

# WEEKLY **Television Digest**

JULY 3, 1961 **NAB LIBRARY** © 1961 TRIANGLE PUBLICATIONS, INC.

JUL 5 1961 VOL. 17: No. 27

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

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**FCC'S LICENSE-FEE THINKING:** FCC Chmn. Minow asked Commission staff to come up with ideas for charging licensees a fee (Vol. 17:22 p11), to carry out a Budget Bureau directive which in turn is seeking to implement a Congressional resolution. Congress's intention was that govt. agencies become essentially self-supporting, and FCC staff has devised a suggested fee schedule which would cover the full 1961 budget of \$11,789,000 (excluding special uhf appropriation) plus \$1,393,000 for estimated value of all FCC office space—for total of \$13,182,000.

Broadcasters would be required to pony up \$5,991,671 of this—\$5 million to come from a levy of .4% on gross revenues of all stations (but not networks), balance to be derived from application fees. Theory behind formula: Ability to pay.

Safety & special services would produce \$3,902,536, common carrier \$2,453,505, commercial operators \$542,689, ship inspections \$291,599. (For more detail on recommendation, see p. 5.)

**FCC INVOKES 'SEEK-OUT-NEEDS' POLICY:** Remember the name "Suburban." It could become celebrated in broadcast-regulation history. In a significant decision last week, FCC turned down the FM application of Suburban Bcstrs., for Elizabeth, N.J., on the simple ground that it had done nothing to seek out the programming needs of its proposed service area. This "seek out" concept is the touchstone of FCC's new philosophy, as expressed in last year's policy statement (1960 Special Supplement No. 7) which the Commission is trying to implement with new program form (see p. 2).

Application was uncontested, and FCC traditionally grants such bids without reference to programming plans if applicant otherwise has usual qualifications—financial, technical, etc. However, WNEW-FM N.Y., which would suffer some interference from Elizabeth station, got Commission to insert a hearing issue "to determine whether the program proposals . . . are designed to & would be expected to serve the needs of the proposed service area."

Suburban counsel Edward Kenehan, former FCC Broadcast Bureau chief, kicked fiercely, asserting Commission has no powers over programming—and even if it does, it certainly shouldn't apply this new policy retroactively.

Suburban is expected to appeal, go all the way to Supreme Court on "freedom of speech" grounds if it has to—or can.

FCC vote was 4-2, Comrs. Hyde & Cross dissenting, Ford absent, reversing examiner's recommendation to grant. "In essence," FCC said, "we are asked to grant an application prepared by individuals totally without knowledge of the area they seek to serve. We feel that the public deserves something more in the way of preparation for the responsibilities sought by applicant than was demonstrated on this record."

**CATV SCORES POINT IN PROPERTY-RIGHTS FIGHT:** CATV won a battle last week but by no means won the war when San Francisco Federal District Court Judge W. T. Sweigert ruled that the 3 Salt Lake City stations (backed by NAB) have no rights infringed when their signals are distributed by CATV system Cable Vision Inc., Twin Falls, Ida., and Idaho Microwave Inc. which feeds the system the signals. Both sides found both comfort & disquiet in the decision, which is just one step in adjudication of whole issue.

National Community TV Assn. counsel E. Stratford Smith couldn't be reached for comment, but NAB counsel Douglas Anello said he found helpful language in the ruling despite defeat.

Judge Sweigert discussed case primarily in light of 1918 U.S. Supreme Court decision, which held that International News Service had unfairly lifted & sold AP news—and he decided that the INS situation differed. Here's the core of his edict:

Defendants' antenna-service facility is simply a more expensive & elaborate application of the antenna principle needed for all television reception. It does not otherwise differ from what the owners could do for themselves.

"Nor does the fact that the owners are willing to pay for such a service facility change the essential situation. The test for purposes of determining unfair competition is not whether defendants are paid for their service or whether, as appears in this case, they expect to realize a profit. The true test is whether any such profit is one which under the circumstances rightfully belongs to plaintiffs so as to make it a misappropriation by defendants.

"Let us assume for the purpose of discussion that the owners of home TV sets in Twin Falls chose to form a non-profit cooperative to construct facilities identical with those planned by defendants. Certainly, the owners could do collectively, through a non-profit co-operative, what each one of them could admittedly do for himself. The Court does not believe that the mere profit-purpose of defendants' rendition of an identical service to the owners would transform the operation into unfair competition with plaintiffs.

"It is true that in the International News Service case, the Court, speaking of the relationship between the public, International News Service and Associated, said that, admitting the right of the purchaser of a single newspaper to spread knowledge of its contents gratuitously for any legitimate purpose not unreasonably interfering with plaintiffs' right to make merchandise of it, the transmission of that news for commercial use, in competition with complaint, would be a different matter."

Kicker in decision is this, in the conclusion: "Plaintiffs, upon further presentation, may make a case for protection under copyright law, statutory or common law, with respect to any programs which they themselves creatively produce or for protection under the doctrine of unfair competition with respect to any exclusive license arrangements which have heretofore been recognized as ground for invoking that doctrine."

As we understand it, if telecasters win in such "further presentation," they've got CATV right by the antennas—for no cable operator can, as practical matter, sit with hand on switch, cutting in-&-out the station-owned programs such as news, etc. Main arena of whole battle is still suit brought by United Artists against CATV—this is a long way from decision.

**REVISED PROGRAM FORMS DUE FROM FCC:** Industry representatives persuaded FCC that its proposed programming form was unwieldy & unclear (Vol. 17:20 p13)—so the Commission went back to the drawing boards and is expected to come up with something more understandable, if not more palatable, next week. (For full text of previous proposal, see Supplement No. 2, Feb. 27, 1961.)

Commission hashed over new proposal last week, and though nothing has been announced, it's

expected these changes will be considered this week, probably adopted and offered for industry comment:

- (1) Two forms to be issued—long one for TV, short for radio.
- (2) More detailed information to be required—more precise, more understandable, more readily complied with.
- (3) "Composite week" to be reinstated.
- (4) New "selected week"—of applicants' own choosing—to be supplied.
- (5) More detail on commercial operations required.

