

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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**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).

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**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).

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**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).

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**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).

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**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.



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 presentation 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 Bcstg. 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. pres. 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 Bcstg. 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 Bcstg. 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 showering 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	I June '59	II June '59	I 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 ABPT 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 Bcstg. 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 bcstg. 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 Bcstrs. 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 Bcstg. 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 Ballybunion, 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
<b>GRAND TOTAL .....</b>	<b>\$10,900.0</b>	<b>\$10,301.8</b>	<b>+ 6</b>

FINAL ESTIMATES OF 1958 ADVERTISING VOLUME

	1958		1957		% change 1958 vs. 1957
	Millions	% of Total	Millions	% of Total	
<b>Newspapers</b>					
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
<b>Magazines</b>					
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
<b>Television</b>					
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
<b>Radio</b>					
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
<b>Farm Publications</b>					
regional .....	34.2	0.3	33.7	0.3	+ 1.5
<b>Total Farm publications*</b> .....	(67.4)	0.6	(71.3)	0.7	- 5.5
<b>Direct mail</b> .....	1,588.6	15.4	1,470.9	14.3	+ 3.0
<b>Business papers</b> ...	540.0	5.2	567.6	5.5	- 4.9
<b>Outdoor</b>					
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
<b>Miscellaneous</b>					
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
<b>Total national</b> .....	6,331.0	61.5	6,253.2	60.6	+ 1.2
<b>Total local</b> .....	3,970.8	38.5	4,057.4	39.4	- 2.1
<b>GRAND TOTAL ..</b>	<b>\$10,301.8</b>	<b>100.0</b>	<b>\$10,310.6</b>	<b>100.0</b>	<b>- 0.1</b>

\* 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.

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.

**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

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 Siguard, 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 molelectronic 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 Industries 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 3 1/2 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 Bcstg. 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
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 .....	38¢	.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 Transitron 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." Transitron 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.

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.

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# WEEKLY **Television Digest**

AUGUST 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 overseers 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. Sub committee 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 Bestg. 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 Bestg. 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) Analyst (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 Bestg. 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 KXLF-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.

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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 WSVA-TV (Ch. 3) & WSVA 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-TC 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 KMVC 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 WLUC-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 Harvard 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 kinoscope summaries of Kohler strike hearings shown by the station. KNOE-TV (Ch. 8) Monroe, La. and KLTW (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."

\* \* \*

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 66¾ hours, followed by CBS-TV with 54½, and ABC-TV, 34¾. In film presentations, CBS led the way with 22¾ hours, followed by ABC with 21, NBC with 17¾. During the July 19-25 period, total NBC-TV network programming comprised 66¾ sponsored hours, 17¾ sustaining; CBS-TV, 53¼ & 24; ABC-TV, 35 & 20¾.

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-aided 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 Bestrs. 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 Bestrs., 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, cliches 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.

Stever 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. Cochran, 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, foundered 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 cigarets, 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 717 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 telefilmmakers, 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 employees averaged \$7038 in earnings—topping all other industry groups except stock brokers, who averaged \$7867. In the movie industry, 181,000 employees 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 Liebenguth, 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 '57	Company	SALES <sup>1</sup> (\$000)	ASSETS <sup>2</sup> (\$000)	NET PROFITS <sup>3</sup> (\$000)	EMPLOYEES
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

<sup>1</sup> Sales are consolidated third-party sales for fiscal years ending no later than March 31, 1959. <sup>2</sup> Assets are consolidated balance-sheet totals. <sup>3</sup> 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 col-  
lated 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
<b>TOTAL RADIOS</b>	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	606,273
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
<b>COMPONENTS</b>						
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	
<b>TOTAL ELECTRONICS</b>	—	\$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. Hurlock bought 500, holds 18,100. Albert Zugsmith bought 3000, holds 93,800.  
 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. McCanmon sold 1000, holds 17,431.  
 Avco. Clarence S. Irvine bought 1800, holds 5200. Frank S. Larson sold 3500, holds 2903. James Snouse bought 5000 on option, holds 16,980.  
 Belock Instrument. Stanley R. Grant exercised rights to acquire 1098 and 1098 more for trust, holds 2163 personally, 1098 in trust.  
 Columbia Pictures. L. J. Barano 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.  
 ITT. 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 Weitner 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

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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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## 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 vhs. 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 WNB-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).

