits. The magazine says: "Some leading agencies have called in representatives of the contractors for talks following rumors that some big advertisers were considering whether or not the medium would continue to be economic for their campaigns. So far there is no indication of the contractors giving ground." Interesting sidelight on the hassle: 1958 TV ad spending in the UK skyrocketed to \$134,400,000, nearly double 1957's \$75,600,000 expenditure.

Northern Ireland's Ulster TV station will go on the air Oct. 31, bringing service to more than one million people and extending the Independent TV Authority's coverage to more than 90% of the UK population. About 41% of the 308,000 private homes in the station's primary area already have TV sets. Meanwhile, to the south, 85.2% of Irish Republic citizens polled by the *Sunday Press* expressed desire for an Irish TV service, and 98% of the respondents agreed that a detailed code of standards is necessary. BBC & ITV service is received in parts of the nation, and 27.4% of those polled have TV sets.

Foreign public-affairs telecasting will be explored at the public service programming conference being hosted by Westinghouse in San Francisco this week (23) with a special panel session. Guests will include Heinrich Fischer, Bayerischer Rundfunk, West Germany; Juan Duran, Tele-sistema Mexicano, Mexico; Michael Reddington, Associated TV Ltd., London; Shuji Tomozawa, Chuba Nippon Bestg. Co., Japan; and Grazia Maria Puglisi, Radio Audizione Italiano, Italy. Basil Thornton, exec. dir. Best. Foundation of America, will be chmn. of the session, which will use films, tapes and demonstrations of foreign-produced shows.

TV in West Germany is now in 12% of all homes. Five years ago there were no TV sets, and only 68 radios per 100 homes. Today's radio: 86%.

Trade Report

SEPTEMBER 21, 1959

EIA ASKS GOVT. TO STEM TRANSISTOR IMPORTS: Japanese transistor flood has finally overwhelmed U. S. manufacturers. Last week, through EIA, they formally petitioned the Office of Civil & Defense Mobilization to "investigate growing imports of Japanese transistors & other semiconductor products and determine whether they threaten American security." Under U. S. law, Govt. has duty of protecting domestic manufacturers to keep their productive capacity available for defense needs. Said EIA's petition:

"Transistors constitute a vital part of our defense program and are used increasingly in the development of military weapons systems . . . It is the position of EIA, in behalf of the manufacturers of electronic equipment & components, that the increasing Japanese penetration of the transistor market will have an adverse effect upon the growth of the electronics industry producing transistor products.

"It will impair the efforts of American producers to provide the capacity to meet existing & potential national security requirements. It will create instability in employment thereby resulting in loss of skills; and, most important, it will result in an eventual reduction in research & development needed to further advance the art—all to the detriment of our national security program & efforts to meet the challenge of Soviet Russia for superiority in military technology in electronics."

EIA noted that imports of Japanese transistors increased from 560,000 in 1956 to 26,736,000 in 1958 and 14,967,000 in first quarter of this year—while diodes increased almost 10-fold from 1956 to 1958. U. S. manufacturers, EIA said, increased transistor production only from 12,840,000 to 47,051,000 from 1956 to 1958.

Reasons for Japanese inroads: "Japanese production costs, as compared with those of U. S. manufacturers, are extremely low because of wage & other cost differentials. This factor, together with the extremely low marketing & transportation costs, results in a competitive situation which places American manufacturers in practically an impossible situation because the prices on Japanese transistors, even after the 15% import duty, are far below those which must be charged by domestic producers."

HOME ELECTRONICS BUSINESS—10-YEAR FORECAST: TV set sales rising to plateau of 8.5 million yearly by 1968—one third of them color sets . . . More than 18 million radios sold annually . . . Phono sales (excluding combinations) leveling off at slightly more than the present 5-million-a-year rate . . . Total factory sales of more than \$3 billion annually for electronic home-amusement devices.

These are 10-year forecasts by Sylvania marketing research dir. Frank W. Mansfield, who is also dir. of EIA's marketing data dept. In his carefully worked-out yearly predictions through 1968, TV continues to be brightest revenue-producing star in home-electronics firmament, accounting for factory sales of more than \$1 billion in 1968 vs. slightly less than \$850 million today. Here are highlights of Mansfield's 10-year forecasts:

TELEVISION—Recovering from 1958's valley of less than 5.2 million sets, TV sales will rise to around 6.2 million this year, 6.7 million next year, hitting 8.5-million mark in 1964 and remaining there through 1968—but with ratio of color to black-&-white set sales gradually increasing. By 1968, Mansfield believes, 65.4% of annual TV set sales will be replacements, 18.4% second sets, 16.2% initial installations. Comparable figures for 1958 were 35.4% replacements, 20% second sets, 44.6% initial installations.

Average factory price of b&w set will decline steadily from about \$132 today to \$100 by 1968. Mansfield apparently sees no major price-chopping breakthrough in color—even in 1968, factory price of color set is given as \$200, twice that of average monochrome receiver. He sees average color set factory-priced at \$290 this year, down from \$300 last year, with \$10 chipped off cost each succeeding year. Here's his table:

TV RETAIL SALES & FACTORY PRICE FORECASTS

(Unit figures in thousands)

Year	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968
Dealer sales (units):										
B&W sets	6,060	6,500	6,680	7,120	7,270	7,280	6,970	6,600	6,140	5,770
Color sets	160	240	360	600	900	1,200	1,500	1,900	2,300	2,700
Av. factory price:										
B&W sets	\$132.00	\$128.50	\$125.00	\$121.50	\$118.00	\$114.50	\$111.00	\$107.50	\$104.00	\$100.00
Color sets	290.00	280.00	270.00	260.00	250.00	240.00	230.00	220.00	210.00	200.00

RADIOS—Mansfield sees home & portable radio sales going up from more than 9 million sets this year to 9.63 million next year, 9.84 million in 1961 and passing 10 million by 1963, dropping slightly in 1964 and then resuming climb to 11.23 million in 1968. Average factory price, he predicts, will rise from today's \$22.50 to \$23.50 by 1961, then settle down gradually to \$21 in 1966-68.

Auto radios go up in continuing progression in the Mansfield forecasts—from just under 5 million units this year to 5.33 million next year, 5.66 in 1961, with increase continuing to 7.1 million by 1968. He feels auto-radio factory average price will remain stable at today's level of about \$25 for the 10-year period.

PHONOGRAPHS (excluding combinations, included in radio & TV categories)—This is tricky market to predict, and Mansfield sees growth of the straight phono market remaining stable at around 5 million units for the 10-year period, ending at 5.29 million in 1968. He gives an average price of \$38 for phonos during the entire period. This is lower than the average price given in our previous phono story (Vol. 15:37), largely because latter includes combinations.

ELECTRONIC ORGANS—Sales this year will total 36,000 units at average factory price of \$660 (not to be confused with electric organs, which are non-electronic and sell for considerably less), rising slowly to 53,000 in 1968 at average factory price which levels off to \$500 by 1963.

COMPONENT HI-FI & RECORDERS—Mansfield doesn't see rosy future for hi-fi component field. He puts 1959 sales at \$74,400,000 (amplifiers, tuners & speakers only), up from \$66,200,000 in 1958; sees them dropping to low point of \$42,900,000 in 1963 & 1964, then rising again to \$55,500,000 in 1968. He predicts that tape recorder sales will hold steady at about \$80,000,000 a year for next 10 years.

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 11, (36th week of 1959):

	Sept. 4-11	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	141,146	141,550	145,289	3,967,586	3,199,147
Total radio	313,098	369,035	295,249	9,627,159	6,790,593
auto radio	106,741	125,087	89,210	3,666,248	2,089,709

Trade Personals: Irving K. Kessler named RCA defense airborne systems div. gen. mgr., succeeding S. N. Lev, who will undertake another assignment; S. W. Cochran promoted from mgr. to gen. mgr., surface communications div.; W. B. Kirkpatrick promoted from mgr. to gen. mgr., missile electronics & controls div.; E. A. Speakman, ex-defense electronic products planning mgr., named electromagnetic intelligence program mgr. Robert Bitting named Minuteman project mgr., both under the surface communications div.

Frederic O. Spaid promoted from supervisor of material control to materials mgr., GE's TV receiver dept. . . . John J. Burke named Siegler Corp. v.p. for military activities . . . David H. Simon named Sylvania special tube operations adv. & merchandising mgr. . . . Cecil Stowe promoted to customer relations mgr., Orr Industries Irish tape mktg. div. . . . Jack Houseman named Southern Cal. sales mgr., Packard-Bell home products div.

Horace R. Potter named v.p., Reeves Hoffman div. of Dynamics Corp. of America . . . Donald E. Smith promoted from sales engineer to new post of diodes & rectifiers product sales mgr., Sylvania semiconductor div.

Principal speakers at the 15th annual Nat'l Electronics Conference, scheduled for Chicago, Oct. 12-14, are to be Dr. John C. Green, Commerce Dept. office of technical services dir.; J. Lewis Powell, Asst. Defense Secy.; Dr. F. G. A. Kraemer, Defense Dept. civil affairs chief.

RCA color-TV exhibit attracted an average of 60,000 persons daily during the recent 9-day N.Y. State Fair in Syracuse. The closed-circuit demonstration provided 10 hours of daily programming, including fashion shows and personal appearances by Gov. & Mrs. Rockefeller, Vaughn Monroe, Joe Louis.

GE Realignment: Major organizational shuffle by GE last week hatched among others, a comprehensive TV-radio div. which embraces the TV dept. at Syracuse, the Utica radio receiver dept. and the Schenectady broadcast equipment operations. Hershner Cross becomes gen. mgr. of the new div., which will HQ at Utica. Cross & his TV-radio div. report to Fred J. Borch, ex-marketing services v.p., who has been upped to top exec. of GE's consumer products group: major appliances, TV-radio, housewares, lamps.

Also evolved in the realignment is another new GE operation—an Intnatl. Group which embraces the Intnatl. GE Co. div. Advanced to head the new unit is v.p. James H. Goss, previously v.p. & group exec. of GE's consumer-products group, who now reports direct to GE pres. Robert Paxton. Goss will also represent the parent company in its dealings with Canadian GE Co. Ltd.

Other changes: Charles K. Rieger, previously major appliance div. v.p.-gen. mgr. succeeds Borch as marketing-services v.p.; William P. Von Behren, formerly radio-receiver dept. gen. mgr., succeeds Rieger as major appliance div. gen. mgr. Paxton summed up the moves as being "in keeping with our constant effort to meet the changing needs of the dynamic electrical industry in both domestic & foreign markets."

Trends in solid-state & electron tube technology will be appraised at a special session of the 5th annual electron devices meeting of IRE's Professional Group on Electron Devices, Oct. 29-30, Shoreham Hotel, Washington. Among the invited papers is "Tunnel Diodes" (Vol. 15:30, 34), to be delivered by Dr. Robert N. Hall of GE's Schenectady research lab. Also scheduled to address the special session are Prof. Hubert Heffner, Stanford U. electronics research lab, & Dr. Ian M. Ross, Bell Telephone labs.

TRANSISTOR SALES CLIMBING: Factory sales of transistors during Jan.-July more than doubled the cumulative volume of the year-ago period, EIA reported last week. Sales climbed to a total of 42,128,291 units valued at \$115,432,090, compared with sales in the corresponding 1958 period of 21,084,218 units worth \$52,433,848. (For EIA on Japanese imports, see p. 19.)

Although July sales declined from June levels, transistors are selling on the average of 6 million units monthly, compared with the monthly average of 3 million units recorded in the Jan.-July 1958 period. Following are EIA's official unit & dollar figures:

	1959		1958	
	Units	Dollars	Units	Dollars
January	5,195,317	13,243,224	2,955,247	6,704,383
February	5,393,377	14,550,056	3,106,708	6,806,562
March	6,310,286	18,117,560	2,976,843	6,795,427
April	5,906,736	16,864,049	2,856,234	7,025,547
May	6,358,097	19,007,293	2,999,198	7,250,824
June	6,934,213	18,031,593	3,558,094	8,262,343
July	6,030,265	15,618,315	2,631,894	6,598,762
TOTAL	42,128,291	\$115,432,090	21,084,218	\$52,443,848

July Tube Sales Down: Factory sales of both receiving & TV picture tubes skidded in July from June levels, but ran well ahead of 1958 sales in both monthly & cumulative reckonings, EIA reported last week.

July 1959 sales of receiving tubes amounted to 36,394,000 units valued at \$29,786,000, compared with June sales of 37,421,000 (\$33,099,000) and July 1958 sales of 30,795,000 (\$26,928,000). Cumulative sales for Jan.-July 1959 totaled 238,373,000 tubes (\$205,560,000) compared with the year-ago totals of 221,21,000 (\$193,197,000).

TV picture-tube sales at the factory level in July totaled 750,352 units, valued at \$14,648,444, compared with June sales of 766,56 tubes (\$15,136,612) and July 1958 sales of 549,817 (\$11,109,048). For Jan.-July, TV picture-tube sales totaled 5,120,887 (\$98,904,723) vs. 4,239,404 tubes (\$84,337,167) sold during the first 7 months of 1958.

Five electronic standards recommended by EIA were published last week and are available from EIA's engineering dept., 11 W. 42nd St., N.Y. 36. The new standards: Dimensional Characteristics of Monophonic & Stereophonic Disc Phonograph Records for Home Use (RS-211-A); Structural Standards for Steel Transmitting Antennas, Supporting Steel Towers (RS-222); Magnetic Recording Instruments for the Home, Wire Size, Speed, Spools (RS-223); Magnetic Recording Tapes (RS-224); Rigid Coaxial Transmission Lines & Connectors—50 Ohms (RS-225).

EIA policy committee was appointed last week to coordinate & implement efforts to bring about the repeal or amendment of the Walsh-Healey Act. W. F. Joyce of Texas Instruments was named 1959-60 committee chmn. Appointed to the committee were: Robert T. Borth, GE; E. J. Danneberg, Tung-Sol; Robert E. Kelley, Sprague of Wisc.; T. W. Massoth, RCA, Robert C. Sprague Jr., Sprague Elec.

Canadian TV-set sales increased in July over June, but ran behind the July 1958 volume by some 411 units, EIA of Canada disclosed last week in a report of distributor sales to dealers. The July total was 27,066 units, compared with 24,637 in June and 27,477 in July 1958. The Jan.-July total of 191,447 units was slightly under the 191,884 units sold during the first 7 months of last year.

Artloom Industries has acquired Eastern Precision Resistor Corp., Brooklyn-based electronic components maker. Artloom chmn. Hyman Marcus said Eastern's management will remain, with founder Martin Green as pres.

Stereo Panel Reports: National Stereophonic Radio Committee's important Panel 1 on system specifications, under Hazeltine's Charles J. Hirsch, met recently & came up with this brief description of its progress:

(1) Crosby Labs, Calbest Electronics and Multiplex Services Corp. agreed to make tests to determine, in an FM system with FM subcarrier, the minimum bandwidth needed for good stereo and the "optimum compromise bandwidth" to give both stereo & background music.

(2) It was concluded that in an FM-AM system, the best signal-to-noise ratio is given by those systems using suppressed carrier amplitude modulation. Some 6 systems fall in this class. Another FM-AM system, which doesn't suppress the carrier, offers "an appreciably simpler stereo receiver." The NSRC receiver panel is to evaluate the relative complexity of receivers using the various systems.

(3) Bell Labs' Bruce T. Bogert and Motorola's Norman Parker were scheduled to evaluate FM-FM vs. FM-AM systems in a report before the end of Sept.

(4) Sylvania's B. F. Tyson, chairman of Committee 1.1 on system classification, was requested to update the classification of AM systems for evaluation "in the near future."

(5) It was agreed that the British EMI percival system (Vol. 15:12) could be evaluated only subjectively in listener tests.

Acquisition by Thompson Ramo Wooldridge of controlling interest in Magnetic Recording Industries, N.Y. producer of educational electronics equipment, was announced last week by TRW v.p. W. M. Jones. Magnetic's Dr. Paul King will continue as pres. of the new subsidiary. Jones said the acquisition reflects both TRW's confidence in the growth potential of educational electronics and a planned expansion in the field. TRW recently (Vol. 15:36) purchased Bel Canto Magnetic Recording Tape Co. Jones pointed out that TRW currently serves the educational field with "Dage's ETV systems & Bell tape recorders."

RCA will build a semiconductor production plant on a 38-acre site at Mountaintop, Pa., 7 miles SW of Wilkes-Barre, pres. John L. Burns announced last week. Construction will get underway immediately, with production scheduled to begin by mid-1960. Burns said the 120,000-sq.-ft. plant will be devoted to the production of Mesa transistors & silicon rectifiers. RCA forecast that the semiconductor industry in 1959 "will have a sales volume of approximately \$350 million," with industry sales of semiconductor products for '65 "expected to approach \$650 million."

ITT will move its main offices late next year from 67 Broad St. to 320 Park Ave., N.Y., leasing initially 8 floors & the penthouse of the 33-story structure now building, pres. H. S. Geneen announced. Total ITT space will be 180,000 sq. ft.

Bendix will start construction soon of a \$1.1-million transistor plant at Holmdel, N.J. The production plant is expected to be completed by June, 1960, and will employ 150 persons initially.

Olympic Radio & TV has broken ground for a 200,000-sq.-ft. assembly plant & warehouse to be erected in Queens, N.Y. The Siegler Corp. div. has been using leased space in 4 Brooklyn warehouses.

Avco Corp. has been awarded a \$36,655,000 Air Force contract for development of the nose cone for the Minuteman missile. The contract embraces basic research through prototype development.

Emerson Infringed: Federal Court Judge Edmund L. Palmieri ruled in N.Y. last week that Emerson Radio & Phonograph Corp. had infringed upon and used in the manufacture & sale of its TV & FM radio receivers the FM patents of the late Maj. Edwin H. Armstrong. The suit had been initiated by Armstrong in Dec. 1953, two months before his death. His widow, Esther M. Armstrong, was substituted as plaintiff in June 1955.

The case will now be referred to a special master, still to be appointed, to determine the exact amount of damages which can be recovered by the Armstrong estate, based on back royalties for the period Dec. 1948 to Sept. 1957.