Chances are that new proposal will garner FCC majority. Comrs. Hyde & Craven, in light of past reservations about Commission's authority to seek programming data, are likely to dissent to at least part of new forms.

**FCC REFORM BILLS NEAR VOTE:** Nearly-parallel Senate & House measures to streamline FCC's complex procedures (Vol. 17:26 p4) were pushed into position last week for early floor votes.

Legislative substitutes for FCC reorganization plan proposed by President Kennedy & junked by House were cleared June 29 by Senate Commerce Communications Subcommittee & House Commerce Committee. Both bills (S-2034 & HR-7856) may reach Senate & House floors this week.

FCC-drafted Senate bill must clear hurdle of full Commerce Committee headed by Sen. Magnuson (D-Wash.) before it gets on Senate action calendar, but Subcommittee Chmn. Pastore (D-R.I.) expects no trouble with measure he sponsors. Following quickie hearing June 28, Pastore did some minor pencil work on bill, then won Subcommittee approval of it through informal telephone poll of members without bothering to call them into formal session.

At the same time, House Committee put on burst of speed. While Pastore was holding Senate hearing, House Commerce Chmn. Harris (D-Ark.) got his Regulatory Agencies Subcommittee to endorse HR-7856, which he patterned after S-2034. House bill replaced earlier Harris reorganization measure (HR-7333), which was out of line with FCC's own recommendations. Full House Commerce Committee went along with him next day.

Language of Senate & House bills is nearly identical now. Missing from Senate bill is House measure's provision that Commission may limit reviews of decisions by delegated panels to "issues of general communications importance" in adjudicatory cases. But original Senate bill was brought into line with revised House bill on another difference, Pastore accepting Harris language that delegated FCC authority may be rescinded by "vote of a majority of the members of the Commission then holding office." As first written, Senate measure gave rescinding power to majority present for vote.

Senate hearing was routine & perfunctory except for one flare-up by Pastore while Federal Communications Bar Assn. Pres. Robert M. Booth Jr. was on stand. Booth said FCBA was all in favor of "objectives" of Pastore bill, but had many suggestions for changes & refinement in legal terminology. "You agree with the objectives, but so far you haven't agreed with a single line of the bill," Pastore commented caustically. He also didn't buy suggestion by ex-FCBA Pres. Leonard H. Marks that FCC "administrator" be named to handle uncontested cases. Lead-off witness FCC Chmn. Minow, flanked by all other members except Comr. Ford, who was out of town on speech-making trip (see p. 6), repeated House Subcommittee testimony on legislation, was asked few questions.

President Kennedy's FTC reorganization plan survived Republican assaults on Senate floor meanwhile. Democrats who helped defeat SEC plan a week earlier rallied to turn back (47-31) resolution disapproving White House proposals for FTC, which goes into effect July 8. They then kept similar White House plan for CAB intact by 37-33 vote. Leading Republican attack on FTC & CAB plans was Sen. Mundt (R-S.D.), who taunted Democrats for rejecting FCC & SEC plans. He said all of White House reorganization schemes were steps toward "decapitating Congress" & "glorifying govt. by decree." Rejection of FTC & CAB plans had been recommended 5-4 by Senate's Govt. Operations Committee, Chmn. McClellan (D-Ark.) & Sen. Ervin (D-N.C.) joining committee Republicans against White House.

**YEAR'S DELAY FOR HARTFORD PAY-TV START:** Insisting that theater exhibitors' court appeal hasn't deterred it one whit, RKO General last week informed FCC that other matters force it to ask that start of its Hartford pay-TV test be shifted from previous target of Aug. 23, 1961 to July 1, 1962.

RKO Phonevision Co. (name changed from Hartford Phonevision Co.) gave FCC a progress report to buttress its request, asserting that things are shaping up well all along the line:

- (1) New WHCT gen. mgr. & chief engineer have been hired.
- (2) Zenith has partially completed manuals for installation, maintenance & repair of decoders and for personnel operating control center (billings, etc.).
- (3) 2,000 decoders have been ordered, delivery to come 6 months after Oct. 11. Station coding equipment to be ready for installation by end of 1961.
- (4) "Preliminary negotiations" have been held with movie producers and: "Subject to establishing & correlating specific subscription playing dates with the release dates of specific film product, we feel assured that adequate subscription program in this category will be available for the purposes of the trial."
- (5) A survey of Broadway play producers indicates that there "will be sufficient program product."
- (6) Many discussions have been conducted with educators, and programs will be available.
- (7) Availability of operas, symphonies, etc. is being studied.
- (8) Negotiations have been conducted "covering the availability of some of the world's great artists in the classical & popular entertainment fields for concerts & similar types of 'one-man' shows of the class associated with such places as Carnegie Hall & the Palace Theatre in N.Y. On the basis of the negotiations, we feel assured that this type of talent & show will be available."
- (9) A 4-week tour of Europe was made by RKO employe who contacted movie producers and "major cultural attractions for which Europe is famous." RKO is now considering arrangements for such features.
- (10) RKO is finalizing arrangements for studios, tape equipment, etc.
- (11) Negotiations are under way with labor organizations; no "insurmountable difficulties" foreseen.
- (12) "One of the nation's largest radio & TV survey organizations" has been contacted for purpose of conducting before-&-after viewing-habit surveys—and "several large advertising agencies" are interested in joining this study.

RKO summarized: "On the basis of our program negotiations to date, we are assured that we will be in a position to present to the Hartford public a firm & specific schedule of a reasonable number of committed programs covering the initial period of the trial before asking the first member of the Hartford public to sign up as a subscriber without knowing what programs he may get for a reasonable period after the date of his subscription & the commencement of the operation."