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**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 presentment 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 vhf's 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 vhf's (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 vhf's (6 dropped \$200-\$400,000 apiece), 104 post-freeze vhf's (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 DuMont 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. DuMont 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 <sup>2</sup>	1956 <sup>1</sup>
<b>Broadcast Revenues</b>			
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
<b>Broadcast Expenses</b>			
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
<b>Broadcast Income (Before Tax)</b>			
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.

<sup>1</sup> 1956 data cover 3 networks and 15 owned and operated stations; 95 pre-freeze and 364 post-freeze stations (269 VHF and 95 UHF).

<sup>2</sup> 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 dries 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 Westerns)—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 KVVU (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." KVVU 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 ¼ '58	Est. last ¼ '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 ¼ '58	Est. last ¼ '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 ¼ '58	Est. last ¼ '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 line-ups. 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 Bestg. 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 Bestg. 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 uncheduled. 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 bcstg. 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 KOBY San Francisco. Brown had bought KOBY 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 Bcstg. 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 McMahan, 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.

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.

**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.

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 cagily 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 scripts 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., 41 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.) & Hempill (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 Kennett, 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 Bcstg. 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 Bcstg. 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 *Blaek 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 Bcstg.'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. *Cheshrough-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 agencymen & 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 sustaining, 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 employes 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 Bcstg. 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 Bcstg. 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 Bestg. 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 Bestg. v.p. and advertising & sales promotion dir., joins Peoples Bestg. 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 Bestg. . . . 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, Hopple 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, Rein- del & 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 Bestg. 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 Bestg. 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 Bestg. 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 Bestg. 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
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 *bronhaha* 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 lineage 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 lineage 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 Sothern 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-spice 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 Bcstg. 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*, *Whirlybirds*, *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 carped 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.

**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.

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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.

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).

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 Bcstg. Corp., the former Du Mont Bcstg. 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:		
	1959	1958
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 Agaloff, 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 WSWA-TV & WSWA 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	\$0.82 1/2	Oct. 10	Sep. 10
Famous Players				
Canada .....	Q	.37 1/2	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. (Arameco) 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 Arameco 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. Vellella, 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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## SUMMARY-INDEX OF WEEK'S NEWS

### 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).

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**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 employes 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 shennanigans 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 in 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. Bcstrs. 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."

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"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 Bcstg 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.

**WTWV (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.

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**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, Phillie's 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, Phillie's 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 Dräckett 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 *Longines-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 heavyweight Johansson; Irving Kahn, pres. of TelePrompTer; Vincent J. Veleva & 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. Kliever, 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 Bcstg. radio program mgrs. (Sept. 3-5), Detroit. Next week: AP Bcstrs. of Ohio (12), Columbus; Ill. Bcstrs. 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 Bcstg. 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 Meshekoff, 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 Parée* 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. Atcherley 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 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 gov't. 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 Gov't. 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 Electric 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 Shakespearian 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
<b>John Charles Doerfer</b> (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.
<b>Rosel Herschel Hyde</b>	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.	1924-26, 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.
<b>Robert Taylor Bartley</b>	By Presidents Truman & Eisenhower. Member since March 6, 1952. Term expires June 30, 1965. Politics: Democrat.	Age: 50. 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 Bcstrs., 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.
<b>Robert Emmett Lee</b>	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.	1930-36, 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.
<b>Tunis Augustus Macdonough Craven</b>	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. 1928-30, 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 Bcstg. Co. 1949-56, private consulting practice.	Alternate on Telecommunications Coordinating Committee. Telecommunications Planning Committee.
<b>Frederick Wayne Ford</b>	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.
<b>John Storrs Cross</b>	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.