"The record is clear," Judge Palmieri pointed out in his 104-page decision, "that Emerson imitated & used the 3 inventions of Maj. Armstrong in the manufacture & sale of its TV receivers & FM broadcast receivers. The conclusion is inescapable that the inventive features of the 3 patents in the suit are found in the accused receivers."

Armstrong had developed the FM process in the early 1930's, secured patents in 1933 & 1940. Lawsuits against other radio-set manufacturers still are pending. RCA & subsidiary NBC settled one suit in 1954 for an estimated \$1 million. The Emerson case, which ended last Nov. after 5 weeks of hearings, has been under advisement prior to Judge Palmieri's decision.

Motorola will cooperate with President Eisenhower's "People to People" program by sending 18 sales contest winners & their wives to Europe in Nov. to visit distributors, dealers and electronics plants in France, West Germany and Italy, pres. Robert W. Galvin announced recently. Apprised of Motorola's mission, President Eisenhower wrote Galvin: "What you propose would be people-to-people contact of the kind I have often urged as part of our American effort to make friends in the world. It is a potent way to achieve human understanding on a mass basis." The 18 grand prize winners will be selected from some 600 distributor salesmen in a Sept.-long stereo-hi-fi sales contest. The winners & their wives will be briefed by the State Dept. prior to going overseas.

Sylvania dedicated its new 77,000-sq.-ft. computer-products operations plant at Muncy, Pa., last week. It will be devoted to the production of computer components, assemblies and coils, also a variety of electronic components used in the industrial, entertainment and military fields. Sylvania Electric Products Inc. pres. Robert E. Lewis said the electronic data-processing market this year will amount to more than \$1 billion. "All present indications are that the market will at least double itself—to more than \$2 billion—by 1965, and keep on rising," he forecast.

Formation of Philco Italiana, S.p.A. to manufacture & distribute Philco products in Italy (Vol. 15:29) under license from Philco Corp. S.A. Switzerland, has been formally announced by Philco Intnatl. Corp. pres. Harvey Williams, who will serve also as pres. of the new Milan-based firm. Production will begin with a complete line of TV receivers, followed before year's end by refrigerator manufacturing. A TV-radio plant already is in full production in the Milano suburb of Rho. Production facilities for refrigerators are at Robbio Lomellina.

Lockheed Aircraft announced it will build a \$2.5 million HQ plant for its electronics & avionics div. on a 200-acre site at Newport Beach, Cal., some 40 miles south of L.A. Construction of the 100,000 sq. ft. building will begin within 60 days, is scheduled for completion late in 1960. The plant will serve as the nucleus for an electronics research & production center.

Quality, not price cutting is the way to meet increasing Japanese competition, Zenith's Leonard C. Truesdell declared last week in an address before the Chicago chapter of the American Marketing Assn. The AMA chapter named him 1959's "Marketing Man of the Year" in the Chicago area. He reported that Zenith portable radio sales to dealers through Aug. increased to a new high, 35% ahead of the record-making pace in the year-ago period. "Zenith is meeting this Japanese competition in the same way we have in the past met cut-price competition from dumps & liquidations by U.S. manufacturers," he said. "Instead of breaking our necks & integrity to cut costs by using imported parts of dubious quality, we are continuing to concentrate on top performance, outstanding convenience features, and appealing new designs."

Those Japanese imports: IUE pres. James B. Carey, who threatened reprisals against House of Representatives members who voted for the Griffin-Landrum labor bill, should "devote his time & effort" instead to protecting his union's members from cheap Japanese TV & radios, according to Rep. Gross (R-Ia.). Citing an article by columnist Victor Riesel, he told the House "Japan is getting ready" to ship "large quantities of \$50 TV sets, \$19 transistor radios" and other products to the U. S. Carey's big problem ought to be "Japan's 10-cent-an-hour labor," Gross said—not new U. S. labor legislation.

Congressional praise—for 10 months of service without compensation in the electronics div. of the Commerce Dept.'s Business & Defense Services Administration—has been won by Packard-Bell v.p. A. J. Spriggs. In a *Congressional Record* citation of Spriggs' "major achievements" on his tour of BDSA duty, Rep. Jackson (R-Cal.) said he "performed with distinction." Spriggs was commended in particular for work in organizing a BDSA survey of production capacities & needs of manufacturers of electronic end equipment (Vol. 15:16).

Acquisition of Invar Electronics Corp. by Telemeter Magnetics Inc. was announced recently by TMI pres. Erwin Tomash, who said that TMI had purchased 80% of Invar's stock, with the balance retained by Invar pres. Ted Kopaczec. He added that Invar's present management would continue to operate the Pasadena, Cal. firm, which specializes in the manufacture of solid-state power supplies & electronic instruments.

Herold Radio & Electronics will officially open its new Bronx, N. Y. plant Sept. 29. Scheduled to participate in the dedication ceremony are the Mt. Vernon, N. Y. firm's chmn. Roland J. Kalb, and dirs. Jerome L. Herold & Morris J. Steelman, who serve as dirs. also for subsidiaries Steelman Phonograph & Radio Co. and Roland Radio Corp.

Cornell-Dubilier Electric Corp. will convert its Norwood, Mass. manufacturing plant to a research & development lab for solid-state components, industrial electronic systems, capacitors and resistors, pres. Octave Blake announced last week. The 100,000 sq. ft. plant has been devoted to capacitor production.

Increased electronics business is forecast by Ryar Aeronautical for its fiscal year beginning Nov. 1. During fiscal 1959, electronics sales ran less than 10% of total business. Ryan's electronics div. currently employs some 1,750, is hiring additional engineers. For the quarter ended July 31, compared with the year-ago period, Ryan nearly doubled its income to \$662,354 from \$348,576, on sales increased to \$16,399,521 from \$15,249,814.

Purchase by Sylvania Electric Products of 50% of the capital stock of one of Italy's major manufacturers of transmitting & receiving tubes was reported last week by Don G. Mitchell, pres. of parent Gen. Telephone & Electronics Corp. He described the acquisition of stock in Fabbrica Italiana Valvole Radio Elettriche (FIVRE) a reflection of Sylvania's European expansion program. The balance of FIVRE's capital stock is being retained by Magnetti Marelli, Italy's major TV-set producer.

Transmitter & power tubes will now be available in limited quantities directly to commercial users, according to the Commerce Dept.'s Business & Defense Services Administration. A change in BDSA's order M-17, issued during the Korean War, will now permit manufacturers to reserve 20-to-30% of their monthly production for commercial sales. Previously, the entire output of these tubes was subject to the demands of defense orders. TV & radio transmitting tubes are included in the new amendment.

Combination radio & Geiger-counter are being exhibited to participants at RAB's regional management conferences. RAB, which secured a working-order model from the U.S. Atomic Energy Commission, will survey station managers attending the conferences for their opinion of the new radio, and report the findings to AEC. The gadget is an ordinary-sized transistor radio with built-in Geiger-counter. When the counter is not measuring ambient radioactivity the unit functions as a regular radio.

Acquisition of strategic electronic equipment under false pretenses has cost Alf Tomsen & Co., Hamburg, Germany, export-import firm, its U.S. export privileges. The Commerce Dept.'s Bureau of Foreign Commerce said it took action because of the firm's "willful & persistent evasion & flouting of U.S. export regulations," including 1957-58 shipment of equipment valued at \$5,000 to Hungary & other unauthorized destinations.

"Signal-splitting" twin-triode tube—with 4 plates instead of 2—is now in mass production by GE. The unique 12FQ8 "twin double-plate diode" offers an additional output from each stage and is used by Wurlitzer Co. in a new electronic organ to take 4 well-isolated outputs from the 2 triode stages.

Portable electronic fish-finder, put on the market by Raytheon, not only finds the fish but indicates water depth & the composition of the bottom. The unit, coffee-can size, weighs less than 5 pounds and can be carried in a canoe. It bounces ultrasonic signals off the water's bottom; when the signals strike a fish, tell-tale red flashes appear on the fish-finder's dial.

Shopping-bag advertising of color TV will be used by RCA in a 60-day consumer contest, jointly with E-Z Opener Bag Co., calculated to reach more than 250 million shoppers. The promotion requires contestants to color illustrations of *Bonanza* TV stars on the shopping bags in accordance with color schemes of given shows, and complete an "I like" sentence to compete for 1,350 prizes. RCA ad & sales promotion v.p. R. H. Coffin describes the promotion as "another phase of a tremendous sales push which RCA is conducting during the celebration of RCA's 5th anniversary of color TV." The contest will be announced publicly with a 4-color spread in Oct. 19 *Life*.

Tropospheric scatter system linking United Kingdom, Spain & Morocco in a U.S. Air Force communications network will be built by Northrop's Page Communications Engineers Inc. under a \$10 million contract.

RCA has been awarded a \$4,430,000 Army contract for a uhf precision tracking radar for the Nike-Zeus anti-missile missile.

Finance

Victoreen Instrument Co. gained handsomely during first-half 1959, more than doubling both sales & earnings compared with the year-ago performance. For 6 months ended June 30 (1958 figures include 2 months operation of Kolux Co. acquired May 1, 1958, and the comparative earnings per share are based on 1,505,203 shares outstanding June 30, 1959):

	1959	1958
Net sales	\$3,629,259	\$1,593,382
Net income	219,465	90,081
Earned per share	15¢	6¢
Shares outstanding	1,505,203	710,734

Siegler Corp. nearly doubled its income on improved sales performance for the year to June 30:

	1959	1958
Net sales	\$77,074,442	\$72,955,449
Net income	2,203,002	1,215,930
Earned per share	1.36	80¢
Shares outstanding	1,624,815	1,514,968

Universal Pictures had a consolidated net income of \$3,772,036 (\$4.04 a share), including a net gain of \$3,667,387 on the sale of its studio, for the 39 weeks ended Aug. 1, compared with the year-ago net loss of \$861,247 after giving effect to a tax credit of \$1,160,000. For the 13 weeks ended Aug. 1, Universal had a net income from operations of \$637,915 (66¢) compared with the net loss of \$341,998 recorded in the same 1958 period after allowing for a tax credit of \$440,000.

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International Resistance Co. forecasts record sales & earnings for fiscal year ending Jan. 3, 1960. Chmn. Charles Weyl reports that the Philadelphia electronic-components maker should produce sales of \$18-\$19 million, with earnings topping the \$1,150,000 predicted at the May stockholders meeting (Vol. 15:19). Anticipated are earnings of \$1.5 million, compared with the \$508,268 earned last year on sales of \$13,744,000. Weyl said IR is actively engaged in the field of "molecular circuits" and on a new process for bonding metals & plastics into lightweight, rugged components. He foresees that IR will spend some \$600,000 on capital expansion this year, "between \$750,000 & \$1 million" next year.

Faradyne Electronics Corp., new Newark firm organized in June to design & manufacture capacitors & other components, has filed SEC registration (File 2-15546) for 230,000 common stock shares, 200,000 to be offered for public sale at \$5 per share. An underwriting group is headed by Schrijver & Co. Faradyne organizers are pres. Manny Brucker, chmn. Bernard P. Birnbaum, Sol Feldman and Saul I. Birnbaum.

Western Electric played host to several thousand ATT stockholders & their families last week at its Allentown, Pa. transistor plant. The novel "shareowner night" kicked off a week-long open house for the community. Among the stockholders' hosts: Pa. Gov. David L. Lawrence, WE pres. H. I. Romnes.

Varian Associates common stock was admitted to trading on the N.Y. Stock Exchange last week, with a total of 3,369,570 shares (\$1 par value) listed. The stock opened on a 100-share block at \$30.50 a share. Merle R. Zinser, financial v.p. of the 11-year-old Palo Alto, Cal. electronic equipment & components producer, predicted that the firm's earnings for the fiscal year ending Sept. 30 "ought to be approximately 50% greater than fiscal 1958 earnings." At that rate, earnings should approximate \$2.4 million on sales of \$38 million, compared with the 1958 figures of \$1.6 million earned on sales of \$29 million, both adjusted to reflect a stock dividend & the acquisition of Bomac Labs. Zinser pointed out that Varian plans to retain earnings. He forecast that "the company won't be paying any cash dividends, at least for the foreseeable future."

United Artists Corp., which scored record-high earnings (Vol. 15:37) in first-half 1959, expects to set new levels of revenue & profit for the year, chmn. Robert S. Benjamin said last week. He foresees revenue climbing from 1958's \$84 million to more than \$90 million, with profit topping 1958's \$3,701,000. Reviewing UA's TV operations, he said that the firm so far this year has released no post-1948 films to TV, compared with 72 feature movies licensed last year. UA has produced 2 TV series, *The Troubleshooters* & *The Dennis O'Keefe Show*, for fall network presentation and *Tales of the Vikings* for syndication, is producing a 4th TV series, has a 5th slated for the cameras.

Jansky & Bailey Inc., Washington TV-radio-electronics research & engineering firm, will become a subsidiary of Atlantic Research Corp., Alexandria, Va., in a merger deal effective Oct. 1. In the transaction Atlantic Research also acquires 16% of outstanding stock of General Communications Co., Boston, which since 1955 has owned the 29-year-old Jansky & Bailey firm. Atlantic Research will have 5-year options leading to more than 25% control of General Communications. Terms of the Jansky & Bailey deal weren't disclosed, were said to involve "substantial" cash.

Changes in SEC's div. of corporation finance announced last week included the promotion of Charles E. Shreve to div. chief counsel, succeeding Manuel F. Cohen, recently promoted to commission advisor. Harold V. Lese becomes chief of interpretations & review branch, and Patrick J. Griffin moves up to small issues branch chief.

Cohu Electronics tallied a net income of \$535,103 (53¢ a share) on sales of \$4,432,803 for the 6 months to June 30. For the year-ago period, Cohu recorded a loss of \$85,247 on sales of \$2,496,816. However, 1959-58 comparisons are not valid, the company says, because of the effect of the acquisition of Massa Labs in June 1958.

Textron Electronics Inc. has acquired Globe Electronics Inc. for 40,000 shares of TE common, plus an additional amount of up to 70,000 shares based on earnings during the next decade. Globe, Council Bluffs, Ia. maker of radio transmitting & receiving equipment and allied electronic devices, has about 200 employes, 400 distributors, and an annual volume of \$2.5 million.

Reports & comments available: Westinghouse, comments, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 . . . GE, memo, Bache & Co., 36 Wall St., N.Y. 5 . . . CBS report, Penington, Colket & Co., 70 Pine St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Canadian Westinghouse.	Q	\$0.25	Oct. 1
General Electric	Q	.50	Oct. 26
Motorola	Q	.37½	Oct. 15

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WEEKLY **Television Digest**

SEPTEMBER 28, 1959

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VOL. 15: No. 39

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

AGENCY AILMENTS DIAGNOSED BY EX-CAB MEMBER Louis Hector, who resigned because agency can't do its job. President Eisenhower impressed by his reasons (p. 2).

DEBATE OVER CAL. channel shifts develops as parties file comments on FCC proposals. Most endorse addition of vhf channels and substitution of vhf for uhf (p. 5).

Advertising

TOP 100 ADVERTISERS increased their spending during first-half 1959 by 8.9% to \$474,160,383. Largest investment in TV time was Procter & Gamble's \$27,076,567 (p. 11).

Congress

EVERYONE A WATCHDOG ON EQUAL TIME, with Rep. Harris stating that many Congressmen don't trust broadcasters. His group to study political editorializing (p. 4).

Film & Tape

NEW TOP EXECUTIVES fill job vacancies at 20th-Fox, CBS Films and Screen Gems. There may be more switches soon (p. 12).

FIRST PRODUCER-AGENCY tape pact has been signed between NTA Telestudios and Leo Burnett agency covering "basic standard practices" in creating, producing tape commercials (p. 12).

Networks

TV FILMS' 1960 PLANS IMPRESS CBS, but not NBC. Network executives differ radically in views on new Hollywood projects (p. 6).

Manufacturing & Distribution

STANDARD HI-FI POWER MEASUREMENT adopted by EIA group to end consumer confusion. EIA plans "Buy American" campaign, new TV set sales drive (p. 15). Other EIA actions (p. 18).

EXPANSION OF JAPANESE ELECTRONICS industry, now ranked as world's 4th largest, shown graphically in 2-year table. First-quarter output 48% above 1958 rate (pp. 16 & 17).

SOVIET ELECTRONICS PRODUCTION techniques & efficiency 5 years behind U.S., but research & development are "of high quality," Raytheon's Ellis says after visit (p. 16).

Programming

CHURCHES ASK MAIL PRESSURE on N.Y. TV-radio stations in mass, interfaith move to improve moral tone of programming (p. 8).

Stations

STERN CLEARS BOSTON CASE, finds no improper influence. Decision surprising in light of Miami Ch. 10 ruling and tough positions taken by FCC staff and Justice Dept. (p. 1).

BEHIND THE RCA-NBC PHILADELPHIA DECREE: Price of defeat in court believed too great to risk, though attorneys thought odds of winning were strong (p. 3).

WBC's CAMPUS CONFERENCE on local public service programming was a major success last week, with some 350 delegates gathering at Stanford U. to discuss latest techniques & trends (p. 7).

NEW TIO HEAD will be CBS radio v.p. Lou Hausman. He was elected to the post of dir. by the unanimous vote of the NAB-sponsored Television Information Committee (p. 9).

COMBINED SPOT & NETWORK TV gross-time ad-spending increased 17.3% during first-half 1959. TvB report also shows that 23 of 31 major product groups increased TV investments (p. 9).

STERN CLEARS BOSTON CASE—FCC OK LIKELY: Grant of Boston's Ch. 5 to WHDH-TV should remain undisturbed, examiner Horace Stern recommended last week in his initial decision on the "influence" case. Probability is that FCC will be happy to approve his conclusions. Decision was a surprise, in light of "get tough" attitudes taken by Commission's own staff & Justice Dept., which urged revocation of CP (Vol. 15:29-30), and Stern's severe Miami Ch. 10 decision against WPST-TV (Vol. 14:49).

Judge Stern simply concluded that no one did anything wrong. Probably basic difference between him and FCC staff & Justice Dept. is that he attributed conflicting testimony to hazy memories while the others believe someone was lying.