**N.Y. GETS VHF ETV OUTLET:** Long-delayed sale of WNTA-TV N.Y. (Vol. 17:8 p8 et seq.) to a N.Y. ETV group was closed June 30, subject to FCC approval. The deal is significant on several counts:

- (1) It will be first N.Y. VHF ETV channel. Actually, it probably will be the city's 2nd ETV outlet, since municipally-owned radio WNYL plans Nov. 1 start for educational programming over WUHF, FCC's experimental Ch. 31 station. (N.Y. Daily News' WPIX has been broadcasting a daytime schedule of classroom programs under contract to state Board of Regents.)
- (2) Competitive stations & networks aided substantially in raising the \$6.2 million purchase ante. Each of the 3 networks contributed \$500,000 and WOR-TV and WNEW-TV each gave \$250,000—with the blessings of the Department of Justice, which waived usual antitrust rules.
- (3) New outlet will be cultural showcase for ETV in the country's largest market. The station will close down later this year for a 2-month period (while FCC weighs the deal), and is expected to reopen as WNET-TV around Jan. 1. After that, it's expected to tap N.Y.'s potential as a cultural center (Lincoln Center for the Performing Arts, local universities, Broadway, etc.).
- (4) A N.Y.-based ETV national network is now a possibility, providing NET's group of 50-plus ETV outlets with a N.Y. origination center in the manner of the 3 commercial networks.

Purchasing ETV group has a new name: Educational TV for the Metropolitan Area (ETMA). Its pres. is Howard C. Sheperd, former chmn. & pres. of First National City Bank, and its vp (who signed the sales contract with NTA Pres. Leonard Davis) is Devereux C. Josephs, former chmn. of N.Y. Life Insurance Co. John F.

White, NET pres., is ETMA secy-treasurer. Howard Stark acted as station broker.

Most other ETV shows in N.Y. will continue, despite a full-time ETV rival, we were told. WCBS-TV N.Y. will maintain its early morning "Sunrise Semester" & other local shows, and WNBC-TV will be the local outlet for NBC-TV's "Continental Classroom." The N.Y. State Board of Regents TV shows carried by WPIX (which did not contribute toward the purchase of WNTA-TV) may be shifted to the new ETV channel.

**FM RULES & STANDARDS SHAKEUP:** With FM's resurgence in last few years, FCC has been fretting over its allocations & applications problems, fearfully watching it drift toward the AM hodge-podge with its haggles over population counts and protected-contour nit-picking. Last week, Commission took step toward treating FM like TV, with its delightfully simple mileage-separation—"go or no-go," in which a channel assignment fits or doesn't.

Perhaps even more important than proposed technical changes was start of an "inquiry" feeling out industry's thoughts about reducing or eliminating duplication of AM programs on commonly owned FM stations. Vast majority of stations employ straight duplication. The "duplication" phase of proceeding isn't a proposed rule at this stage of game.

Also subject of "inquiry," not rule-making, were several technical matters—including signal ratios, polarization (with eye to vertical auto antennas), directionalization, receiver characteristics.

Three classes of commercial stations and 2 educational were proposed. Commercial: (1) Class A, maximum power & height 1 kw & 250 ft. (or equivalent), 25-mile protected service radius, 115-mile minimum co-channel spacing. (2) Class B, 20 kw & 500 ft., 50-mile radius, 190-mile spacing. (3) Class C, 100 kw & 2,000 ft., 100-mile radius, 300-mile spacing. The educationals: Class D, 10 watts & 100 ft., 6-mile radius, 25-mile spacing; Class E, "same as for maximum commercial station at the same location."

Commission is also concerned about "waste space" between assignments, is thinking about a formula of "maximum spacing," i.e., locating stations at multiples of the minimum spacing so that new assignments may be dropped in between existing stations.

There are no plans for shifting existing stations—and Commission hasn't said what it would do about existing stations seeking changes in facilities.

Industry is concerned lest FCC freeze applications until it puts new rules & standards into effect. Commission says nothing publicly about a freeze, but it's considered a distinct possibility—a partial freeze, at least. Comments on proposal are due by Sept. 5.

## The FCC

### More about

**LICENSE FEE RECOMMENDATIONS:** Herewith are the highlights of FCC's staff suggestions on fees to be levied on its licensees (see p. 1):

(1) **Broadcasting.** In addition to placing a .4% levy on station gross revenues, FCC would require TV applicants for new stations or for assignments of licenses to pay \$600 when they file, AM & FM applicants \$300. Translator—and all other—applicants would pay \$30.

(2) **Safety & special services.** Applicants for amateur, RACES and disaster radio service licenses, \$5. For special amateur call letters, \$5. All other special radio services, \$20.

(3) **Common carrier.** Telephone companies with annual operating revenues over \$250,000, .08% of annual gross revenues from interstate & foreign services. Domestic telegraph companies with revenues over \$100,000, .1% of gross revenues. International telegraph companies with revenues over \$100,000, .3% of gross.

(4) **Ship inspections.** Scaled from \$200 to \$75 per vessel, depending on type.

(5) **Commercial operators.** Commercial operators' examinations, \$5. Commercial operator applications, \$2. Restricted permits, \$2.

**Uhf Exhibit Set:** All-channel TV receivers, uhf converters & translators and receiving antennas will be demonstrated in a 2-week Washington equipment exhibit starting July 15 in the lobby of the Commerce Dept. Bldg., co-sponsored by FCC & the Greater Washington Educational TV Assn. Comr. Lee has invited members of the Assn. of Federal Communications Consulting Engineers to help man the exhibit, which is intended to focus public attention on GWETA programming proposals for its newly-granted ETV Ch. 26 (Vol. 17:25 p9). Exhibitors will include Zenith, Transvision, Jerrold, Admiral, Sylvania, GE, Westinghouse, Blonder-Tongue, Entron.

**FCC To Consider Vhf-to-Uhf Bill:** FCC is expected to give Congress its views shortly on Rep. Bray's (R-Ind.) bill (HR-5570) which would prohibit the Commission from shifting any vhf station to uhf unless all vhf's are shifted (Vol. 17:13 p15). The Commission undoubtedly will oppose the measure on the grounds that it would thwart selective deintermixture.