Most of case revolves around luncheons of former FCC Chairman George C. McConnaughey & WHDH-TV pres. Robert B. Choate. Stern concluded that testimony showed no evidence they discussed merits of Ch. 5 contest. As for Mass. Bay Telecasters, a loser in the case, Stern raps it lightly on the knuckles because v.p. Forrester Clark called McConnaughey's attention "to some of the prominent members of his group in order to show . . . that it was not a politically partisan organization." In so doing, Stern said, Clark "may have stepped somewhat out of bounds," but obviously not seriously.

FCC members come off quite nicely, and they're pleased to read Stern's philosophy: "Incidentally, it may not be amiss to remark that mere normal social relations with public officials are not taboo, for they, like other human beings, are not required to live in ivory towers—subject always, of course, to the fundamental condition that there be no attempt on the part of a litigant or applicant for some judicial or quasi-judicial favor to take advantage of such acquaintanceships or intimacies by using them for the advancement of his cause. It is only marked attention & unusual hospitality on the part of a lawyer or litigant to a judge that is reprehensible: Canon 3 of Professional Ethics of the American Bar Assn." (Watch the luncheon invitations increase.)

Stern offered this comment on FCC members' behavior when visited by representatives of Boston Globe, not a litigant in the case. They were trying to block a grant to competitor Herald-Traveler (WHDH). The Commissioners, said Stern, "received them initially, but gave scant heed or consideration to their complaint and expressed no opinion in regard to the merits of the Ch. 5 case nor indicated how they intended to vote therein. Short of utter discourtesy to these gentlemen they could scarcely have done either more or less."

Next step in case is filing of exceptions to initial decision, by parties in case. Then FCC will set it for oral argument. However, it's likely to hear Miami Ch. 10 oral argument first, and that is being delayed until a decision is rendered in a new Mack-Whiteside trial which is due to start Nov. 3. So final decision in Boston case isn't likely before early part of next year.

Stern's decision elicited this comment from Choate: "The decision of Judge Stern is no more than I expected. We have been given a 100% vote of confidence by the special examiner to our conduct in the Ch. 5 case. For many months while this case was before Judge Stern we have been subjected to most merciless attacks, to which we could not reply. We shall continue to operate the station with our same high sense of service to the community."

Attorneys were again struck by the simplicity, lucidity & brevity of Stern's work. Decision ran mere 19 pages—and everyone can understand it.

NO SUDDEN ALLOCATIONS MOVES IN SIGHT: Don't expect FCC to order any sharp departures in TV allocations in next few months. It has been thinking about substantial mileage cuts so that it could add stations to such cities as Providence, Grand Rapids, Louisville and Syracuse (Vol. 15:31)—but current inclination is to hold off until it has a clearer idea of whether it will get more vhf channels from the military. This will take quite some time. Furthermore, Comr. Craven is now in Geneva, heading U.S. delegation to International Telecommunications Conference, and Comr. Hyde goes there next month. They'll be gone until about end of year—and their colleagues won't make major policy changes while they're absent.

Some minor mileage cuts might be proposed, however. We're told that 2-3-mile cuts are under serious consideration—but nothing more.

• • • •

On another allocations front, meanwhile, Rep. Harris (D-Ark.) gained support from EIA for his controversial bill (HR-8426) to establish a powerful 3-man civilian frequency allocation board (Vol. 15:31).

EIA's spectrum study committee, under H. Leslie Hoffman, at EIA fall meeting in Atlantic City last week, unanimously endorsed "objectives" of Harris bill, passed resolution complimenting Harris. Committee decided it should visit him to discuss "fine points." Hoffman was reappointed chairman of the committee for year ending next July 31.

AGENCY AILMENTS DIAGNOSED BY EX-CAB MEMBER: A man quit a job in Washington the other week. He did it skillfully & vocally—and he's been getting a lot of attention ever since, from people concerned with regulatory agencies, including FCC.

Louis J. Hector, 43, lawyer, Democrat, of Miami, left the Civil Aeronautics Board, because, he says, he couldn't do his job. He left a 75-page memorandum telling why.

What Hector has to say isn't new. It has been said many times in the last couple of years, But he punctuated it with a dramatic resignation that impressed President Eisenhower's advisors.

Hector's point is that CAB & other administrative agencies are no longer capable of doing their job. This theme has been developed, both wisely & miserably, by Rep. Harris' (D-Ark.) "legislative oversight" subcommittee, as Harris sought to satisfy Speaker Sam Rayburn's (D-Tex.) desire to see how administrative agencies are doing. Rayburn has a soft spot for such agencies, since he was a proud uncle at their birth in the early days of the New Deal.

Hector's statement of principle: "I have come to the belief that an independent regulatory commission is not competent in these days to regulate a vital national industry in the public interest."

Hector claims that the agencies have several "incompatible" roles to play. He suggests, therefore, that: (1) The policy, planning & administrative functions of each be placed under the executive branch of Govt. (2) Administrative courts be set up to handle litigated cases & appeals from administrative action. (3) Justice Dept. handle investigations & prosecutions.

This would leave present agencies with little or nothing to do, presumably meaning their abolition. Naturally, Congress isn't going to buy the suggestion that policy, planning & administration be handed over to the President—because they regard these agencies as their babies. (No FCC nominee is ever confirmed before giving an affirmative answer to the question: "Do you agree that the FCC is an arm of Congress?") As for the other ideas, Congress may go along to some degree, sooner or later.

But Hector's blast is getting attention, especially after President Eisenhower called the memorandum "particularly helpful" and sent it on to Commerce Dept. for consideration in its current transportation study.

Hector had this to say about CAB, echoing criticisms previously directed at other agencies: "The CAB is unable to form clear policy. It is unable to make sound & comprehensive plans. It is unable to administer its affairs with vigor & dispatch. [I am disturbed] at the inability of an administrative agency, such as the CAB, to give a true judicial hearing to parties who come before it in litigated cases . . . The policies & plans of the CAB are not coordinated with those of other agencies of our Govt.; they are not responsive to the general policies of the President."

Hector cast no aspersions on his former colleagues. "Not with the founding fathers as members of its board," he said, "do I think the CAB as now organized could fulfill its obligations to the American people."

BEHIND THE RCA-NBC PHILADELPHIA DECREE: Last week's consent decree between Justice Dept. and RCA-NBC, whereby latter must sell WRCV-TV & WRCV Philadelphia, is being regarded in Washington legal circles as a stand-off—no big victory or loss for either side.

RCA-NBC loses, of course, because it must dispose of a fine earner in one of nation's largest markets. It does fair job of salvaging, on other hand, because it's permitted to buy into any other major market.

RCA-NBC decided to negotiate a deal because it believed that if it lost after fighting case through the courts the penalty for losing might be too high. Its attorneys thought they had excellent chance of beating Justice Dept. in court, but management concluded that defeat, even if unlikely, would be too costly.

Justice Dept. lawyers were thirsting to force RCA-NBC to give up its Philadelphia stations—period. No selling, no nothing. Even more, they were itching to court-test Sec. 313 of the Communications Act. One legal school holds that a person adjudged guilty in an anti-trust suit must give up the station license involved. Another school, including Justice lawyers, argues that the guilty one must give up all licenses. And underlying all of RCA-NBC's consideration of the situation, is basic concept that a company in a govt.-regulated business would always be on uneasy ground if it carried the stigma of a final anti-trust conviction.

The case settled last week was started by Justice Dept. Dec. 4, 1956, when it filed in Philadelphia Federal Dist. Court, alleging that RCA-NBC had pressured Westinghouse into swapping the Philadelphia stations for NBC's Cleveland stations. Justice said RCA-NBC did this by threatening to cancel NBC-TV affiliations Westinghouse held in Boston & Philadelphia and to withhold affiliation sought in Pittsburgh.

Consent decree makes it clear that no one admits anything about the allegations. What it does do is: (1) Require sale of WRCV-TV & WRCV by Dec. 31, 1962. (2) Permit RCA-NBC to buy another station in Detroit, Boston, San Francisco or Pittsburgh only if Justice Dept. is satisfied that the seller hasn't been pressured in the manner it alleged that Westinghouse was. RCA-NBC can buy in other markets without Justice Dept. clearance. (3) Foreclose RCA-NBC from radio station ownership in Philadelphia for 5 years, TV for 10.

Then the decree appears to put its blessing on NBC's ownership of a spot rep business. It says that NBC can continue to rep its o-&o's and the 6 others it now handles. To expand its list, however, it must satisfy Justice Dept. it didn't acquire station-clients by threatening to cancel or withhold NBC-TV affiliation.

This puts FCC in a curious spot. It has proposed to knock NBC & CBS completely out of the rep field (Vol. 15:5, 7, 17-18), yet Justice Dept., traditionally tougher on networks than FCC is, is clearly okaying networks' presence in rep business. Our latest soundings at the Commission show there's still strong disposition to kick networks out of repping.

Another interesting angle raised is Philco's protest, which goes to oral argument before FCC Oct. 1. Philco, original owner of the TV station (then WPTZ), has alleged that RCA-NBC is so tainted by monopolistic practices that it isn't fit to be a licensee. NBC is expected to argue that protest is moot, now that it has agreed to sell WRCV-TV & WRCV, the stations Philco complained about.

It's intriguing to speculate about value of WRCV-TV & WRCV. Dollar-figure may never be placed on them, for RCA-NBC may very well swap. Here's one guide, however: In 1957, CBS bought WCAU-TV & WCAU Philadelphia for \$20 million.

Decree was signed by Judge Kirkpatrick. Representing Justice Dept. were acting Asst. Atty. Gen. Robert A. Bicks & attorneys Bernard M. Hollander, W. D. Kilgore Jr., Raymond M. Carlson, Charles L. Whittinghill. RCA-NBC team was headed by Bernard G. Segal, of Philadelphia firm of Schnader, Harrison, Segal & Lewis. Segal was aided by: Edward W. Mullinix, from his firm; NBC v.p.-gen. attorney Thomas E. Ervin; RCA v.p.-gen. attorney Robert L. Werner; John F. Sonnett, of Cahill, Gordon, Reindel & Ohl. Segal will also argue the Philco protest.

FACTBOOK CHRONICLES GROWTH OF TV: Our new Fall-Winter Television Factbook, 29th in a series which began in 1947, will be mailed in few days, a completely revised & updated 496-page compilation of statistics, names and facts on the U.S. & world TV industry.

Among new features in this edition are a special educational TV directory section, a completely revamped & cross-indexed Program Source directory, a section devoted to video tape, including lists of tape-equipped stations, tape producers and tape facilities for hire. Also new to the book are data on important ad agencies in TV-radio.

Accompanied by 35x23-in. wall map of TV Cities & Network Routes, the Factbook retains all features which have made it the industry's standard reference work—complete data on all 554 U.S. TV stations and essential information on each of the 965 foreign outlets, revised U.S. & Canadian county-by-county sets-in-use tables, statistical information on TV billings being among the more than 75 tabulations.

One newly updated Factbook table, incidentally, shows that the U.S. public has purchased more than 64 million TV sets, that more than 51 million of these are still in use—meaning that some 13 million were scrapped over the last dozen years.

Other tables & lists which help make the book the industry's most thorough source of facts include complete lists of community antenna systems, new station applications, TV channel allocations, color-equipped stations, attorneys & engineers specializing in TV-radio, research firms, unions, publications, TV-radio-phono-tube & station-equipment manufacturers, tables of TV-radio billings, network rates & data, etc.

Copies of the Fall-Winter Television Factbook go to all full-service subscribers without extra charge; additional copies are \$5 each, or \$3.50 each for 5 or more.

Congress

MORE EQUAL-TIME WATCHDOGS: Comes now Rep Harris (D-Ark.), chmn. of the House Commerce Committee, to tell broadcasters that a lot of Representatives don't trust them when it comes to treating politicians fairly. Following his Senate counterpart, Sen. Magnuson (D-Wash.), who set up a "watchdog" subcommittee to eye broadcasters' equal-time practices among other things (Vol. 15:38), Harris thrust forth a warning, too. He told the La. Assn. of Bestrs. in Monroe last week:

"I think I would be less than frank with you if I did not say that there is a strong undercurrent of distrust of broadcasters, generally, on the part of many members of Congress when it comes to the question of granting broadcasters more freedom in the field of political broadcasting & editorializing. I mention this fact . . . because I think it is necessary for you to fully realize the strength of this feeling & the great need which exists for efforts to change such feeling. All members of the Congress, and particularly our Committee, will watch carefully how broadcasters perform under this recently enacted amendment."

At the FCC, too, there are warnings that broadcasters' freedom isn't as great now as some suppose. Says one commissioner: "They better be careful. Never before in history has Congress actually put into the Communications Act such language as 'Nothing in the foregoing sentence shall be construed as relieving broadcasters . . . from the obligation imposed upon them under this Act to operate in the public interest and to afford reasonable opportunity for the discussions of conflicting views on issues of public importance.'"

Harris said that his group would also study political editorializing & broadcaster endorsement of candidates. "As you undoubtedly appreciate," he said, "it not only involves highly sensitive problems & difficult questions of political practices under our system, but . . . guarantees of free speech on which we must not transgress."

He touched briefly on other communications topics, stating that his committee would delve into: "ex parte" relationships with federal agencies (Vol. 15:25-26, 29), govt. spectrum administration (Vol. 15:24, 31), daytime broadcasting (Vol. 15:18-19), CATV & boosters (Vol. 15:37-38) FCC's "protest procedure," professional sports and the anti-trust laws (Vol. 15:36).

The FCC

DEBATE OVER CAL. CHANNEL SHIFTS: An unusually heavy flurry of comments was received by FCC last week, as parties offered their pros & cons on Commission proposals designed to increase vhf competition in many major central Cal. cities. One group of filings presented views on the Commission's proposals to:

(1) Add Ch. 2, 5, 7 (educational) & 9 to Fresno, deleting Ch. 12, 18 (educational), 24 & 47. (2) Delete Ch. 5 from Goldfield, Nev., Ch. 9 from Tonopah, Nev. (3) Shift KJEO from Ch. 47 to Ch. 2, KMJ-TV from Ch. 24 to Ch. 5, KFRE-TV from Ch. 12 to Ch. 9. (4) Add Ch. 8 & 12 to Bakersfield, if Mexican approval is obtained.

The main opposition came from KFRE-TV, which is being ordered to move its transmitter to Patterson Mountain. This would be the first time FCC has required such a move. KFRE-TV argued that the new site, 43 mi. from Fresno, would produce a "seriously degraded service" for Fresno. "Equity and common sense dictate," it said, "that the Commission refrain from forcing KFRE-TV to abandon its highly satisfactory transmitter site and move, at a cost of almost \$800,000, to an inferior location at a time when there is every reason to believe that the Commission's current deliberations will result in a general reduction of minimum mileage separations which would permit a sound allocations plan for Fresno without injury to the rights of KFRE-TV or the public it serves."

Also opposed was KTLA (Ch. 5) Los Angeles, which said the shifts would produce interference to it; it also requested a hearing. Vhf KERO-TV (Ch. 10) Bakersfield pleaded with FCC to keep the vhfs out of its city, lest uhf be destroyed. If FCC finalizes the proposed new assignments, KERO-TV said, "it has doomed without recall, once & for all, now & forever, the future of uhf TV broadcasting service throughout the nation . . . in its struggle for survival, this for uhf is Armageddon."

Bakersfield's uhfs like vhf, though. KBAK-TV (Ch. 29) & KLYD-TV (Ch. 17) support the plan. KBFL (Ch. 39) likes vhf, too, but it asked FCC to give the city 3 vhfs instead of 2—or make the area all-uhf.

ABC plugged for 3 vhfs each for Fresno & Bakersfield. Also supporting the Commission proposal were KMJ-TV (Ch. 24) and KJEO (Ch. 47) Fresno, plus many educational groups in the area. Radio KNEZ Lompoc asked that Ch. 12 go to Lompoc-Santa Maria instead of Bakersfield.

Off-air KSAN-TV (Ch. 32) San Francisco backed the shift of Ch. 12 to Bakersfield, so that Ch. 11 may be used in its city.

A lively series of comments was received on the Commission proposals affecting Sacramento, Chico, San Jose, San Francisco, Stockton & Reno. FCC has proposed to: (1) Substitute Ch. 12 for Ch. 46 in Sacramento, Ch. 11 for Ch. 12 in Chico. (2) Substitute Ch. 12 for Ch. 11 in San Jose, adding Ch. 11 to San Francisco. (3) Add Ch. 2 & 11 (educational) to Reno.

Westinghouse opposed the addition of vhf to San Francisco, favored adding vhf to Sacramento & Reno. KHSL-TV (Ch. 12) Chico objects to the assignment of Ch. 12 to Sacramento through the substitution of Ch. 11 in Chico, but it doesn't oppose the allocation of Ch. 12 to San Jose. KSAN-TV (Ch. 32) San Francisco seeks a show-cause order shifting it to the proposed new Ch. 11. KNTV (Ch. 11) San Jose objects to switching to Ch. 12. KCCC-TV (Ch. 40) Sacramento supports the assignment of Ch. 12. Washoe County school dist. would be happy to see Ch. 11 in Reno.

KOVR (Ch. 13) Stockton objects to the changes proposed for Sacramento & Chico. Capitol Radio Enterprises, Sacramento, endorses the switch of KHSL-TV Chico from Ch. 12 to Ch. 11 and the addition of Ch. 12 to Sacramento, but it opposes the addition of Ch. 11 to San Francisco and the substitution of Ch. 12 for Ch. 11 in San Jose.

Another Try on Clear Channels: FCC came out last week with the details of its latest plan to end the marathon clear-channel radio proceeding, and it asked the industry for its comments by Nov. 20.

Specifically, the FCC proposes that one new Class II, 10-kw to 50-kw, station be assigned to each of 23 channels now occupied by the "clears." The other 2 clear channels (660 & 770 kc) are already duplicated. Herewith are frequencies, clear-channel stations occupying, and areas in which the new Class II stations would be permitted:

Channel	Existing Class IA Station	Location of Possible New Class II Station
640	KFI Los Angeles	Pa., Md., Va. or W. Va.
650	WSM Nashville	Mont.
670	WMAQ Chicago	Ida.
700	WLW Cincinnati	Utah
720	WGN Chicago	Nev.
750	WSB Atlanta	Ariz.
760	WJR Detroit	Ida.
780	WBBM Chicago	Nev.
820	WBAP & WFAA Ft. Worth & Dallas	Wash. Cal.
830	WCCO Minneapolis	Alaska
840	WHAS Louisville	Ore.
870	WWL New Orleans	N.D., S.D. or Neb.
880	WCBS N.Y.	Utah
890	WLS Chicago	N.M.
1020	KDKA Pittsburgh	Mont. or Wyo.
1030	WBZ Boston	Ore. or Wash.
1040	WHO Des Moines	Colo.
1100	KYW Cleveland	Cal. or Ore.
1120	KMOX St. Louis	N.C. or S.C.
1160	KSL Salt Lake City	Wyo.
1180	WHAM Rochester	N.Y., Vt., N.H. or Me.
1200	WOAI San Antonio	Kan., Neb. or Okla.
1210	WCAU Philadelphia	

The FCC also said it would receive ideas on whether or not higher power for Class IA stations should be authorized but that "it was not persuaded, on the present record, that higher power would be in the public interest."

In addition, the Commission ended its radio daytime skywave proceeding by adopting the radiation curves it proposed on March 11, 1954. "This action," the FCC said, "lifts in part the present 'freeze' on construction of new or changed daytime operation to the extent of permitting processing of such applications on 6 particularly clear channels, namely: 1500, 1510, 1520, 1530, 1540 & 1560 kc, to supplement 940 & 1550 kc on which there is now no freeze."

KWRB-TV (Ch. 10) Riverton, Wyo. was granted a waiver by FCC last week to identify itself with Thermopolis & Worland as well as Riverton. FCC denied the station's request to identify itself also with Lander because the community does not receive a principal city signal from Riverton. Comr. Bartley dissented.

Sale of 51% of WSVA-TV (Ch. 3) & WSVA Harrisonburg, Va. to WMAL-TV (Ch. 7) Washington by Transcontinent TV Corp. and pres.-gen. mgr. Hamilton Shea for approximately \$700,000 (Vol. 15:30, 32) was FCC-approved.

Single application for a new TV station filed with FCC last week was for Ch. 4, Reno, Nev., by the owners of KRON-TV (Ch. 4) San Francisco. Total pending is now 109 (14 uhf).

Three white marlin & 217 baby bonitas in one afternoon were landed off Ocean City, Md. in Aug. by FCC Chmn. Doerfer, Comr. Bartley and 2 others. The happy commissioners told us with pardonable pride that fishermen frequently chase marlin for years without hooking one.

Networks

VIVE LA DIFFERENCE! NBC & CBS last week each sent v.p.'s to Hollywood for conferences with producers & agencies to learn what's being planned for 1960. We checked with both—CBS v.p. Bob Weitman & NBC v.p. David Levy—after they'd had considerable conversation, and got from each a totally different version of what 1960 holds in store for TV viewers.

Said Weitman: "There is a forward look." Said Levy: "Most of the ideas are based on 1958 shows. Their thinking is to play it safe."

Weitman, in charge of obtaining shows & packages for CBS from independent producers, is as close to agreement with Levy, NBC's program & talent v.p., as Nikita Khrushchev is to Mayor Poulson.

Levy told us NBC is seeking top creative personnel, but emphasized that the bulk of the network's programming will come from the independents. Said he: "We're never going to produce a great deal of film programs at NBC. We'd have to put under contract all the companies in TV." Asked how NBC could initiate non-run-of-the-mill programs without heavy involvement in production, Levy said: "We can be very influential by producing one or two shows which break away from established formats." And, he added diplomatically, NBC can "suggest" in its conversations with packagers, producers & agencies the type of film series the network would like to see. It will be a "cross-pollenization" of ideas. As an example of working for quality, Levy said NBC has been working almost a year on the Civil War *Blue & Gray*, planned for 1960 as a 60-min. series, with 2 or 3 90-min. shows. With ad agencies & producers generally playing it safe, it's a network obligation to do something different, Levy concluded.

Said Weitman: "The heads of the companies are in there trying to do right by Nell. They are not interested in making the fast buck, but in 'let's make it good.'" Levy: "There is a mirage about compensation & residuals which gets in the way. There are fine writers, but they are busy editing their deals instead of their scripts. They are more interested in the financial aspects than the creative." Levy commended producer Eugene Rodney and *Father Knows Best*, on rival CBS, for their concentration on quality rather than the quick buck. "You don't see Bob Young & Jane Wyatt guesting all over the dials; this show is a first rate example of how to do a series."

Weitman: "I'm encouraged. I have faith in the creative people. In Hollywood, I find they are busy at their jobs & at their lathes with all their convictions." Levy: "There is an extreme shortage of top flight producers & writers and other behind-the-camera talent. Many producers are practicing their profession only because TV grew so rapidly there was a shortage of able personnel. Many who should be accountants are producers, and many who should be handling traffic at 42nd st. are directors. There's a tremendous need for new production & creative personnel."

Weitman: "There is a healthy thinking. The creative boys are cooking up a storm. The endeavor & the will are toward betterment of quality." Levy: "I've seen nothing different. The initiative will have to come from the networks. Producers are in business to make money, so they follow the well-worn trails."

ABC-TV will have 99 primary affiliates Oct. 4 with the addition of KDRO-TV (Ch. 13) Colorado Springs on that date and new KNDO-TV (Ch. 23) Yakima, Wash., Oct. 1.

TV Emancipation Policy: TV needs freeing from advertiser control of programming, *Advertising Age* editorial dir. S. R. Bernstein advised the Michigan Bcstrs. Assn. recently. He warned that TV will not come of age until broadcasters refuse to share fare responsibility. However, he predicted that TV will be unable to enjoy the editorial freedom of newspapers & magazines until broadcasters develop "some reasonable method of guaranteeing the size of an audience, so that all advertisers in a week, let's say, would get approximately the same amount of exposure for their commercial messages."

Bernstein rapped TV's movies-&-syndies formula, indicated certainty that "someone is bound to break out of these horribly artificial bonds and do some honest-to-goodness local programming." Looking ahead, he visualized "a time when local stations will have their own teams in a variety of sports & their own dramatic stock companies." He agreed that the players may not equal pros, but thought they would command "a special pull on the heart-strings that no non-local material can duplicate."

Webcor chairman Titus Haffa launched a suit in Superior Court, Chicago, Sept. 24, against CBS & the sponsors of *Playhouse 90* for \$10 million, charging libel & defamation of character. Haffa, whose name appeared in a flash shot of a "Titus Haffa Gets 2 Years" headline during "Seven Against the Wall" (twice-telecast *Playhouse 90* drama about the 1929 St. Valentine's Day massacre) contends the headline was "not an essential part" of the play and gave the impression that he was somehow implicated in the massacre. Haffa was convicted of prohibition violations and served 17 months in 1930-31. He received a Presidential pardon.

An error in cable transmission altered the meaning of one sentence of our on-the-spot report on U.S. networks' Latin-American activities last week (Vol. 15:38, p. 2). The sentence of the 4th paragraph should have read: "Quietly NBC has been acquiring minority interests in new TV stations in Latin American countries—countries where TV is either brand new or traditionally profitless." (In transmission, the word "either" was changed to "neither.")

NETWORK SALES ACTIVITY

ABC-TV

Operation Daybreak, participations in daytime schedule, 38-wk. contract. This is the advertiser's first network buy.
Coty Inc. (BBDO)

Bourbon St. Beat, Mon., 8:30-9:30 p.m., participations.
Isodine Pharmacal Corp. div. of International Latex Corp. (Reach, McClinton & Co.)

Adventures in Paradise, Mon., 9:30-10:30 p.m., and **The Gale Storm Show**, Wed., 7:30-8 p.m., participations in both.
Bristol-Myers (Young & Rubicam)

NBC-TV

The Jerry Lewis Show, May 20, 1960, 8:30-9:30 p.m.
Proctor Electric (Weiss & Geller)

World Series Warmup, 15-min. program to precede each telecast of the World Series.
General Mills (Knox Reeves) and *American Tobacco Co.* (Sullivan, Stauffer, Colwell & Bayles)

Programming

WBC's CAMPUS CONFERENCE: Are public-service shows any less "public service" if they're entertaining, or if they're sponsored? Where do budgets for public-affairs shows come from when a station is faced with tight competition & narrow profits? Will viewers buy the idea of public-service shows pre-empting the routine, but high-rated, network fare in prime evening hours?

These were among the questions facing over 350 broadcasters, program directors, educators, and govt. officials gathered last week on the rambling campus of California's Stanford U. to attend the San Francisco conference for local Public-Service Programming. As with similar meetings held in the past 2 years at Boston & Baltimore, the Sept. 21-23 conference was produced, sponsored and master-minded by Westinghouse Bestg. Co.

A round of morning, afternoon and evening TV panels & seminars produced no complete set of answers to visitors' problems, but most conferees agreed that the near-future outlook for public-service shows is encouraging, thanks to a blend of editorial courage, showmanship and new techniques, increasingly being demonstrated by stations. One such indication during the WBC meeting came from conference guest William Dempsey, gen. mgr., WQED Pittsburgh (ETV) who polled the forecasts of fellow broadcasters at Stanford to reach a prediction of 20% increase next year in health, welfare & educational programming, and a parallel decline of 20% in religious programming. Among other conference highlights:

A warning to broadcasters that rule-by-committee can stifle the individual thinking sorely needed in the public-affairs field was issued Sept. 21 by WBC pres. Donald H. McGannon at the conference's first mass meeting.

Following their host's lead, the morning panel on opening day tackled the creative climate of a broadcasting station. The group: WIND Chicago gen. mgr. Gordon Davis, chmn.; James Allen, gen. mgr. WBZ-TV Boston; Ted Cott, v.p., WNTA-TV Newark-N.Y.; Elmo Ellis, programming mgr., WSB-TV Atlanta; and Clarence Worden dir. of public affairs, WCBS-TV N.Y. Increased sponsor interest in prestige vehicles was cited by Cott who said, "The climate in which advertising is placed is becoming important."

The burden of creating more public-affairs shows must lie with the broadcaster, rather than the Govt., because "The American people [want] their newspapers, movies, churches and broadcasting stations outside the pale of govt. operation," FCC Chmn. John C. Doerfer told a patio luncheon session. "I can see no way of preventing an unexpurgated version of 'Lady Chatterley's Lover' from being broadcast, other than the forbearance & good sense of the broadcasters." Touching on the FCC's difficulties in determining a measure of the quality, as well as quantity, of public-service shows reported by stations seeking license renewals, Doerfer admitted the yardstick was "mainly quantitative" inasmuch as the FCC has only one full-time program analyst.

TV news-coverage was explored in a production-conscious afternoon panel that utilized everything from a TV-equipped helicopter simulating coverage of the rescue of a stranded boat owner (KTLA Los Angeles Telecopter News) to film & tape samples of the news coverage by WRCA-TV N.Y., KVTU, Sioux City, Ia., and KPIX San Francisco. "What we need today in TV news is more crusading journalism, more exclusives," said WRCA roving newsman Gabe Pressman.

Following a first-night Hawaiian-style luau dinner,

delegates heard this panel of names: Dr. Frank Baxter, TV & U.S.C. educator, Hollywood graphic arts designer Saul Bass, playwright Marc Connelly, CBS-TV exec. producer Fred Friendly, BBDO exec. v.p. for creative services Robert Forman, and BMI pres. Carl Haverlin.

"I despise the words, public service," said CBS' Friendly. "It seems to me that reporting on Khrushchev is not just public service. Everybody in America has got to know . . . because what we don't know *may* kill us."

"The fact that people have been satisfied with so little in the way of public-service programming is a sign that it's time to give them more," said Dr. Baxter.

"Let's remember that public-service broadcasting cannot get along without people and cannot go out & woo them with the ponderous, pedestrian, pontifical attitude we too often take." Said BMI's Haverlin. "If those 3 adjectives accompanied the sex act, the race would die out."

Relationships between charitable organizations & local TV stations were explored in a Sept. 22 panel with KYW-TV Cleveland gen. mgr. George Mathiesen as chmn. Most agreed that the biggest problem in working with outside public-service groups was their lack of TV knowledge. "If the local service organization has an alert public-relations man, he will come to the station with a plan, not a plea," said panelist Mildred Fenton, dir. of public affairs of KFSD San Diego. Added William Simpson, v.p. & copy chief for BBDO's San Francisco office: "If the public-service agencies approached their problem with the same zeal & understanding as the commercial advertiser and applied the same commercial production techniques, more public service campaigns would go over the top."

Highlight of the conference's last day was a panel on public-service shows in foreign countries. Any notion that the big U.S. technical lead in TV automatically spells an edge in public-service techniques was quickly dispelled by chmn. Basis Thornton, exec. dir. of Broadcasting Foundation of America, and 6 panelists from Great Britain, Italy, Japan, Mexico, and West Germany, who used tapes & films of public-affairs shows to make their points. Samples:

"The battle was won ages ago in Great Britain where no one now would think of asking whether public service has a place in broadcasting," said BBC producer Huw Weldon. "Programming for a minority of a hundred is no good, of course, but a practical minority of 2 or 3 million people is certainly worth putting a show together."

Samples of TV lessons which are putting children through secondary school in over 1,000 Italian communities with no other facilities were shown by Grazia Maria Puglisi, dir. of the Radio Audizioni Italiane Teleschool. The RAI courses are telecast from 1:30-4 p.m. each day, explained Prof. Puglisi, adding that "many adults also take these courses at home."

Japanese panelist Shuji Tomozawa, of Chuba Nippon Bestg. Co., told delegates that in his country "30% of all TV & radio programming is devoted to public & cultural affairs by order of the Ministry of Communication, with at least one documentary premiered every day." An interesting sidelight on Japanese psychology was provided by commercial broadcaster Tomozawa when he added that "our sponsors feel guilty at making big money, so we threaten their conscience and they support public-service programs."

The panel members agreed that TV-radio reporting had matured to the point where editorializing on strong national or local issues was quite permissible.

A note of internationalism in public-affairs TV was injected into the closing ceremonies by Cal. gov. Edmund G. Brown, who said broadcasters would do well to focus less attention on the USSR, more on other countries.

Churches Ask Mail Pressure: New York's TV-radio programming was slated for vociferous appraisal last week by viewers responding to a coordinated interfaith appeal to help improve the city's "moral & spiritual climate."

Hundreds of Protestant & Catholic churches and Jewish synagogues had issued a joint appeal the preceding weekend (19-20) calling upon their congregations to write their opinions of broadcast fare direct to stations, to make known their concern about the effects of violent, suggestive or immoral programs, particularly upon youngsters.

The appeal was the opening move in a continuing betterment program by N.Y.'s 104-member Committee of Religious Leaders established by Mayor Wagner to combat juvenile delinquency. In a report last June (Vol. 15:27), the group censured TV-radio programming, also took newspapers, magazines and ad agencies to task for downgrading N.Y.'s moral climate.

Msgr. Thomas A. Donnellan, Chancellor of the N.Y. Roman Catholic Archdiocese and co-chmn. of the Committee of Religious Leaders, urged worshippers at St. Patrick's Cathedral to "be vigilant," pointing out that the campaign would become effective "when you, the public, make known your attitude to those who determine the policies of newspapers, magazines, TV & radio programs. Specifically, at this time [Sept. 20] each of you is asked between now & next Sunday to write a letter to one TV or radio station regarding some one program presented this week. If it was good, praise it and offer your congratulations to those responsible. If it was morally objectionable, write saying so in a friendly, non-threatening way."

N.Y. TV stations told us last week they hadn't, as yet, received much response to the interfaith request. Ironically, on Sept. 20 WCBS-TV N.Y. was cited jointly by the Archdiocese of N.Y., the N.Y. Board of Rabbis, and the Protestant Council of N.Y.C., for the station's "contribution to the community on the occasion of the 3rd anniversary of its public service program *The Way to Go*."

Televangelism Vs. Delinquency: TV's ability to capture mass audiences will be employed by the Southern Baptist Convention in a \$3-million, nationwide "televangelism" campaign against juvenile delinquency which is scheduled to open in Jan. Fifty-two 30-min. TV films dramatizing youth problems will be furnished some 200 TV stations without charge by the Baptist organization, which represents 9 million churchgoers.

The "televangelism" series, *The Answer*, will be used to invite churchgoers and/or young members of their families to hold Sunday home-viewing parties to view & discuss the TV shows, which are planned as dramatic, fast-paced stories that stress "timeless values."

Dr. Paul M. Stevens, Southern Baptist TV-radio commission dir., said that the series "doesn't drag religion in by the heels. We make no attempt to make a Baptist out of anybody." Emphasizing that the series will discuss juvenile problems in "an unpreachy way," he noted that "religious programming generally repels the very people you're trying to reach."

Ninth annual Sylvania awards for "distinguished achievements in creative TV techniques," will be presented (despite an erroneous press report to the contrary) on Jan. 19, 1960 at the Plaza Hotel, N.Y. Until then there will be a monthly balloting of the 7-member judging committee, headed by Deems Taylor. Last year 26 awards were presented out of a possible 32.

Stations

THE AM PROFIT-LOSS PUZZLE: Details of AM-FM station financial performance in 1958, as shown by last week's excellent report by FCC's economics div., lead one to the inevitable conclusion that station operators actually are doing better than the cold figures indicate—or that they're remarkable optimists.

Although profits were down 31.7% from 1957, to \$37.3 million for the entire radio industry, and although 1,106 of the 3,197 stations reported losses for the year, a mere 2 stations called it quits, while 131 new ones started. Since World War II 20-30% of all radio stations have reported losing money, yet only 4 quit in 1957, 5 in 1956, 4 in 1955, 10 in 1954. Obviously, the apparent loss figures don't tell the entire story—of depreciation, salaries of owners, etc.