**FCC Field Force's 50th:** FCC marked the golden anniversary of its radio monitoring & field enforcement arm with a resolution noting that one William D. Terrell was appointed as a "Wireless Ship Inspector" on July 1, 1911. It extended its "sincerest thanks, congratulations and best wishes to all members of the Field Engineering & Monitoring Bureau and its predecessors."

**FORD DEFINES 'PUBLIC INTEREST':** FCC Comr. Ford set out last week, in a brace of Seattle speeches, to explain what the Communications Act & the Commission mean by the "inherently complex" term "public interest." He came up with this: It isn't what FCC says it is, but what the broadcaster says it is—with qualifications.

In an address to the Washington State Assn. of Bestrs., Ford said that the best clues to the meaning of the term are in FCC's 1960 Program Policy Statement: "It recognizes that in providing service to his community, the public interest is what the licensee says it is; provided—and this is the key—provided that his judgment is the result of a reasonable & *bona fide* effort to ascertain the program interests & needs of the area he is licensed to serve."

In another June 28 talk—this time to the Advertising Assn. of the West—Ford explored public-interest aspects of broadcast commercials. He said he would no sooner attempt to evaluate good commercials than good programming, but that "personal discipline" by broadcasters is needed. "Certain practices in both areas are in disrepute," Ford said, urging the industry to watch its good-conduct codes "as a means of preserving as much self-regulation as possible."

"Those who long for a definitive statement of the term are seeking to simplify something which is inherently complex," Ford told the broadcasters. "Yet if they are willing to look, I think they will find that in all of the major areas which the Congress & the courts have acknowledged as representing components of the public interest, there exist rules, policy statements and decisions by the Commission which serve to refine the legislative & judicial determinations and give substance to the bare language of the statute."

#### FCC Not 'Academy of Fine Arts'

He added: "I think everyone would regard it as intolerable if the Commission were to find in the public interest the vicious personal attacks & abuse which characterized the so-called 'programming' of one broadcast licensee in the early days of radio . . .

"On the other hand, the Commission is not an academy of fine arts and no one on the Commission, I am sure, regards himself as a cultural arbiter for the nation. We have neither the power nor the desire to impose personal tastes & preferences on broadcasters or on the American people.

"It is neither legally nor humanly possible for an agency such as ours single-handedly to raise the quality of what we listen to & see on our radio & TV sets. The Commission is determined, however, to do its part."

Ford told the admen that last year's Commission Program Policy Manifesto is "equally applicable" to commercials. "Our concern," he said, "rests with the creation of a proper relationship between service to the public with program material which informs & entertains, and a portion of the air time for commercial copy which furnishes the financial support for the service."

He said he couldn't agree more with "the concept that show business must be left free & unshackled or its creativeness will be destroyed." But Ford added this warning: "Without the personal discipline that must accompany freedom in this respect . . . restrictive [govt.] measurements will undoubtedly follow."

Citing one FCC-noted instance in which a station used 60%—36 minutes in an hour—of its air time for commercials, Ford said: "The imbalance present in many broadcast operations at the present time between minutes devoted to advertising copy & program material should be cause for grave concern not only in your [advertising] profession but to broadcasters generally."

**AGENCY STUDIES STARTED:** Participants in the new Administrative Conference of the U.S. (Vol. 17:26 p13) were told last week by Attorney General Robert F. Kennedy to get going fast on their advisory job of finding ways to cut delays in procedures of FCC & other regulatory agencies.

Addressing the first plenary session of the White House-sponsored study group of agency officials, practicing lawyers and law-school professors, Kennedy said it should be a working organization "in which the members take off their coats, roll up their sleeves and get on with a job too long delayed."

President Kennedy is "vitaly interested" in the Conference's work and looks to it for specific recommendations—by Dec. 31, 1962—for methods of slicing through administrative red tape, his brother said. White House advisor James M. Landis seconded Kennedy's speech. Chief Justice Earl Warren, another scheduled speaker, was unable to appear.

As a starter, Conference Chmn. Judge E. Barrett Prettyman, who also heads the group's plan-making Council, named members of 9 working committees—on personnel, internal organization & procedure, rule-making, licensing, compliance & enforcement, claims adjudication, statistics & reports, information & education and judicial review.

FCC Comr. Hyde was designated chmn. of the compliance committee, on which the Council will be represented by Nathaniel L. Nathanson of the Northwestern U. Law School. FCC gen. counsel Max D. Paglin, vice chmn. of the Conference, will be Council liaison man on the licensing committee headed by CAB member Whitney Gilliland. Washington communications lawyer John D. Lane was named to the judicial review committee.

Other committee leaders include: personnel, E. S. Redford (U. of Tex.); internal organization, David Ferber (SEC); rule-making, Robert W. Ginnane (ICC); claims, Cyrus R. Vance (Defense Dept.); statistics, Charles W. Buey (Agriculture Dept.); information, James H. Henderson (FTC).

The Council will meet in Washington Sept. 19 for reports on committee progress. Judge Prettyman called the next meeting of the Conference itself for Dec. 5.

When filled out, the membership of the Conference will total 86, but it got under way with 72, including spokesmen for 41 federal agencies. An FCC representative in addition to Hyde & Paglin is John F. Cushman, a lawyer in Paglin's litigation division.

Reversal on Moline Ch. 8: FCC has told its staff to come up with a decision finally granting Ch. 8, Moline, to Moline TV Corp., denying Community Telecasting, TeleViews News, Midland Bcstg. and Illiway TV. Last year (Vol. 16:18 p14), FCC examiner Charles J. Frederick recommended a grant to Community Telecasting. Moline TV is headed by Frank Schreiber, ex-mgr. of WGN-TV.

FCC-Industry "Plugola" Conference: A "clarification" meeting was conducted at the Commission last week on FCC's proposal to cover the broadcast of promotional material that boosts products & services in which licensees are financially interested (Vol. 17:20 p13). Commission staff members discussed problems with CBS's Leon Brooks, NBC's Howard Monderer, ABC's Mortimer Weinbach and NAB's Douglas Anello. The industry group, under NAB's aegis, will be given several weeks to come up with suggestions for improved language.

**Status of WINS & WMGM:** After long investigation of payola problems, FCC has ordered its staff to prepare a document setting for hearing the renewal of radio WINS N.Y. This would put a damper, temporarily at least, on the proposed sale for \$10 million to Storer Bestg. Co. (Vol. 16:31 p9). Storer has a deal to sell its WWVA Wheeling for \$1.3 million, contingent on the WINS sale (Vol. 16:39 p11). It's understood that the Commission has no objections to the WWVA transfer. The other pending big N.Y. radio sale, WMGM to Crowell-Collier Bestg. for \$10,950,000 (Vol. 16:50 p12), was considered by the FCC last week, and it is understood to be deadlocked at the moment—3 for approval, 3 for a hearing, Chmn. Newton Minow abstaining. Minow may be forced to vote to break the tie. The WMGM deal hinges on Crowell-Collier's qualifications in light of its operations of WDWB St. Paul, KEWB Oakland & KFWB Los Angeles. FCC charges it with engineering violations and "alarming" & "vulgar" programming (Vol. 17:18 p6). Since Crowell-Collier seeks to buy WGMS Washington from RKO, these issues have been placed into the massive NBC-RKO transfer package.

**FCC Checks Stations' Translators:** To keep regular stations from extending their service areas through the use of vhf translators, FCC has issued proposed rule making, as expected (Vol. 17:21 p9), to provide: "That a vhf translator will not be granted to a TV station, or a TV station financially interested in a vhf translator application, unless the translator would fill in an unserved area within the TV station's Grade B contour, and neither duplicate any part of the network service of another TV station serving the proposed translator area with a Grade B signal or better, nor serve any community which has a TV channel allocation on which a TV station grant has been made or a construction permit issued." The Commission said, however, that its proposal would allow exceptions—extensions of service via translators—to areas getting no other service. But such translators will be subject to cancellation on 60-days' notice if local situations change to make the grants violative of the rules. Comments are due by Sept. 5.

**FCC Delegates Chores:** Continuing a policy of trying to rid itself of housekeeping chores, FCC has delegated to its Broadcast Bureau chief (Kenneth Cox) the authority to: "(1) Act upon applications for broadcast facilities (including modifications, renewals and transfers) where such applications comply fully with the Communications Act, Commission's rules, policies and standards, are not mutually exclusive and concerning which no petition to deny or other substantial application has been filed. (2) Designate for hearing mutually exclusive applications. (3) Extend time for replies to correspondence."

**FCC Documents Contract:** Cooper-Trent Inc., 1130 19th St. NW, Washington, has replaced The Goetz Co. as FCC's contractor for the duplication of its records—such as AM directional antenna patterns—for sale to the general public. The new contractor will also maintain a master file of microwave authorizations, will sell duplicates. The Seabrooke Print Co., 514 10th St. NW, was given a contract for the duplication & sale of non-govt. frequency lists. Ward & Paul Inc., 1760 Pennsylvania Ave., again will supply stenographic reports of FCC hearings.

**San Angelo TV Proposed:** Grant of Ch. 3, San Angelo, Tex. to Abilene Radio & TV Co. has been recommended by FCC examiner Elizabeth C. Smith following the withdrawal of competitor E. C. Gunter.

## Congress

**Dodd Sets Reform Deadline:** If TV networks don't act within 6 months to take some of the sex, crime and violence out of their programs, Chmn. Dodd of the Senate Judiciary Juvenile Delinquency Subcommittee will press for legislation to put them under govt. curbs.

This ultimatum was delivered June 29 by Dodd on CBS Radio's *Capitol Cloakroom* when he was questioned by the network's George Herman about results of Subcommittee hearings on TV's impact on children (Vol. 17:25 p7).

Dodd said, however, that he looked to TV to reform itself before the year is out. "I hope that the industry will clean up its own house," he told Nancy Hanschman, another CBS News interviewer on the show. "I am encouraged to believe that it will."

He added: "If it doesn't do so, there will be a great demand from the public that it be done by govt. and I hope this isn't necessary." Dodd expects to gather more ammunition against network programs when his Subcommittee resumes its TV hearings—probably in mid-July.

Dodd told the Senate meanwhile that he had won one programming point in another broadcasting area—the Voice of America. He wrote USIA dir. Edward R. Murrow that it would be a good idea if VOA programs were to be opened with quotes from the Declaration of Independence, followed by an announcer with "a strong, dramatic voice" saying: "This is what America stands for—for her own people & for all men everywhere."

USIA's broadcasting-service dir. Henry Loomis replied that Dodd's suggestion "has much merit and is one which we will implement to the widest degree possible consonant with the nature of individual programs."

**Super Agency Proposed:** Establishment of an over-all Office of Federal Administrative Practice to ride herd on federal regulatory agencies such as FCC is proposed in a bill (S-2189) by Sen. Keating (R-N.Y.). The measure also would set up a Hearing Commissioner Corps in which examiners would have to meet "standard qualifications." Keating said that his bill—substituting for White House & Congressional reorganization plans for the agencies (see p3)—would provide "really constructive & thoughtful action on the multitude of problems in this field." Similar legislative proposals at past sessions of Congress have been unsuccessful.

**Anti-Sabotage Law Pushed:** The Senate has approved a bill (S-1990), setting \$10,000 fines & 10-year prison sentences for vandals who damage private communications equipment, which may be used by military or civil defense authorities. The legislation—inspired by recent sabotage of microwave towers in Utah & Nevada—is similar to an anti-sabotage measure cleared earlier by the House Judiciary Committee (Vol. 17:26 p14).