FCC's report comprises 16 tables, the most complete ever compiled. It's one of the earliest on record, too. It usually comes out in Dec. Herewith are salient figures:

(1) Revenues of the 4 nationwide & 3 regional networks (including 23 o-&o stations) were \$69.4 million—5.6% below 1957's \$73.5 million, and losses were a considerable \$3.6 million, compared with a loss of \$64,000 the previous year.

(2) The 3,267 non-network-owned stations reported revenues of \$453.7 million, up 2.1% from 1957's 444.4 million, but profits were down 25.1%—\$40.9 million vs. \$54.6 million in 1957.

(3) Network time sales for all stations (excluding FM-only) were \$46.5 million, down 8%; national spot sales were up 1.4% to \$171.9 million; local time sales were \$323.2 million, up 2%.

(4) Of the 3,197 AM stations reporting, 1,106 (34.6%) reported losses in 1958—vs. 959 (31%) the previous year.

(5) Of the 93 FM-only stations reporting, 68 showed losses, compared with 44 out of 67 in 1957.

(6) Of the 3,066 AMs which operated for the full year, 2,053 reported a profit, with the median profit \$16,000. Median loss for the other 1,013 was \$15,000, 84% losing less than \$25,000. The average per-station total revenues of the 3,066 AMs which operated the full year was \$156,393.—expenses \$140,733 & profits \$15,660.

Combining radio & TV, the report shows a total revenue of \$1.6 billion, up 6.3% from 1957—TV revenues were up 9.2% to \$1.03 billion, radio up 1% to \$523.1 million. TV-radio profits were \$209.2 million, down 2.5%—TV \$171.9 million, up 7.4%; radio 37.3 million, down 31.7%.

The report also includes a financial breakdown of AM stations by class & time, and a table comprising more than 250 cities, showing each market's national, regional & local time sales, broadcast revenues, expenses & income.

Copies of the report, Public Notice 78365, may be obtained from the Commission.

Roger Hagadone, owner of KCIX-TV (Ch. 6) Nampa, Idaho has signed papers with the Howard D. Johnson group (KTLE, Ch. 6, Pocatello & radio KNAK Salt Lake) to sell his 100% ownership of KCIX-TV for 20% of the new company which will include KCIX-TV, KTLE & KNAK (Vol. 15:34). The deal awaits FCC approval. The KCIX-TV transmitter will be moved to Deer Point.

Joseph S. Sample, owner of KOOK-TV (Ch. 2) Billings, Mont. owns 50% of KUEN Inc., which is acquiring radio KUEN Wenatchee, Wash. for \$105,000 from Dale R. Wood and associates in a transaction handled by Edwin Tornberg & Co. The other 50% KUEN Inc. owner is Miller C. Robertson, ex-gen. mgr. of KIRO-TV (Ch. 7) Seattle, Wash.

Hausman to Head TIO: By unanimous vote, the NAB-sponsored TV Information Committee elected CBS radio v.p. for adv. & prom. Louis Hausman to direct the new TV Information Organization that will launch its campaign to improve TV's public image this year. Hausman's election was announced following a TIO meeting at the Waldorf-Astoria Hotel, N.Y., on Sept. 24. He'll assume his new post officially on Oct. 12, and will HQ at 666 Fifth Ave., N.Y., resigning meanwhile from CBS where he has held various executive posts since 1940.

Hausman was the final winner in a group of candidates which at one time totalled 150 names, and later narrowed to 60. His contract runs initially in a 3-yr. cycle, with a salary said to be in the \$40,000 bracket. TIO itself expects to launch its campaign this winter. It is budgeted at \$500,000 for the first year, a sum already covered by contributions from networks, stations & NAB.

Until he accepted the TIO appointment, Hausman, 52, was generally considered a CBS career executive. Among his various posts within the CBS structure since 1940 have been those of v.p. of CBS-Columbia (during its set-manufacturing days), member of the CBS corporate staff handling special assignments for Dr. Frank Stanton, admin. v.p. of the CBS radio network, and, since Jan. 1957, adv. promotion v.p. for the radio web. He is a graduate of Columbia U., a Manhattan resident, and an ardent collector of oil paintings. Other outside interests have included a wartime hitch as OWI consultant, and a 4-yr. term as treas. of the Brand Names Foundation.

First-Half TV Time Up 17.3%: Combined spot & network TV gross-time ad-spending increased 17.3% to \$624,704,000 during first-half 1959, compared with the \$532,486,000 investment in TV time in Jan.-June 1958, TvB pres. Norman E. Cash reported last week. The tabulation, by Rorabaugh-LNA-BAR, is TvB's 2nd annual study for the 6-month period of TV spending by product classification. It shows among other things that product advertisers put nearly equal faith & dollar in spot & network advertising. Of first-half 1959's total \$624,704,000 TV investment, \$315,323,000 went into spot TV, \$309,381,000 to network TV.

Twenty-three of 31 major product classifications increased their 1959-over-1958 TV investment. The greatest percentage increase was scored by the chemical field, which skyrocketed its institutional-ad TV-spending 894% to \$676,000 from first-half 1958's \$68,000. Dollarwise, the most sizable investment was made by food & grocery products, which stepped up spending by 22.8% to \$145,938,000—from \$118,806,000.

Among the 8 product categories which retrenched, publications cut back hardest, down 70.6% to \$382,000 from \$1.3 million spent during the year-ago first half. The stationery & office equipment category cut its TV investment 70.3%, from \$1,784,000 to \$529,000, and the smallest decrease was credited to household laundry products, which dropped off its 1958 pace by only 3%, from \$43,463,000 to \$42,177,000. Among the retrenchers was the TV-radio-phono & musical instruments category, which chopped its first-half 1959 TV investment a resounding 27%, from \$5,688,000 a year ago to \$4,155,000.

KTTV's all-commercials experiment ends this Sat. (Oct. 3) when the L.A. station drops *Cavalcade of Spots*, after a 13-wk. run. While pres. Dick Moore was not commenting on the reason, we learned that the station could not get enough interesting commercials for a second cycle of the unique show.

TV Helps Sports Gate: Those who contend that TV keeps sports lovers sitting on their ticket-buying hands at home, argue without benefit of a Pulse survey to the contrary. A July study in N.Y., comprising interviews with some 1,000 men, about various sports, indicates that "the more viewing, the more attendance," concludes Pulse dir. Dr. Sydney Roslow. "If TV has hurt the gate at sporting events, this appears to be a thing of the past."

Of the thousand men queried, 28% had been to a baseball game within the past 6 months. Of these, 97% also were watchers of TV baseball. But only 75% of those who didn't go to games watched TV baseball. Asked about TV's influence on their attendance habits, 15% said they go to games more frequently, 81% reported "no change," and only 4% said they attended less often.

Radio's resurgence, inspired by increasing ad revenues and paced by small, economical under-1,000-watts outlets, came under *Wall St. Journal* analysis last week. "While the major radio networks struggle for profits, local radio stations do increasingly well," the paper reported. "Last year, advertisers spent some \$519 million on radio time, and only \$46 million of this went to the networks. In 1952, only 469 million ad dollars went into radio; the networks took almost a quarter of this. The desire to cash in on this growth is causing antennas to sprout all over the country." The paper also pointed out that: the number of radio stations has nearly tripled to 3,388 in the past 12 years; the FCC has on file applications for 645 stations; the outlook is for 5,500 outlets by 1970; major growth is among small stations which serve communities of less than 25,000 residents, principally because of frequency availability & economy; and "a typical small station" can be built for less than \$30,000, compared with upwards of \$250,000 to start a small TV station.

Purchase of NBC's WNBC (Ch. 30) & WKNB New Britain-Hartford, Conn. by Conn. TV Inc. for \$1,044,000 (Vol. 15:26) was approved by FCC last week. The grant was awarded on the condition that no option rights held in the buying concern by WWLP (Ch. 22) Springfield, Mass. (one of the original stockholders until it withdrew after a duopoly question was raised in an FCC "McFarland" letter) be exercised without prior approval of FCC. At the same time, FCC approved the resale of radio WKNB to the owners of WICO Salisbury, Md. for \$225,000. Comr. Bartley dissented.

NAB's keynote award, to be presented during its 1960 convention, will go to a recipient to be selected by a new awards subcommittee headed by Dwight W. Martin, WAFB-TV Baton Rouge. The group was named during the first meeting, in Chicago last week, of the convention committee, co-chairmen of which are Thomas C. Bostic, KIMA Yakima, Wash., and Payson Hall, Meredith Stations. The committee reaffirmed its policy of "preparing a program designed for top ownership & management, with exhibits limited to manufacturers of heavy broadcast equipment." Other NAB associate members will have "hospitality quarters" rather than exhibit space.

NAB management development seminar will be offered again next summer at Harvard. Tentative dates are July 10-23, but may be moved to last 2 weeks in June. Dr. J. Sterling Livingston, prof. of business administration & pres., Harbridge House, again will serve as academic dir.

Ch. 11 in Coos Bay, Ore. was awarded to Pacific TV Inc. last week by FCC, which adopted examiner J. D. Bond's initial decision of Sept. 2. Comr. Bartley dissented.

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Advertising

MEDIA SALES PITCHES: Television people will find interest in a brief synthesis of the major selling points of the 4 great categories of U.S. media, in the latest *Madison Ave.* The magazine, in an equal-space deal, devotes a column apiece to the salesmen-standard-bearers for newspapers, magazines, radio and TV. Here are their nutshell comments in an even smaller nutshell:

Newspapers represent the "total selling medium," in the opinion of ANPA Bureau of Advtg. pres. Charles T. Lipscomb. He claims that newspaper ads reach more people, produce more sales per dollar of ad cost, get more action, and are better liked by the audience than ads of other media. Excerpts: four million retailers invest about \$2.5 billion in dailies—more than in all other media combined; 88% of U.S. families get a newspaper every day; more than 100 million people (82% of all 12-years-&-older) read a newspaper on an average day.

Magazines are more important to advertisers than ever before, contends Magazine Publishers Assn. pres. Robert E. Kenyon, "because today's race for sales is more than ever a competition to win a place in people's minds." He points to magazines' acceptance in the home, their non-ending campaigns for better living, their long retention by readers. Excerpts: more national advertisers sell in magazines than in all other media combined; 8 out of 10 of them sell in magazines; 6 out of 10 use magazines exclusively; and magazine circulations & ad revenues are currently hitting all-time highs.

Radio is the "quickest, most effective way to reach a huge audience—repeatedly & at low cost—with infinite creative opportunity, argues RAB pres. Kevin B. Sweeney. Today, radio reaches 49,320,000 homes—vs. 39,300,000 10 years ago. It serves through 146,200,000 sets—vs. less than 79,000,000 a decade ago. Sweeney also points to "costs-per-1000 families consistently as low as a half dollar, the ability to be in 200 markets 3 hours after the client decides at luncheon that 'something's gotta be done,' and the undeniable impact on everyone (consumer & sales force alike) of the schedule that runs 200 times a week" as factors that attract more than 90,000 local & regional advertisers.

Television in 5 years has become the basic ad medium of "America's best managed companies," points out TvB pres. Norman E. Cash. "Over this period, TV has accomplished the impossible by building its circulation to the point where it now reaches more than 6 of every 7 homes," he stresses. "A look at the financial record of TV is more than ample proof of TV's stature today. Whereas less than a decade ago only \$56 million was spent in TV advertising, 1958 advertisers invested more than \$1.4 billion in the medium . . . In industry after industry, TV displays a remarkable vitality of performance in its selling role." He forecasts that TV, "with its unchained lightning, will continue to dominate the advertising scene."

Daytime TV is a boon to small advertisers as well as "the last remaining TV frontier awaiting full exploitation by national advertisers," Giraud Chester, ABC-TV v.p. for daytime TV, told the St. Paul Ad Club Sept. 23. Low-budgeted advertisers can purchase 15-min. segments on ABC-TV "for as low as \$7,200 for time, program and cable," he informed. Homes reached by network daytime shows range from 1.5 million to more than 5 million per average min., he pointed out, adding it is possible to reach 16 million homes a month with a frequency of more than 5 times per home.

Personals: John Karol, former CBS radio v.p. for planning & development, named CBS-TV network sales dir. of special projects . . . Leo Durocher resigns as NBC-TV talent relations exec. & sports commentator . . . Tom Judge named production sales dir., CBS-TV operations dept. . . . Henry Grossman, ex-CBS-TV facilities operations dir., named v.p. for technical operations, NTA's o-&o broadcasting properties & NTA Storevision Inc.

Paul M. Sciandra, ex-WGR-TV Buffalo, program dir., named programming & production dir., WROC-TV Rochester, N.Y., succeeding Charles W. Siverson, now WROC-FM supervisor . . . Joe Seiferth named promotion & publicity dir., WDSU-TV (Ch. 6) New Orleans . . . Clayton C. Dopp, ex-WXEL-TV, WJW-TV Cleveland and WJBK-TV Detroit sports dir., named a Sports Network staff dir. . . . Jack A. Gertz, ex-MBS national dir. of public affairs, named chief of Federal Aviation Agency's office of public affairs . . . John T. Coy promoted from Bolling Co. San Francisco office mgr. to West Coast mgr.

Robert J. Kaufman named ABC-TV asst. gen. counsel . . . John R. Barrington named to new post of TelePrompTer PR dir., Alfred N. Greenberg continuing as adv. & PR dir.

Kenneth A. Norton, chief of the National Bureau of Standards' radio propagation engineering div. and former member of the FCC technical information section, will receive the Harry Diamond Memorial Award for a govt. employe in the radio & electronics field at the IRE annual convention in March. Norton is cited "for contributions to the understanding of radio-wave propagation."

Dr. Howard A. Wilcox, deputy dir. of defense research & engineering, U.S. Dept. of Defense, will address RTES Oct. 7 at the Roosevelt Hotel, N.Y., on "Electronics & Broadcasting in the Space Age."

FCC Comr. Frederick W. Ford will be married, "this fall," to Miss Mary Margaret Mahony, mgr. of Gilpin House antique shop, Alexandria, Va. She's a native of Blackstone, Mass., taught high school mathematics there, became a Pan American stewardess, then "skipper-in-charge" of Pan Am's Admiral Club, National Airport, Washington—before assuming her present position. The first Mrs. Ford died Feb. 19, 1958. Ford has a 14-year-old daughter.

Obituary

Edward S. Kaylin, 45, CBS associate dir. of adv. & promotion, died Sept. 19 of a heart attack at his home in N.Y. Surviving him are his wife, parents and a brother.

Net TV 17% Ahead in July: The media categories of network TV & national magazines each scored 17% increases in July ad volume, compared with the year-ago month, pacing all major media as the general ad index romped to a 12% July-over-July increase. *Printers' Ink's* latest index also shows TV & newspapers leading all media with 10% gains in year-to-date business, compared with Jan.-July 1958. The poorest performance was registered by net radio, down 14% from July 1958, down 11% on year-to-date, and down 11% from June 1959. Except radio & business papers, all media increased in July over June—newspapers by 9%, magazines 8%, net TV 1%, the general index 4%. For all categories, largest percentage increases were scored by general monthly magazines for year-to-date (15%) & July-to-July (26%) and by farm magazines for July-over-June (18%):

Medium	Index		% Change from		% Cumulative Change
	July 1959	July 1958	1 month ago	1 year ago	
General Index	233	208	+ 4	+12	+ 7
Total Magazines	185	158	+ 8	+17	+ 9
Weekly	202	176	+ 5	+15	+ 7
Women's	139	120	+16	+16	+ 8
General Monthly	232	184	+ 9	+26	+15
Farm	114	110	+18	+ 4	+ 1
Newspapers	216	189	+ 9	+14	+10
Network Television	474	406	+ 1	+17	+10
Network Radio	24	28	-11	-14	-11
Business Papers	226	211	- 4	+ 7	+ 4
Outdoor	159	163	+ 2	- 2	- 5

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 July 1959.

People: Donald E. Booth elected Ted Bates v.p. . . . Norman Cary, ex-BBDO, named v.p. & creative dir. Compton, West Coast office . . . Robert Aledort named Erwin Wasey, Ruthrauff & Ryan research v.p. . . . James J. Cochran rejoins Kudner Agv. as v.p. & account supervisor on the Renault account. He had been a J. Walter Thompson v.p.

Jack D. Tarcher, ex-Lennen & Newell senior v.p., named to Doyle Dane Bernbach exec. & administrative post . . . Bob Elliott, McCann-Erickson PR dir., named v.p.

Theodore T. Teegarden, ex-MacManus, John & Adams, named adv. mgr., Chrysler Corp.'s new Valiant car . . . Douglas Burch, ex-Leo Burnett, named media dir., Reach McClinton . . . Pat Freeman & C. Burt Oliver elected pres. & managing dir., respectively, Foote, Cone & Belding Canada, Ltd. . . . Colin J. Smith, ex-Kenyon & Eckhardt Ltd., Toronto & Montreal, named BBDO Montreal office mgr.

The Advertising Council, industry-supported public-service organization, stated last week in its 17th annual report that it had received 16.5 billion TV-home impressions over the past year (July 1958 through June 1959) from charity plugs in commercial network programs alone. Local TV kits for United Nations, Crusade for Freedom, U.S. Savings Bonds, mental health, etc. scored an average of 20 station messages each. Each campaign averaged 11,200 station messages.

Station Rate Increases

Station	Base Hour	Minute	Date
WGR-TV Buffalo	\$1200 to \$1300	\$250 to \$300	Aug. 15
WWL-TV New Orleans	900 to 1000	250 to 275	Aug. 1
KXTV Sacramento	600 to 1000	275* to	Aug. 15
WHIO-TV Dayton	850 to 950	200 to 230	Aug. 1
KRNT-TV Des Moines	700 to 725	180*	to Sept. 1
WRV Green Bay, Wis.	600 to 650	120 to 130	Aug. 1
WTVH Peoria	500 to 600	100 to 110	Aug. 1
KRIS-TV Corpus Christi	300 to 350	75 to 85	Sept. 1
KALB-TV Alexandria, La.	250 to 300	50 to 72	Sept. 1
KGHL-TV Billings, Mont.	200 to 250	45 to 62.50†	Aug. 1

* No Change † 20 sec. only

Top 100 Spending More: The nation's top 100 advertisers in network TV, magazines and newspaper supplements increased their spending during first-half 1959 by 8.9% to \$474,160,383, compared with the \$435,597,105 expenditure during the year-ago period, the latest *Advertising Age* tabulation of PIB-LNA-BAR compilations shows. Leading the ad parade is Procter & Gamble, which put into TV 91% of its total first-half outlay of \$29,936,133. In No. 100 slot is Book-of-the-Month-Club, which spent \$1,242,588, none of it in TV.