**Daytimers' Petition Filed:** Bypassing FCC, the Delaware State Legislature has sent a petition to Congress & the White House asking them to do something to increase broadcasting hours of daytime radio stations. The legislature said that under present rules downstate listeners get little nighttime radio service.

**Billboard "Bonus" Approved:** Opponents of billboard advertising along federally-supported highways have won their argument in a Senate-House conference on \$11.4-billion road legislation (Vol. 17:25 p7). The conferees have agreed to a 2-year extension (from July 1) of bonus payments to those states which curb highway advertising.

## Networks

**NETWORK PROBE, ROUND 2:** Much of the vituperation, artistic bitterness and art-for-art's-sake which characterized the first week's testimony in FCC's N.Y. network-control program hearings (Vol. 17:26 p5) was absent as the probe went into its 2nd week. (It closed after the morning session, June 29th.) Possibly the shift was due, as much as anything else, to the fact that several of the earlier witnesses were inactive in TV writing & production while the later crop were nearly all gainfully employed in network TV for the 1961-62 season. Producer Fred Coe, frequently hailed by writers & producers during the hearing's opening days as the grand champion of controversial live drama, and George Schaefer, producer of the "Macbeth" adaptation for Hallmark, were measured in their criticism of networks and even sided with agencies & advertisers in defending controls.

There were even hints that some of the earlier hearing witnesses may have stepped off the deep end of their criticism. Said veteran producer-host Robert Montgomery June 29: "I am overcome with admiration for the witnesses who have come down here & had the courage to express adverse opinions . . . They have taken their livelihoods in their hands." Reported N.Y. Post TV editor Bob Williams 2 days earlier: "The word is being passed around the TV industry that hard times may lie ahead for outspoken witnesses . . . A number of witnesses privately conceded misgivings about appearing and said they insisted on subpoenas."

The more outspoken anti-network witnesses could take some comfort from FCC counsel Ashbrook P. Bryant's closing remarks: "The Commission is confident that testimony given here will not be made the basis for any actions which would adversely affect the professional careers or future activities of these witnesses . . . retaliatory action would hardly comport with the responsibilities assumed by the Commission licensees."

### Networks Decline Invitation to Reply

An FCC invitation to network heads to answer remarks aimed against them was refused. Unwilling to appear as "defense witnesses," network officials chose to hold their fire until the hearings resume in Washington.

Some witnesses maintained that ratings often provided a useful guide to mass-audience program taste and predicted that the much-bemoaned trend to action-adventure filmed melodramas would probably end of its own accord. There were even several suggestions for improving the TV medium, and a strong indication that public-affairs producers have it made, so far as sponsor & network interference in programming is concerned. Highlights:

Fred Coe, veteran producer closely associated with TV's "Golden Age," threw cold water on all "the whoop-de-do & hoop-la" about sponsor interference. He had encountered "no creative interference" from advertisers or networks in any of his shows. But, he added, "as TV is set up now, the sponsor has every right to object to anything he wants to . . . He's footing the bill 100%." Commenting on the touchstone of the hearing—diversity & balance—Coe said, "there's a large minority of viewers who are not being served adequately today."

Ralph Nelson, producer-director, disagreed strongly with Coe, saying any sponsor voice in programming content is "a basic corruption of the stated principles of broad-

casting." He quoted an ABC-TV West Coast programming vp's attitude toward shows like *Hawaiian Eye* as typical of network philosophy: "We know they're trash, but they're cheap, and after sufficient exposure the public gets used to them."

John Secondari, Fred W. Friendly and Irving Gitlin, veteran producers of public-affairs shows for, respectively, ABC, CBS and NBC, gave a word picture of a TV utopia with which most producers in other show categories appear to be unfamiliar. In the documentary & public-affairs fields, all 3 said, there was great creative freedom (within budgetary limitations), little or no sponsor interference, and growing audiences. Should networks keep a tight control in this area? "The network is obligated to hold the rights & responsibilities of editorial policy," said CBS's Friendly. The ABC & NBC producers concurred, although Secondari admitted that ABC had bought "some" documentaries outside its own shop which "fulfilled all requirements of ABC."

Albert McCleery, producer for CBS-TV, attacked today's TV on a number of scores, including the lack of "grass-roots activity," and "the tyranny of the child, which dominates from 3-9 p.m." But most of his fire was aimed at the "committee system" which dictates Hollywood production and leaves "a large gray area of responsibility." Pointing to ex-network men like Hubbell Robinson and Sylvester (Pat) Weaver, McCleery said: "We used to have key network executives who had a definite philosophy of programming. Now its a 'they' operation, with a tendency to follow, which is regrettable."

### Brodkin: "The Problem Is Small Men"

Herbert Brodtkin, another veteran of N.Y. drama production, also gave a verbal back-pat to men like Robinson, Weaver and Tom McAvity, but his attitude toward advertisers, particularly Goodyear, was less amicable. "When we were doing the Alcoa-Goodyear hour, we did the softer plays for Goodyear . . . the kind of play that dealt vigorously with the world around us was frowned upon." He praised network public-affairs shows as "the darling of the industry," and hoped their courage & daring would extend to drama. "The problem is that many small men in TV are afraid to do the down-beat, hard-hitting things in live drama . . . This hearing may allay their fears."

George Schaefer, producer of drama specials for the Hallmark series, also saw a "not particularly bright" outlook for original drama, but cited the 1960-61 contest staged by Hallmark—because of which "a great deal of steam was generated behind the idea of original writing this season." Schaefer praised his greeting-card sponsor; "interference doesn't exist," he said.

Robert Montgomery, last week's most outspoken critic of current network procedures & programming, charged network creation of a "built-in sellers market." When program content & distribution are controlled by one group, it leads to "tremendous power," he said, reminding FCC that in both theaters & radio, production-distribution monopolies had been broken up by the government. Network heads must be "willing to assume their obligation to the public, not merely show stockholders dollars & cents results." Toll TV might be a solution, Montgomery suggested, challenging FCC to allow more "broad experimentation" in that area, but speculating that one reason pay TV "can't get off the ground" might be network lobbies in Washington.

Perry Como took the same soft line as Ed Sullivan a week earlier. "It's time we quit kicking the medium around," he said. "Most of those who've testified at this hearing are either not working in TV or have just finished." Asked about any network interference in his show, Como

said he had the "final decision" because NBC (and sponsors) "respect me and know I'm the boss." Questioned about his position with Roncom Productions, Como seemed puzzled and turned to his lawyer. "I either own it or I'm president, whichever you prefer," he said finally.

Irving Mansfield, pres., Impa Productions, predicted "the same sameness in network programming will be a little worse next season . . . Programs that used to bore you for 30-min. will bore you for an hour." The entire responsibility lies with the networks, "who fight among themselves to be bigger than each other." But at least part of the problem was inherent in the medium itself, according to Mansfield: "We devour playwrights & directors. Because the important thing in TV is the deadline, it can never be an art form. Good writers would rather live in a big house in Beverly Hills where they're not rushed by the clock."

H. William Fitelson, gen. mgr., The Theatre Guild, favored network programming for the entire public, not its largest segment, and cited significant network domination. Fitelson offered 3 proposals: (1) The creation of a national govt. network to telecast non-sponsored programs. (2) The divorce, by judicial decree, of the network from its financial interest in all programs other than news & public-affairs shows. ("If the network had no vested interest in programs and were able to select them on the open market, they would choose better quality programs," he said.) (3) "Full disclosure" of the names of all industry stockholders.

Garry Moore, host of his own weekly variety show on CBS-TV, admitted that live adult-appeal drama had been largely sacrificed for "a new load of shoot-'em-ups" in the coming season. But Moore also said that TV "tends to run in crests & cycles," and that the current trends in TV programming are "coming to the end." He had not, he said, had any trouble with the major talent agencies in booking talent for his shows, and was not opposed to the dual role of MCA *et al.* as packagers & talent representatives.

#### Other Views on Sponsor Control

Dave Garroway, host of NBC-TV's *Today* show, testified that "on no occasion, in the 9 years of my show, has any sponsor attempted to interfere in subject matter, and at no time has NBC asked me to restrain my remarks or attempted to reprimand me in any way."

Audrey Gellen, associate producer of Talent Associates, gave a backstage glimpse of what the proponents of untried, original drama are up against. "I had an auto sponsor recently who wanted me to break a 30-min. drama show into 3 acts & a teaser," she said. Another sponsor, she related, startled her by asking her to "liven up" the opening of Melville's "Billy Budd" (in which a crew member falls to his death from the rigging of a British ship). Talent Associates' reputation for doing adaptations of old movies, she insisted, was more because of sponsor pressure than by creative choice. Off the witness stand, Miss Gellen was later quoted as saying: "Du Pont was a great sponsor. They gave you trouble, but they listened to reason."

Sylvester L. (Pat) Weaver, McCann-Erickson Corp. (International) chmn. & gen. mgr. and one-time NBC-TV pres., was the hearing's final witness. "The networks must find a way to nourish programming within the framework of an advertising-based system," said Weaver. He criticized those who referred to the sponsor as the "heavy" in program control. While sponsors may have been able to hold a tight control on airtime in radio days, they are "no longer able to do so" in TV. Weaver also needled networks for having relinquished so much program creation to major Hollywood studios where executives "all think alike," resulting in a flood of B-picture-type TV shows.

**Canadian Broadcasting Probe:** Action to pare down CBC's power and to determine whether the govt. can control wired TV systems highlight the recommendations made last week by Canada's Parliamentary Committee on Broadcasting. The major proposals:

(1) That the Supreme Court be asked to decide whether Parliament has constitutional authority to legislate control of wired pay-TV & CATV systems. The Court will be asked to determine whether wired TV is "broadcasting" and, if so, whether the government can legislate control through the Board of Broadcast Governors.

(2) That a study of political broadcasting be made by the Parliamentary Committee on Privileges & Elections, emphasizing proposals to ban all paid political broadcasting, to give all candidates & parties free time on TV & radio at taxpayers' expense, or as a public-service requirement of station operators.

(3) That the CBC's Board of Directors be increased from 11 to 15 members to give greater representation to the French-language areas, and that no executive officer or employe of CBC be permitted to serve on the board. CBC Pres. Alphonse Ouimet and vp W. E. S. Bridges are currently directors. The recommendation, if adopted, would have the effect of removing management from participation in policy-making.

(4) That CBC be included within the definition of "licensee," placing it in the same category as private stations & networks. This move would serve to eliminate the taxpayer-financed CBC from its preferred position.

(5) That networks be deprived of the right to prevent affiliates from carrying programs of competing networks. This change would permit BBG to grant a station the right to carry program series aired by a competing network provided it did not violate the station's affiliation contract.

(6) That Canadian-citizenship requirements for control of stations or networks be tightened by limiting control to Canadian citizens "ordinarily resident in Canada."

**Philco Wins Round:** The Court of Appeals has ordered FCC to hold hearings on Philco's long-standing protest against renewal of NBC's WRCV-TV (Ch. 3) Philadelphia. Philco charged that the network's parent RCA is headed on a "consistent course towards monopoly" (Vol. 16:40 p10). The Commission had dismissed Philco's protest after oral argument, but no hearing, contending that most antitrust troubles of RCA were ancient history. In a decision written by Circuit Judge Henry W. Edgerton, the Court held otherwise: "We think it was error to divorce the alleged background from Philco's allegations of current monopolistic & other improper conduct." The Court also scored the Commission for failure "to consider Philco's charges that NBC gave preferential publicity to RCA." Under terms of the Court's order, FCC may combine the required Philco proceedings with other hearings involving WRCV-TV's license. Philco has applied for WRCV-TV's Ch. 3, is due for a hearing.