Ninety of the 100 giants used network TV for first-half ad campaigns, with expenditures (for time costs alone) ranging from P&G's \$27,076,567 TV investment to the \$585,063 spent by 97th-place Libby, McNeil & Libby. Of 10 TV abstainers, 2 were liquor distillers. Two firms plunked their entire ad budgets into TV: Alberto-Culver (hair & scalp products) to the tune of \$2,477,378 & American Chicle Co., \$1,473,120. CBS Inc., which placed 98 with a total ad outlay of \$1,287,406, spent \$1,127,915 in general magazines, and \$159,491 in Sun. magazine sections.

Other findings of interest: The greatest single outlay of ad money in *any* medium was P&G's \$27 million for TV time. Five of the first 6 ad spenders invested more by far in TV time than in magazines & newspaper supplements *combined*. The exception was 2nd place Gen. Motors which put approximately \$15.4 million in magazines, \$11 million in TV. The top 10 advertisers for the first half were: P&G (\$29,936,133), Gen. Motors (\$28,395,446), Gen. Foods (\$18,960,892), Lever (\$18,552,310), Colgate-Palmolive (\$17,536,957), American Home Products (\$17,321,497), Ford (\$13,617,225), Chrysler (\$12,308,968), American Tobacco (\$11,419,127), R. J. Reynolds (\$11,210,197).

Mc-E's 'Down Under' Partner: The banner of McCann-Erickson International was hoisted on a new frontier last week—Australia. At a Sept. 24 press conference in N.Y., Sylvester L. (Pat) Weaver, ex-NBC pres., now board chairman of the agency's overseas operations (that circle the globe with 47 offices employing 2,000 people in 21 countries), announced that McCann-Erickson had bought Hansen Rubensohn of Sydney, one of the 3 largest ad agencies in the Australian market, and the leading TV agency in Australia, with 6 shows in the top 10.

"Australia is more like our own than any other world market," said Weaver. "This is not just a case of adding another office." Some Weaver statistics on Australian advertising: Almost every major U.S. concern (over 800) does business in Australia "and many of our own agency clients want us to service their 'world image' in Australia with advertising such as they have in the U.S." Australian national advertising last year amounted to \$139 million, an increase of 40% over the preceding year. In 1959, another increase of 30% is anticipated, to reach a level of \$180 million. Australian advertisers now put 20% of their budgets into TV-radio, with TV "gaining rapidly in a commercial system very like the U.S."

Weaver anticipates a long-range personnel exchange program in which members of the Australian agency's TV staff (it currently has a TV-radio dir. and 6 full-time TV producers) will come to the U.S. to observe McCann-Erickson's TV techniques in action. (For other recent news of U.S. interest in Australian TV, see Vol. 15:37-38.)

Founded in 1928, the Sydney ad agency (which will now be known as Hansen Rubensohn-McCann-Erickson, Pty. Ltd.) has a total of 40 clients and a staff of 140 people. It currently services Australian advertising for at least 2 McCann-Erickson U.S. clients, one of which is Nestle.

Film & Tape

THREE BIG JOBS: Vacancy signs came down last week from 3 top-level telefilm jobs as 20th Century-Fox TV Productions, CBS Films and Screen Gems coincided with executive appointments:

Peter Levathes, ex-Y&R: One of the few agency men in a TV-radio v.p. post with an extensive background in the motion picture industry, Levathes will move to the job of pres. of 20th Century-Fox TV Productions, replacing ex-TV producer Martin Manulis who is concentrating on feature production. In a sense, it's a homecoming for Levathes—before joining Y&R in 1953, he had been in charge of sales for 20th-Fox's short subjects and in other 20th executive posts in the 1937-52 period. Well-liked on Madison Ave., Levathes is indicative of another telefilm industry trend: The hiring of executives who can double easily between film program planning sessions in Hollywood & sales conferences in N.Y. with TV clients & agencies. This season, 20th-Fox is represented with a film series on each of the networks: Five Fingers (NBC-TV), Adventures in Paradise (ABC-TV), and Dobie Gillis (CBS-TV), and is now grooming other properties for the mid-season replacement race.

Robert Lewine, ex-NBC-TV: As replacement for the top production supervision post vacated by Leslie Harris (who has joined Independent TV Corp., and will shuttle between London & N.Y. as head of film production for ITC), CBS Films has hired Robert F. Lewine, NBC-TV v.p. for TV network programs and an executive of NBC since 1956. Lewine will join the network's thriving film offshoot next month and will soon thereafter be a frequent jet commuter between N.Y. & Hollywood inasmuch as CBS Films is holding off on completion of 1960 production plans until he arrives. Lewine's name has popped up frequently in TV industry rumors in the past few months, following the arrival of ex-Y&R TV v.p. David Levy to head all of NBC-TV's network program activities and to report to exec. v.p. Walter Scott. Lewine's brother, Richard Lewine, also works for CBS—as dir. of special TV programs.

William Dozier, ex-CBS-TV: The second of the week's network-to-telefilm switches was the move of William Dozier, Hollywood TV program v.p. of CBS, to Screen Gems, with 5-yr. firm contract as v.p. for West Coast activities. Dozier, whose appointment is effective Nov. 1 and was announced late last week by Columbia Pictures pres. Abe Schneider, will work with Irving Briskin, recently elevated to v.p. status at the parent movie concern. Harry Ackerman, v.p. & exec. producer, and Robert Sparks, exec. producer for SG's syndication production, will both continue in present posts. In the same executive shuffle, William Sackheim, exec. producer of the Alcoa-Goodyear Theater, has been named a production v.p. Dozier, at one time production v.p. of RKO, is being replaced by Guy della Cioppa, who has ranked closely under Dozier as CBS-TV v.p. and program dir., Hollywood.

Although only one of the 3 executives (all are taking short vacations before starting their new jobs) could be reached to confirm, film industry sources believed it likely that the new appointees had been offered film participation deals as part of the inducement to join the film firms.

This trio of executive switches won't be the last of this variety you're likely to see this season, we were told last week. Reportedly on the prowl for top executives with Madison Ave. status are Paramount Pictures, which has yet to sell a network TV film show, and MGM-TV, which has no network show this season and 7 pilots on the shelf.

Taking Stock of Stock Film: Major studios in TV use as a selling point the fact that they have immense libraries of film from which they can draw stock footage for TV. This, they contend, allows them to make telefilms at a better price than the independents can.

We checked some of the leading independent producers in Hollywood about this point, and found a different viewpoint. They say that little stock footage is used on TV these days, that the price to rent such footage is cheap, and that TV has reached the point of progress where it goes on location to shoot virtually all of its own footage rather than relying on hard-to-match stock footage of inferior quality.

Producer Jules Levy told us that only about \$2,000 was spent on stock film in all of last season on *The Rifleman*. Levy, who with his partners Arthur Gardner & Arnold Laven, is in a co-production deal with Four Star, said that on the few occasions when stock film is needed they can rent it for \$4 a foot from Republic—considerably less than the \$7 to \$7.50 usually asked around Hollywood. He said that most stock footage available is not of good quality, and that it's hard to match stock film with fresh film. "If we find we need a stock film sunrise or sunset, we can get it for \$75," he said—but he much prefers filming whatever is needed on location. He compared the use of stock film to the use of canned music, pointing out that he & his partners use live music on their series.

Producer Jack Chertok made the point that many independents have links with major studios or networks—and free access to their film libraries. Another viewpoint was expressed by Bert Granet, exec. producer of *Desilu Playhouse*, who thought that "TV at the moment still uses a minuscule amount of stock footage because the screen is so small. Once it gets larger, sweep & scope will mean much more." Granet said *Desilu* used little stock film last season. Some appeared in a science-fiction film, *Man in Orbit*—and was obtained from the Govt. at cost. Summing up, Granet said: "Stock film doesn't figure as an important economic advantage."

Interestingly, the majors don't rely on stock film for their own more important series. For example, 20th-Fox TV has built a costly, impressive backlot set for its *Adventures in Paradise*, and Warner Bros has constructed an expensive set for *The Alaskans*.

Producer-Agency Tape Pact: Video-taped commercials took another step toward maturity last week with the signing of the first "basic standard practices agreement" between a tape production firm & a leading ad agency—in this case NTA Telestudios (see chart Vol. 15:38) and Leo Burnett Co., agency for Kellogg Co., Hoover Appliances, Allstate Insurance, Motorola, Marlboro Cigaretts, etc.

The new agreement, which runs to 14 single-spaced pages, may have far-reaching effects. In essence, it covers the complete range of agency-producer relationships in the tape-commercial field, and spells out in detail just who is responsible for what. It does away almost entirely with the previous operating system in which tape producers were hired on the basis of estimates of hours of shooting. Now, Telestudios will furnish firm bids to Burnett on the basis of storyboards & scripts in the same manner as TV film commercial producers.

The agency-producer tape pact is the result of 4 months of negotiation between telestudios and Leo Burnett, says Alfred Markim, Telestudios operations v.p. Burnett expects to use it as a model in signing similar agreements with other tape production houses in N.Y., Chicago and Hollywood.

Hollywood's K-Day: Hollywood was still recovering last week from the unprecedented spectacle of Soviet Premier Khrushchev verbally tangling with 20th-Fox pres. Spyros Skouras. Hundreds of thousands of Southern Californians—not just the elite of Hollywood stars in the 20th commissary—viewed the affair as Paramount-owned KTLA covered Mr. K's visit, pooling it to networks & other stations.

The Hollywood consensus was that the Russian visitor is an astute showman, an expert ad libber, and that Skouras should not have tried to match him in the field of international relations. ("Skouras is the greatest straight man who ever lived. I'd like to cast Khrushchev in a picture. He's a consummate actor."—Josh Logan.) At one point during the exchange, many stars in the commissary shouted at Skouras to stop interrupting Mr. K's talk—probably the first & last time anyone ever will tell Skouras to be quiet in his own studio.

Hollywoodians were amused when the two began needling each other gently, in good fun, and when Skouras at one point placed his arm around the pudgy leader, one wit thought he detected a new vaudeville team, a sort of revival of Potash & Perlmutter. But as they got into deeper matters of US-USSR relations, a grim air pervaded the commissary.

Said one observer: "The only time I saw Khrushchev uneasy was on the set, after the ostensible filming of the sequences from 'Can Can.' After the chorus had danced off—after what I thought was an embarrassing number in flesh-colored tights with provocative black net (and during which 2 male dancers can-canned off, holding 2 pairs of black net pants) K came down to have his picture taken. I got next to him as Bill Stout, CBS newscaster, tried to get his reactions. He didn't want to reply. He kept deferring the answer until he'd seen the whole movie. Finally, after Stout had rephrased the same question 4 times, he said, 'This is a cabaret dance, isn't it? I've never been to a cabaret. Ask my son!' The *London Times* man questioned the Minister of Culture, who replied, 'What do you want me to say?' The whole delegation really appeared to be hiding its disgust. Josh Logan, seated near me, flinched at the can-can bit too. I also think we made a bad impression on the world press. The *London Times* man wrinkled his nose at the dancer, and the French press didn't look entranced. To sum up, I think we failed miserably to show off the best in our culture, and failed worse in the people we chose to represent us."

* * *

Two TV newsmen made Los Angeles headlines when they charged Mayor Poulson had told them the day before the Khrushchev luncheon that he planned to "knife" the Russian premier with his speech. KTLA commentators Clete Roberts & Pat Michaels said that after being told this by the mayor, they reported it to the State Dept.—which, Roberts said, later informed him they had talked to the mayor, who had agreed not to say anything which might provoke the premier. Poulson's comment on the story was that the newsmen were guilty of "distortion." The publicity-wise film trade noted one significant by-product in all this: Poulson's boner had shifted public attention and taken Skouras off the hook.

Norman Retchin has left Desilu Productions, where he was a producer on *The Untouchables*. Exec. producer Quinn Martin has named Charles Russell and Sidney Marshall producers of the series, and plans to add a third. Martin believes it takes 3 producers to turn out a 60-min. series with quality, he told us.

NETWORK-MADE SERIES AT PEAK: For years the 3 networks have avoided becoming involved in filming their own series, leaving that up to Hollywood's independents. But today they are turning out a record 24 series, and there is every indication this figure will grow, particularly via the syndication arms of each web.

While it's difficult to select any one cause for this trend, it's likely CBS's success with its own show, *Guns, Smoke*, did more than anything else to inspire network involvement in production. CBS today has 10 telefilm series, 3 of which are made for subsidiary CBS Films, which in turn, farms the trio out to independents. ABC, through its strong link with Warner Bros., has 10 series. NBC has 4—2 under the banner of its subsidiary Cal. National, and 2 under NBC aegis. In addition, the networks are financing pilots and planning more telefilm ventures.

CBS is currently turning out *Rawhide*, *Guns, Smoke*, *Have Gun—Will Travel*, *Perry Mason*, *The Lineup*, *Twilight Zone* and *Hotel de Paree*; CBS Films has *Colonel Flack*, *The Whirlybirds* and *Border Patrol*. NBC is producing *Bonanza* and *Fibber McGee & Molly*. Cal. National has in production for NBC *The Lawless Years* & *Not for Hire*. The Warner Bros.-ABC tie has produced 10 series for this season: *77 Sunset Strip*, *Cheyenne*, *Sugarfoot*, *Bronco*, *Hawaiian Eye*, *Bourbon Street Beat*, *Maverick*, *Lawman*, *The Alaskans* and *Colt .45*.

ABC Films is currently blueprinting several new series, for syndication or network sale; CBS Films plans a hike in production, we're informed by CBS TV stations div. pres. Merle Jones; and Cal. National is planning more.

Writers' Hitch: One of the principal snags in current negotiations between Writers Guild of America West and movie producers is WGAW's demand for terms on movies to be sold to pay-TV—should it come into existence. The Guild made similar demands last year, got nowhere. We find there is little support for the Guild's proposals, even among those generally considered pro-union in Hollywood. In fact, executives of other unions tell us they believe the writers are taking a highly unrealistic position on this point. Their view is that until pay-TV comes (if ever) there is no need for such negotiations. "How can you make demands for a system which doesn't exist yet?" one prominent guild executive asked us.

The last time the writers were in negotiation with the major studios, they were told by the studios that the employes didn't even want to discuss the subject. Eventually negotiations were concluded, with the studios agreeing to negotiate should pay-TV come into existence. WGAW is asking for a gross percentage on movies that go to pay-TV, but the studios are chilly to the proposal.

New catalog listing U.S. films on education & productivity, available for sale, rental or loan, is being distributed abroad by the U.S. Information Agency. The catalog, describing 4,395 films & filmstrips, is entitled *Education Section, 1958: U.S. Educational, Scientific and Cultural Motion Pictures & Filmstrips Selected & Available for Use Abroad*. A similar catalog on scientific films was released in 1957, and another, in preparation, will cover cultural subjects.

New pilots upcoming: *Carbine Webb*, co-production of Bernard Girard and Cal. studios; *The Jolly Rogers*, producer Herb Stewart.

NEW YORK ROUNDUP

First meeting of NAB's broadcaster-film committee and a newly organized group of NAB associate member film distributors, in N.Y. last week, concluded with an agreement that stations will be surveyed to determine their film needs and that NAB will send distributors more of its publications & informational material. The broadcaster group is headed by Joseph L. Floyd, KELO-TV Sioux Falls. The distributor group comprises: Sam Cook Digges, CBS Films; Robert Friedheim, Ziv; Burton Hanft, Screen Gems; Richard A. Harper, MGM-TV; Walter Kingsley, Independent TV Corp.; H. Weller Keever, Cal. National Productions.

Transfilm-Caravel has been formed by a merger of Transfilm Inc. and Caravel Films Inc. following Buckeye Corp.'s acquisition of Caravel. Transfilm pres. William Miesegaes will be pres. of T-C with Caravel pres. David Pincus as senior v.p. T-C now becomes part of Buckeye's entertainment div. which also includes Flamingo Telefilm Sales Inc. and Pyramid Productions Inc. Buckeye acquired Transfilm earlier this year.

Telefilm Export Assn., strongly recommended by ABC-TV pres. Oliver Treyz following his trip to the Far East (Vol. 15:37-38), may be approaching a working reality. A meeting of representatives of CBS Films, UA, MCA TV, ABC and NBC took place late last week in the office of CBS-TV stations div. pres. Merle S. Jones to discuss establishment of such a group and to map a program dealing with import quotas, dollar payments and other problems of overseas selling. The group is not actually a new one, but has only recently begun to intensify its plans for a protective organization in the film-tape export field.

Perry Como painted a bleak portrait of variety show talent budgets for TV-columnist Marie Torre last week, citing guest-star prices that have zoomed from peaks of \$35,000 to new highs of \$100,000. "My only consolation is that everybody who's doing what I'm doing is in the same boat. Maybe all of us ought to put on cowboy boots and let it go at that," mused Como.

"The better the junket, the worse the show—is an axiom in the entertainment business," reminds the latest *Time*, in reporting the 11-reporter trip to Hawaii put on by ABC-TV's *Adventures in Paradise*. Apparently all the scribes had a good time except (by *Time's* account) for "the grim moment when they had to sit through a partial screening" of one episode of the new series. *Time* clobbered hero Gardner McKay, quoting one reporter's remark that he looked like "a death mask of Gary Cooper."

Skiatron's Matty Fox has reached a decision on what to do about those 4 Bolshoi Ballet tapes he made several months ago in Los Angeles, but he isn't ready to talk about it. He is now completing titles on the four 60-min tapes.

United Artists Associated is launching syndication sales on a 3rd package of juvenile-appeal films. The package, titled *The Big Mac Show*, comprises 210 featurettes drawn from the Warner Bros. library (including some oldies featuring the Keystone cops), plus a new animation series, *Big Mac & His Magic Train*. The package includes merchandising & promotional items for use in local promotions.

Adraia Koe has been named program coordinator of ABC-TV's new *World of Talent*.

HOLLYWOOD ROUNDUP

Hollywood unions' much-sought resolution condemning "runaway" production by movie & TV producers was not adopted by the AFL-CIO's national convention in San Francisco last week. The resolutions committee of AFL-CIO said the "whereases" of the resolution were "so broad" it could not endorse them. The resolution had urged federal legislation that all pictures made abroad be plainly labeled as foreign-made when shown in this country. A NABET video-tape resolution asking Sen. Wayne Morse's committee to investigate foreign taping made for U.S. distribution, and an AFM resolution seeking the same for use of foreign music in pictures, were approved in principle by the committee, but it took no action beyond referring them to the exec. council for "implementation."

TV residuals totaling \$421,945.95 were collected by Screen Actors Guild in Aug. for its members. Of this total, \$404,521.92 came from Hollywood producers, and \$17,424.03 from producers in N.Y. The Aug. figure brought the total collected for the 10 mos. from Nov. 1, 1958 to Aug. 31, to \$3,606,182.96, and the total collected from Dec., 1953 to last Aug. 31 to \$11,108,135.79.

Roland Reed Productions has reached agreement with Writers Guild of America West, Screen Actors Guild and Screen Directors Guild on overdue residuals for 4 Reed series: *My Little Margie*, *Trouble With Father*, *Waterfront*, *Roeky Jones*, *Space Ranger*. Reed had paid the guilds \$125,000 in rerun money, but then encountered financial problems, according to SAG. As a result little more had been paid since 1956. About \$25,000 will be turned over to a trustee by distributor Official Films, as settlement. The money will then be sent to guild members.

Hollywood Television Service, subsidiary of Republic Pictures, has named 6 div. mgrs. to handle the sale of Republic movies to TV: Bill Saal (ex-aide to ex-Republic pres. Herbert J. Yates) Leon Herman, Doug Fremont, John Alexander, Ken Weldon, John C. Alicoate.

Ziv TV's roster of national & regional advertisers includes 37 entering their 6th (or more) season with Ziv product and 88 starting their 5th season. Ziv's 1959-60 production tab will tally \$21 million, sales v.p. M. J. Rifkin reports . . . MCA TV's *Shotgun Slade*, paced last week by a 39-city regional sale to Blue Plate Foods, is now in more than 140 markets. Other regional buyers for the series include Anheuser-Busch, Schlitz Brewing and Armour & Co. . . . Ziv's *Lock-Up* has added WRCA-TV N.Y. to its station lineup, making a total of 189 markets.

Producer Bernard Girard has dropped the title of his new TV series, *The Searchers*, after receiving cease & desist letters from Screen Gems, which is planning a series by that name, and from C.V. Whitney, who made a movie with that title. "I don't think the title's worth that much," explained Girard, who hasn't yet come up with another. The series goes into production in Oct. in the Philippines.

Screen Actors Guild, by mistake, sent a TV residual check from Bernard L. Schubert Inc. to movie (and now TV) actor Robert Taylor. The money should have gone to a SAG member named Bobby Taylor. Wrote Robert in returning the check: "I never heard of Bernard L. Schubert and never saw, unfortunately, *Last of the Fighting Sheriffs*. I only hope it's a few shades better than some I've been doing lately."

Trade Report

SEPTEMBER 28, 1959

EIA MOVES TOWARD STANDARD HI-FI MEASURE: An end to the bewildering array of technical gobbledegook which has been confusing prospective purchasers of packaged hi fi seems to be in sight as result of one of 3 important actions at EIA's fall meeting last week in Atlantic City. These major steps were taken by manufacturers at the heavily attended gathering:

1. "Workable proposal" for standardization of hi-fi power-output measurement was adopted by consumer-products div. exec. committee and passed on to standards committee for further technical specifications. New yardstick, "Music Power Rating," represents compromise between peak power output & continuous power output, and was said by committee members to be similar to measurement standards now being developed by Institute of High-Fidelity Manufacturers for component hi-fi gear.

2. "Buy American" promotion campaign to combat Japanese imports was approved by EIA board of directors on recommendation of parts and tube & semiconductor divs. It will involve extension promotion aimed at public, manufacturers & employees.

3. Second campaign to promote TV-set sales by plugging programs was voted by consumer-products exec. committee—based on success of Aug. 15-Sept. 15 effort (Vol. 15:21, 30, 33). EIA will aim at stronger impact for new promotion campaign by allowing far more time—almost a year—for organization & development of plans.

Music Power Rating: EIA's standardized measurement for packaged hi-fi equipment was seen by most manufacturers as important step in bringing order to completely chaotic situation. Its standard Music Power Rating (MPR) can be compared with standard horsepower measurement in automobiles or use of screen size to classify TV sets.

A customer shopping for a hi-fi set today has no way to compare rated performance power of competing sets. What one manufacturer calls 10-watt set, another might describe as a 30- or even 40-watt unit—depending on how & where power output is measured.

EIA's Music Power Rating can be defined simply as the maximum power output of an amplifier (within limit of 5% distortion) during the first surge of music. At the beginning of a musical note, an amplifier can produce more undistorted power than on a sustained note. Among other means of measuring amplifier power now in use: (1) Continuous power—the maximum undistorted power output when a steady note (sine wave) is fed through amplifier. (2) Peak power—hypothetical rating of greatest undistorted instantaneous power which amplifier can put out.

An amplifier which has Music Power Rating of 13 watts, for example, might have continuous power output rating of 10 watts & peak rating of 26 watts—or even 30 or 40 watts, depending on the point at which peak power is measured or computed. In determining ratings of stereo hi-fi units, the powers of the 2 channels are usually added together.

'Buy American' Campaign: Now an official EIA program, the "Buy American" publicity drive was proposed to parts div. exec. committee by EIA treas. Leslie Muter, the Muter Co.—following same outline he gave us last July (Vol. 15:30). Also endorsed by tube & semiconductor div. exec. committee, it won quick approval of EIA board.

Campaign will be voluntary by manufacturers, but with EIA help & backing. One important part of drive will be effort to convince end-equipment manufacturers to label all products with stickers informing public they are "Made in America by Americans." Educational project will extend not only to consumers (in advertising & other material) but to workers in electronics plants—explaining that they are helping safeguard their own jobs when they buy radios & other items made with U.S. parts.

It's almost unnecessary to state that real targets of campaign are the end-equipment makers—particularly radio manufacturers, many of whom are now veering toward use of Japanese-made components. In 2nd prong of "Buy American" offensive, EIA's tube & semiconductor div. is preparing document outlining technical & non-technical services provided by domestic parts makers which aren't offered by foreign manufacturers—this, too, to be brought to attention of end-equipment companies.

TV Program Promotion: New drive to call attention to fall TV programming is already being organized, on basis of success of this year's hastily set-up effort which was spearheaded by Zenith's Leonard Truesdell. Consumer products exec. committee praised cooperation of networks, NAB, NCTA and others in campaign, promised far better-organized drive for next year.

Heading special committee to push programs will be Motorola consumer products exec. v.p. Edward R. Taylor, with Olympic pres. Morris Sobin & Packard-Bell home products v.p. K. R. Johnson representing East & West Coasts on committee. Truesdell will serve in advisory capacity. Group will report on its plans in Dec., have detailed program ready in March.

(For news of other EIA fall meeting actions, see p. 18.)

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 18 (37th week of 1959):

	Sept. 11-18	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	166,118	141,146	118,811	4,133,704	3,323,496
Total radio	421,143	313,098	309,962	10,048,302	7,089,125
auto radio	155,338	106,741	109,901	3,821,586	2,187,657

REPORT ON SOVIET ELECTRONICS: Though Russia's research & development is "of high quality & great depth," its manufacturing technology is about 5 years behind that of the average U.S. plant. So said Raytheon v.p. Ray C. Ellis, who headed 6-man electronics industry team which recently returned from a visit to the Soviet Union.

His report was made in a panel session at EIA's fall meeting last week in Atlantic City. He shared the platform with 2 other members of the team—Sylvania's Frank Mansfield & Sprague Electric's Julian Sprague, who commented on the general aspects of the trip. Among Ellis's observations:

Soviet electronics plants have low production efficiency. They're usually multi-story buildings, poorly maintained, with few safety provisions. Worker productivity in the average U.S. electronics plant is 2½ to 3 times greater than in its Soviet counterpart at about 4 times the average wages, including fringe benefits.

The group visited a Moscow tube plant which turns out 600,000 TV picture tubes and 3.5 million miniature & subminiature tubes a year. All picture tubes had 90-degree deflection—with production of 110-degree tubes scheduled to begin this fall. Shrinkage (rejection) rates of picture tubes is about 20%. Some 78% of the workers were women; 65% of the workers were on piece rates. A 17-in. picture tube sells for \$16, a 21-in. tube for \$20 (based on exchange rate of 10 rubles to one dollar).

Very few printed circuits are used in TV-radio because of servicing problems. (Sprague said later that all sets must be returned to the factory for servicing, because of the lack of a service industry—and for this reason TV & radio receivers in Russia are "overdesigned" and slightly more trouble-free than American sets.)

As to TV set manufacture, Ellis said there are 10 plants making sets under 16 brand names. The 1959 production goal is 1.2 million sets, with an aim of 3 million in 1965—"and they probably can make it if they can find enough people to buy the sets." All TV sets have been designed in Moscow, but with the institution of Russia's decentralization plan, there is a trend toward individual design of sets at the plants themselves, and competition between the plants. Two color-TV plants are now under construction—in Leningrad & Moscow.

The popular 17-in. table model carries a list price of \$260, including a 25% "turnover" tax and 8% retail markup—for a factory sale price of \$200. To build the set,

the factory cost is \$120, leaving an \$80 profit. Old-style components—like American components of several years ago—are keeping costs high. A U.S. redesign of the set could cut material costs 40%, labor costs 20%.

Russia charges TV owners \$12 a year in license fees. It currently has 130 TV stations, only 20 east of the Urals, plans 400 by 1965. The big handicap is lack of microwave & coaxial connections. For TV & telephone both, there are only 1500 miles of operating connections, and the goal by the end of 1965 is 45,000 miles. The U.S. now has 200,000 miles of microwave and coaxial.

There's heavy competition in the radio business—plants are producing more than they can sell, and advertising and time-payment plans are being instituted.

JAPANESE ELECTRONICS OUTPUT: Rapid expansion of the Japanese electronics industry is shown graphically in a table supplied to us (opposite page) by the electronics div. of Commerce Dept's Business & Defense Services Administration, based on data from the U.S. Embassy in Tokyo.

The table shows Japanese electronics production in the first quarter of this year was at an annual rate of more than \$736 million, or about 48% above the 1958 level. If this rate continues—as is likely—the 1959 total will double 1957's output of \$362.2 million. From 1957 to 1958, the greatest increase in volume of production occurred in consumer electronics—TV taking the lead in that category, the 1.2 million sets produced last year valued at \$154.1 million (Values shown in the table represent factory prices plus domestic excise taxes & royalties, where applicable. Japanese excise taxes are 30% on TV sets with picture tube larger than 14 in.; 20% on sets with tubes 14 in. or less.)

Semiconductor output registered the greatest rate of increase, 129% from 1957 to 1958. In this category, first quarter unit production of transistors was at an annual rate of nearly 3 times that of last year.

Japan's 1958 electronics output of \$184.4 million ranked it as the 4th largest producer of electronic products—trailing only the U.S., United Kingdom & West Germany. U.S. electronics production is running at an annual rate of approximately \$8.5 billion.

Dollar figures in the table on the opposite page were computed by us on the basis of 360 yen to one dollar, or value of \$2,778 for 1,000 yen.

(For a table of U.S. imports of Japanese electronics products for 1958 and first-quarter 1959, see Vol. 15:23)

Japanese Electronics Production: 1957, 1958 and First-Quarter 1959

Quantity in thousands of units; value in thousands of dollars

Product	Quantity (add 000)			Value (add 000)		
	1957	1958	Jan.-Mar. 1959	1957	1958	Jan.-Mar. 1959
Consumer electronic products				\$170,901	\$266,226	\$99,345
TV receivers	605.3	1,191.4	530.5	86,834	154,134	63,044
TV receiver kits	7.5	13.9	4.5	755	1,274	379
Radio receivers:	3,576.6	4,897.1	....	66,992	87,094	....
Tube	....	....	505.8	....	....	8,376
With 3 or more transistors	....	....	1,155.3	....	....	19,457
With less than 3 transistors	....	....	43.5	....	....	75
Radio-phonographs	108.3	131.3	37.3	5,173	6,968	1,920
Phonographs	59.6	59.2	22.7	2,162	2,038	726
Record players	312.2	409.8	131.5	4,265	5,927	1,960
Recorders	49.4	103.2	44.3	3,915	7,711	3,016
Other	....	....	....	905	1,080	391
Commercial, industrial & military electronic equipment				77,356	85,159	26,809
Radio broadcast equipment	....	....	....	464	495	365
Television broadcast equipment	....	....	....	3,030	11,192	4,451
Industrial television equipment	....	....	....	103	245	94
Radio & microwave communications equipment:						
Single channel fixed communications equipment:						
Long, medium & shortwave transmitting equip.	.2	.4	*	270	334	83
Long, medium & shortwave receiving equipment	.2	.2	*	195	518	17
Hf transmitting equipment	.1	.1	.1	1,398	1,273	417
Hf receiving equipment	.1	.8	.2	204	691	209
Vhf transmitting & receiving equipment	1.9	2.1	.2	1,520	1,431	237
Microwave transmitting & receiving equipment	.3	.3	.3	234	285	108
Accessories	....	....	....	616	681	177
Multi-channel fixed communications equipment:						
Vhf transmitting & receiving equipment	.1	.2	.1	641	567	252
Microwave transmitting & receiving equipment	.4	.5	.1	5,381	4,639	1,268
Accessories	....	....	....	1,326	2,108	780
Mobile radio equipment:						
Land	3.2	5.3	1.0	2,825	4,425	656
Marine	3.1	2.6	.8	5,902	4,315	1,009
Airborne	.2	.3	.2	391	880	834
Portable	1.8	3.9	1.9	908	1,067	576
Electronic detection & navigation equipment:						
Sonar, including fish finders	....	....	....	1,414	769	†176
Loran	....	....	....	2,154	973	313
Direction finder	....	....	....	1,871	2,042	416
Radio beacon	....	....	....	112	116	20
Radar	....	....	....	2,246	2,210	1,150
Other	....	....	....	943	1,772	755
Ultrasonic equipment	....	....	....	489	383	†294
High frequency heating equipment	....	....	....	1,108	1,000	†564
Other	....	....	....	41,609	40,747	11,591
Electron tubes				69,502	76,466	27,295
Receiving:						
Miniature	42,790.4	45,054.1	17,014.7	27,841	27,740	10,060
Other	15,966.0	13,507.0	3,892.1	10,447	9,634	2,956
Television picture	908.4	1,452.9	604.0	25,434	32,666	12,265
Transmitting and special purpose:						
Microwave	8.9	13.2	4.9	840	1,377	486
Industrial cathode-ray	22.0	19.3	5.6	484	468	141
Other	....	....	....	4,454	4,581	1,386
Semiconductors				10,703	24,470	11,455
Diodes	3,862.8	10,106.7	5,259.1	1,646	2,658	1,253
Transistors	5,746.0	26,736.3	14,967.1	8,900	21,355	9,914
Photo-transistors	2.4	12.2	3.6	14	46	15
Thermistors	178.5	1,635.7	1,531.9	142	411	273
Electronic components, other				33,735	45,602	19,532
Capacitors	232,398.0	305,789.0	142,453.0	14,153	16,717	6,074
Resistors	210,988.0	276,696.0	105,926.0	6,264	8,020	2,940
Transformers	8,293.8	11,041.5	4,054.6	7,576	8,199	2,992
Speakers	2,969.5	4,170.9	1,456.4	5,743	6,786	2,078
Other	....	....	....	n.a.	5,880	5,448
Total				\$362,196	\$497,923	\$184,435

* Less than 50 units.

† Not strictly comparable with 1957 and 1958.

n.a. Not available.

EIA Actions: Complete reorganization of the parts div. to broaden its scope was the major organizational action taken by EIA at its fall meeting last week in Atlantic City. Under the new setup, Allen K. Shenk, Erie Resistor Corp., newly named 2nd vice chmn., joins chmn. William S. Parsons, Centralab, and vice chmn. W. Myron Owen, Aero-vox, in administering the division's activities.

Three new committees and 10 subdivisions were established. The committees & their chmn.: Finance committee, Russell Cramer Jr., Radio Condenser Co.; membership & scope, E. W. Butler, Speer; statistical, Allen Shenk.

Subdivision chmn.: Resistor, J. Hall Stackpole, Stackpole Carbon; capacitor, Neal Welch, Sprague Electric; inductive components, I. Allen Mitchell, United Transformer; electromechanical devices, Jack D. Hughes, Littlefuse; wire, cable & conductive accessories, Ray G. Zender, Lenz Electric; sound-system components, John Bentia, Alliance; printed & modular components, Allen W. Dawson, Corning Glass; energy sources, Harold C. Buell, Mallory; panel meter & service test equipment, Wilbert H. Steinkamp, Weston; services, J. A. Milling, H. W. Sams & Co.

Elected to the parts div. exec. committee was J. Rodney Reese, Texas Instruments.

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In addition to the actions on hi-fi measurement, imports and TV set promotion described on p. 16, these were other highlights of EIA fall meeting:

1. Congressional information committee, headed by Robert T. Borth, GE, began development of a grass-roots information program to relay information and interpretations of Congressional bills & actions to member companies so that they may have sufficient information to contact their own Senators & Representatives.

2. The EIA board of directors approved a new service committee program aimed at improving relations between independent TV-radio technicians & their customers and at supplying more management information to technicians.

3. Orthie Bridges, Arvin Industries, was named to the consumer products exec. committee, succeeding John Marshall, Arvin.

4. George T. Scharffenberger, Westrex pres., was appointed to succeed C. B. Thornton, Litton Industries, as a director of the military products div.

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"Motion Pictures & TV in the Space Age" is the theme of the SMPTE's semi-annual convention Oct. 5-9 in N.Y.'s Statler Hilton Hotel. Among scheduled TV papers: Uses of TV in Man-in-Space Research, by Capt. F. Kirk Smith, Naval Air Development Center; TV and Lunar Exploration, by S. W. Spaulding, RCA; Design of a 4½-in. Orthicon Camera Channel, by George E. Tartington, British Marconi; An Improved Image Orthicon, by E. D. Hendry & W. E. Turk, English Electric Valve Co.; High-Resolution Vidicon TV System as Adapted to Broadcast Standardization, by Joseph Belcher, GPL; Automatic Sequencing Equipment for TV Operation, by F. Cecil Grace, Visual Electronics Corp.; Special Effects Amplifier for Non-Composite or Composite Monochrome or Color TV Signals, Ralph Kennedy, NBC; Noise-Stripping Process for Picture Signals, by R. E. Graham, Bell Labs; Eidophor—the Image Bearer, by Felton Davis Jr., Eidophor Inc.; An Advanced Audio Console for TV, Emil P. Vincent, ABC; Automated Punch-Card Lighting-Control System, by Albert W. Malang, ABC; TV Studio Lighting-Control System Employing High-Speed Digital Computer Techniques, by Donald D. Britton, ITT Labs. Also on agenda are sessions on transoceanic TV & video-tape recording.

Trade Personals: John J. Burke promoted from exec. v.p. of Siegler Corp.'s Hallamore Electronics div. to corporate v.p. to coordinate military activities of the various divs. . . . Doyle J. Dameron named Gen. Telephone & Electronics employe communications supervisor . . . Murray C. Walker, ex-Du Mont Labs, elected pres., Trad Electronics Corp. . . . Russell C. Dubois Jr., ex-RCA communication products dept. sales mgr., joins Ampex Corp. as computer products div. marketing mgr. . . . Stanley Rosenberg promoted from Telectro Industries secy.-treas. to chmn. & chief financial officer. . . . W. M. McFarland named pres., D. M. Stuart v.p.-gen. mgr., Hazeltine Technical Development Center, a Hazeltine Corp div.

George A. Hildebrand named micromodule & rectifier sales administrator, RCA semiconductor & materials div. . . . Glenn G. Peebles, ex-asst. v.p. for project plans, named construction & installation dir. of Page Communications Engineers; John Gauthier, ex-comptroller, appointed financial & services dir.; John B. Campbell, ex-asst. to comptroller of parent Northrop Corp., elected treas. . . . Dr. Carlo Calosi appointed v.p., Raytheon European div.

Stephen D. Sundell, ex-GE, appointed mktg. research mgr., Stromberg-Carlson research & advanced development div. . . . Harry L. Bryant, Radio Recorders, elected pres., Audio Engineering Society; Harry F. Olson, RCA, named exec. v.p. . . . John C. Wolke promoted from renewal picture-tube sales mgr. to distributor sales mgr., Du Mont Labs electronic tube div.

Dr. Harold E. Edgerton, MIT professor of electrical measurements, awarded Society of Motion Picture & TV Engineers' highest award, the Progress Medal Award.

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Status report of National Stereophonic Radio Committee by Charles J. Hirsch of Hazeltine Electronics, chairman of NSRC's system-specifications panel, will be one of the highlights of the Audio Engineering Society's Oct. 5-9 convention at Hotel New Yorker, N.Y. Among other stereo papers: The Philosophy of Multi-Channel Recording, by John F. McKnight, Ampex Corp.; AM Stereo Broadcasting Transmission System, by John M. Hollywood & Marvin Kronenberg, CBS Labs; Standardization of Stereo Recording Procedures, by Dr. Fritz A. Kuttner, Musurgia Records. A novel session on "Music & Electronics" will feature these papers: The Problem of Sound Shaping, by Dr. Hugh LeCaine, Radio & Electrical Engineering Div., National Council of Canada; The Computer as a Musical Instrument, Dr. John R. Pierce, Bell Labs; Specialized Equipment Developed in Electronic Music Studios, by Prof. Vladimir Ussachevsky, Columbia U.; Electronic Non-Music—Problems of an Orphan Art, by Louis & Bebe Baron, "electronic composers."

Two new excise-tax rulings issued by Internal Revenue Service: (1) "Speakers which are equipped with special housings, grills and control knobs and are designed primarily for use as rear seat speakers in automobiles, are subject to the manufacturers excise tax on radio & TV components, imposed by section 4141 of the Internal Revenue Code of 1954, although such speakers come within the definitions of both radio & television components and of automobile parts or accessories." (2) "A TV monitor, which reproduces a picture but no sound, is not a 'television receiving set' or a 'radio & television component.' Therefore, sales of such monitors are not subject to the manufacturers excise tax imposed by section 4141 of the Internal Revenue Code of 1954."

E. F. Johnson Co. will build a 90,000-sq.-ft. addition to its 22,000-sq.-ft. assembly plant as Waseca, Minn.

Meeting next week: IRE 5th national communications symposium, (Oct. 5-7), Hotel Utica, Utica, N.Y.; SMPTE 86th semi-annual convention (5-9) Statler-Hilton Hotel, N.Y.; Audio Engineering Society 11th annual convention & professional equipment exhibit (5-9), Hotel New Yorker, N.Y.; EIA value-engineering symposium (6-7), U. of Pa., Philadelphia; IRE Canadian section annual convention (7-9), Automotive Bldg., Canadian Natl. Exhibition, Toronto; Ala. Bcstrs. Assn. fall meeting (8-10), U. of Ala. Tuscaloosa; Ind. Bcstrs. Assn. (9-10), French Lick, Ind.; N.C. Assn. of Bcstrs. fall meeting (9-10), Sedgefield Inn, Greensboro; Ohio Assn. of Bcstrs. (10), Athletic Club, Columbus.

Employe-sharing of automation benefits will be asked by the United Electrical Workers in its 1960 bargaining sessions. The union, whose 120,000 members include employes at 28 GE & 19 Westinghouse plants, endorsed at its 24th annual convention a resolution that "workers cannot continue to accept the premise of industry that, because of changes in skill, earnings & jobs must be downgraded." UE contends that while automation reduces skill requirements, productivity per worker increases sharply—and job evaluations should be on the basis of the increased productivity. UE's contracts with GE expire Sept. 15, 1960; with Westinghouse, Oct. 1, 1960.

Sylvania's Argus Cameras div. is the latest entry in the audio-visual field. It will debut with a low-cost closed-circuit TV system ticketed to break the "price barrier" for educational & business applications, Argus pres. Clinton H. Harris announced last week. The heart of the Argus system is a Sylvania-made vidicon TV camera which carries a suggested list of \$595. Argus also will market 2 monitors—a 23-in. model & a 17-in. portable.

FM-AM stereo radio in the 10 top national markets is being used in Ampex Audio's national ad campaign for its stereo equipment. This is believed to be the first such wholesale use of the stereo medium in an advertising drive. All stations are using the same program, *Ampex Stereo Tape Time*. Ampex Audio's agency is Lawrence & Ramberg, Palo Alto, Cal.

Motorola has asked Chicago Federal Court to declare invalid 5 Zenith patents covering Fringelock circuit and Space Command remote tuning, in an answer to an infringement suit filed by Zenith last April (Vol. 15:17). Motorola said the patents are void because of prior patents, lack of invention and indefinite claims.

Marvin Hobbs, former director of electronics for the Office of Secy. of Defense and currently director of applications engineering, General Instrument defense products div., is author of a new book, *Basics of Missile Guidance & Space Techniques*, John F. Rider Publisher, N.Y. (\$9 in single hard-cover vols., \$3.90 each in 2 paperback vols.).

Tobe Deutschmann Corp., Norwood, Mass. manufacturer of capacitors, has discontinued production, laying off 250 employes. The company blamed operating losses for the decision. Majority stockholder is Cornell-Dubilier Elec.

Philco and General Transistor Corp. have signed a cross-licensing agreement. Each company will license the other to make, use and sell transistors developed by each. Royalties will be paid under the agreement.

Gen. H. Franklin Gregory, USAF (ret.), who directed "Project Farside" (space probe)—now a v.p. & asst. to pres. of Midwestern Instruments, named a dir. of the co.

Sylvania's proposed \$25-million issue of debentures has been postponed because of "bond market conditions."

Finance

Magnavox earnings jumped 28% on sales which increased 9.7% to a record high during the fiscal year ended June 30, chmn. Richard O'Connor & pres. Frank Freimann reported last week. Sales since July 1 have been running "more than 25%" ahead of the year-ago volume. For the fiscal year, total sales were divided almost equally among the Fort Wayne firm's TV, stereo hi-fi & industrial-govt.-electronics divisions. The officials said that, pending approval of a proposed 2-for-1 stock split at the annual meeting Oct. 28, the board plans to recommend a 33 1/3% increase in dividend rate. For fiscal year ended June 30:

	1959	1958
Net sales	\$90,623,559	\$82,592,113
Net income	3,361,496	2,622,628
Earned per share	3.02	2.38
Shares outstanding	1,067,905	985,605

TelePrompter Corp. reported last week that total sales for the first 6 months of 1959 were 18.4% above the comparable 1958 period, although net income was down. For 6 months ended June 30:

	1959	1958
Net sales	\$1,910,194	\$1,613,321
Net income	132,135	143,628
Earned per share	37¢	40¢
Shares outstanding	356,591	356,591

Loew's Theatres Inc. has a "completely open mind" on acquisitions, will consider any venture that promises profits, and currently is "looking at" radio & TV stations, pres. Eugene Picker declared last week. Discussing plans for expansion through diversification, he announced that volume stockholder (around 400,000 shares or more than 15%) Lawrence Tisch has been elected a dir. & chmn. of the firm's finance committee. Hotel-magnate Tisch will devote his time to seeking diversifying acquisitions. Loew's Theatres Inc., which operates radio WMGM N.Y., became an independent theater chain in March, following its separation from Loew's Inc., movie production firm.

Davega sales jumped 30% in the past 6 weeks under its new management (Vol. 15:29) compared with year-ago performance, chmn. Dr. Max A. Geller told the annual meeting last week. However, from Feb. 28 (start of the current fiscal year) until the new group assumed control on July 8, sales were some 20% behind last year's pace, and Davega's losses were in the area of \$400,000. For fiscal 1959, the chain suffered a loss of \$385,000 on sales of \$18.9 million. "We believe we've stemmed the tide," pres. Joseph Axler said, forecasting a profit possibility in fiscal 1960.

Clevite anticipates record sales & earnings this year, pres. William G. Laffer said last week. He estimated sales of \$80-\$85 million and earnings of \$3 a share or better, compared with last year's \$63,354,991 sales & earnings of \$1.60 a share. The improved showing results in part from better profit position of Clevite's electronics div., he said.

A restricted stock-option plan for AB-PT & ABC-TV executives & employes will be submitted to AB-PT stockholders for approval at a special meeting Nov. 24. Details of the plan have not been released.

Reports & comments available: Electronics stocks, comments, Calvin Bullock, 1 Wall St., N.Y. 5 . . . Hoffman Electronics, analyzed by William R. Staats & Co., 640 S. Spring St., Los Angeles 14 . . . Westinghouse, review, Reynolds & Co., 120 Broadway, N.Y. 5; report, Abraham & Co., 120 Broadway, N.Y. 5 . . . Philco, comments, Droulia & Co., 25 Broad St., N.Y. 4 . . . General Tire & Rubber Co., comments, A. M. Kidder & Co., 1 Wall St., N.Y. 5 . . . Entron Inc., prospectus, Alkow & Co. Inc., 40 Exchange Place, N.Y. 5.

Motorola expects record-making 3rd-quarter sales & earnings "by comfortable margins" and new yearly highs in both categories if present trends continue, pres. Robert W. Galvin declared last week. Motorola 3rd-quarter records are \$60,887,948 sales (1956) & \$2,865,576 or \$1.48-a-share earnings (1950). Yearly highs are \$227,562,168 sales (1956) & \$13,130,246 or \$6.78-a-share earnings (1950). Galvin attributed the bright outlook to booming TV sales which are running 50% ahead of the pace of the year-ago period; sharply increased radio sales (including auto), ranging from 40% ahead for some models to 2½ times on others; "very strong" demand for stereo equipment—so strong "we haven't been able to keep up with orders." He also noted a 10-25% increase in sales of Motorola's communications div. products, which include closed-circuit TV, 2-way radio.

Westinghouse anticipates that second-half sales & earnings will top those of the first half, pres. Mark W. Cresap said recently. He forecast that on a quarterly basis, volume & profits will show steady gains throughout the year. During the second quarter, Westinghouse had a record net income of \$19,741,000 (\$1.12 a share) on sales of \$474,132,000 (Vol. 15:31). Cresap said that order bookings are "up sharply" in many of the company's product lines. He estimated that Westinghouse will have total capital expenditures of some \$65 million for the year, down from 1958's approximately \$70 million, with most of the spending going in to improvement of existing production facilities.

Entron Inc., manufacturer of community antenna equipment, is offering 200,000 shares of common stock at \$5 a share through an underwriting group headed by Alkow & Co. The prospectus lists sales for the 3 months ended May 31 at \$329,128, earnings \$19,535 vs. \$427,588 & \$42,579 in the same 1958 period. For the fiscal year ended Feb. 28, 1959, sales were \$1,327,123, earnings \$56,363 vs. \$788,127 & \$17,525 in fiscal 1958. On May 31, Entron's current assets were \$737,707, fixed assets \$79,378, total assets \$866,454. Current liabilities totaled \$176,592, long-term debt \$510,571, total liabilities \$687,163, earned surplus \$107,716.

Independent TV Corp. grossed \$13,989,787 in its first year ended Sept. 1. Pres. Walter Kingsley said foreign sales for the period totaled \$4,346,258 (about a third in the western hemisphere & 2/3 in the eastern). Underscoring ITC's booming foreign activities, he said the company "is now providing 188 weekly half-hours of TV entertainment outside of the U.S., with 19 properties currently sold & running in 39 foreign countries." ITC is jointly owned by the Jack Wrather Organization of Beverly Hills, and Associated TeleVision Ltd., London.

Excise taxes totaling \$152,566,000 were collected from manufacturers of TV-radio sets, phonos, components and related equipment during the 1959 fiscal year ended June 30, compared with 1958's collection of \$146,422,000, the Internal Revenue Service reports.

Zenith sales & earnings will set records in 3rd quarter, says pres. Joseph Wright in *Home Furnishings Daily*.

Sylvania broke ground last week for a 40,000-sq.-ft. microwave tube research facility at Mountain View, Cal.

Educational Television

ETV tape network is blossoming rapidly now, with 24 of 43 ETV affiliates of National ETV & Radio Center (NET) equipped or slated for installations of Ampex Videotape recorders, according to NET's compilation as of Sept. 28. New shipments since our Sept. 14 accounting (Vol. 15:37) have gone to KVIE Sacramento, WTHS-TV Miami, KETC St. Louis, WCET Cincinnati, WUNC-TV Chapel Hill, N.C., KRMA-TV Denver, WHA-TV Madison, Wis., WKNO-TV Memphis, KUED Salt Lake City, WMBS East Lansing, Mich., and KDPS-TV Des Moines.

Greater Washington Educational TV Assn. has received a \$25,000 Ford Foundation grant to finance engineering & legal studies for a Washington ETV station application, and pres. Mrs. Edmond D. Campbell said a Ch. 26 application will be filed within a year. The association also announced that its *Time for Science* ("the largest elementary science classroom in the world") begins its 2nd year of daily telecasts over WTTG Sept. 28. The program will be seen by 50,000 Washington-area private, public & parochial grade-school children, 25% above last year's total. The series will include a color broadcast each month from a major cultural institution.

Beginning German will be taught by closed-circuit video-tape telecasts this year at the U. of Texas. The lessons, taped last spring for the first semester, will be shown every hour on the hour from 8 a.m. to 5 p.m. Mon., the other 4 days being devoted to drills in small groups. Dr. Leroy R. Shaw, asst. prof. of Germanic languages will instruct. In another development at U. of Texas, TV-radio activities have been transferred to the College of Arts & Sciences from the College of Fine Arts, with regular TV-radio courses transferring from the drama & speech depts. to the school of journalism.

Debut program in *Prospects of Mankind* TV series (Vol. 15:38) of the National ETV & Radio Center will have hostess-moderator Mrs. Eleanor Roosevelt discussing "New Possibilities for Coexistence" with guests: V. K. Krishna Menon, India's defense minister & head of Indian delegation to the United Nations; Robert R. Bowie, Harvard U. center for international affairs dir.; and Harrison Salisbury, N.Y. *Times* Soviet expert. The series of 9 monthly 60-min. filmed programs for ETV & commercial stations premieres Oct. 11.

Forty-two interconnected ETV stations will telecast a new NBC-TV 13-wk. cycle of *Briefing Session* starting Oct. 6, 10:30-11 p.m., with Robert McCormick & Leor Pearson as host & facts communicators, respectively. Several regular NBC-TV stations will carry the series on a delayed basis. Discussion topics are chiefly domestic & foreign issues.

Professional TV course at Syracuse U. begins its 12th year with an enrollment of 28 graduate students from some 20 institutions throughout the country. The year long study, leading to a Master of Science degree in TV trains college graduates for positions with networks stations, agencies that provide TV with special services.

TV will solve a UCLA space problem. An Oct.-Nov extension course in "Philosophies of Today," hopefully planned for 350, already has registered 1,800 students. Because that vast class can't crowd in with the professor the U.'s ETV dept. will bring him to them via a closed-circuit TV hookup connecting 8 campus halls & classrooms.

Educational WGBH-TV (Ch. 2) Boston will inaugurate a series on controversial issues facing education Oct. 7.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Daystrom	Q	\$0.30	Nov. 16	Oct. 27
General Dynamics ...	—	.50	Nov. 10	Oct. 9
Packard-Bell	Q	.12½	Oct. 26	Oct. 12
Sonotone	—	.07	Dec. 16	Nov. 18