**Japanese Investment for ABC:** As the latest step in its growing program of overseas station investment and/or affiliation, ABC International is completing minority-investment arrangements with 2 Japanese TV stations. The first is JOAB-TV Tokyo's Nippon ETV (NET) and the 2nd, JOOR-TV Osaka, is owned by the Mainichi newspaper interests. Negotiations for the ABC investment have been conducted in Japan by the network's news & public-affairs vp, James Hagerty. Investment by foreign broadcasters in Japanese TV is limited to a 10% ownership.

## NETWORK SALES ACTIVITY

### ABC-TV

American Bandstand, Mon.-Fri., 4-5:30 p.m., eff. Sept. 5.  
*Colgate-Palmolive* (Ted Bates)

Maverick, Sun. 6:30-7:30 p.m., part. eff. fall.  
*Corning Glass* (N. W. Ayer)

### CBS-TV

Eyewitness, Fri. 10:30-11 p.m., part. eff. fall.  
*American Cyanamid* (EWR&R)

### NBC-TV

All-Star Scouting Report, July 11, 3:30-3:45 p.m.; July 31,  
2:30-2:45 p.m., full sponsorship.  
*General Mills* (Knox Reeves)

Bonanza, Sun. 9-10 p.m., full sponsorship eff. fall.  
*Chevrolet div. General Motors* (C-E)

### NBC-TV

Thriller, Mon. 10-11 p.m.; Laramie, Tue. 7:30-8:30 p.m.;  
The Dick Powell Show, Tues. 9-10 p.m.; Out-  
laws, Thu. 7:30-8:30 p.m.; Robert Taylor—  
The Detectives, Fri. 8:30-9:30 p.m., part. eff.  
Sept.  
*Pillsbury* (Campbell-Mithun)

Daytime Programming, Sat. a.m., part. eff. Oct.  
*Perkins div. of General Foods* (Foote, Cone  
& Belding)

**Hagerty's Clearance Threat:** ABC News & Public Affairs vp James Hagerty has reportedly threatened to quit—unless more affiliates get on the clearance bandwagon for *News Final*, the 11-11:15 p.m. network newscast now on o&o WABC-TV N.Y. and affiliate WMAL-TV Washington. The ultimatum was delivered June 20 on a closed-circuit telecast to affiliates. As the line-up now stands, only some 20 stations have indicated they would surrender the choice 11 p.m. local news period to the network. Hagerty hopes to boost the clearance total to at least 60, and thus have a line-up large enough to attract a national advertiser. Sunoco now sponsors the newscast in the N.Y. & Washington markets.

**New-Type Cameras for ABC-TV:** RCA's largest single order for TV cameras has come from ABC-TV, the network having ordered 18 of the new 4½-in. image orthicon units. ABC engineering vp Frank Marx said ABC-TV would be first network to use the new camera. The 18 will be equally divided between N.Y. & Hollywood. Marx also reported that ABC is accelerating the replacement of its tube equipment with solid-state devices, has "ceased purchasing tube equipment of any type" and "soon" will have a "completely transistorized broadcasting system."

**Option Time Back to FCC:** The Court of Appeals has remanded the network-option time case to FCC, as expected. The Commission had requested the remand and networks & affiliates, which had been contesting the FCC decision, acquiesced in the return of the case (Vol. 17:19 p2). Presumably, the Commission will now go ahead with its plan to seek industry comments on whether option time is in the public interest.

**CBS Spot Sales Changes Its Name:** CBS-TV Spot Sales (which represents the 5 CBS-TV o&o's) changes its name this week (effective July 3) to CBS-TV Stations National Sales. Vp & gen. mgr. Bruce R. Bryant said he expected the change to "classify our function—the selling of TV advertising to national accounts."

## Film & Tape

**OUR FILM BOXSCORE AGAIN:** Revue Studios has greatly improved its lead in our newest boxscore of Hollywood's TV-film companies. Now that the schedules are firmed up for the fall, Revue, the boxscore shows, will be producing 16 network shows next season, as against 8 for the runners-up—Screen Gems and Warner Bros.

Last season's boxscore (Vol. 17:13 p10) had Revue (with 14) narrowly leading Four Star Television with 12. Warner Bros. ran third with 9. The hectic spring season of buying new series & discarding old ones has not been good for Four Star, Desilu and Ziv-UA. But, as we predicted in our earlier boxscore, MGM-TV and 20th Century-Fox TV have hit production records. A newcomer in the list of top network program suppliers is Marterto Productions, owned by Danny Thomas, Sheldon Leonard and Louis Edelman, which has 5 network series for next season.

The record shows that Four Star dropped from 12 to 5 series; Warner Bros., 9 to 8; Desilu Productions, 4 to 1, and Ziv-UA, from 4 to a gloomy zero. Ziv-UA is thus the only major supplier which is now completely out of the network picture for next season. And Desilu's drop to one series takes it down to its lowest network production output since the 1957-58 season.

## TV-FILM BOXSCORE

The leading Hollywood TV-film production companies ranked in order of the number of series each supplies to the networks.

	1961-62	1960-61
Revue Studios .....	16	14
Screen Gems .....	8	7
Warner Bros. ....	8	9
CBS-TV .....	7	6
Four Star Television .....	5	12
Marterto Productions .....	5	3
20th Century-Fox TV .....	5	3
MGM-TV .....	4	3
NBC-TV .....	2	3
Desilu Productions .....	1	4

**How to Save Pilot Costs:** Some major movie studios in TV are recouping costs of their pilots by releasing them as theatrical movies.

Screen Gems' 60-min. pilot, *The Insider*, starring David Janssen, could not find a buyer last spring. Instead of taking a loss on its investment, Columbia Pictures—SG's parent company—plans to release *Insider* to theaters. At MGM, 2 segments of *Cain's Hundred*—a show which did sell—are being linked together to be shown in European theaters as a movie titled "Crime of Commitment."

The device is a distinct advantage for the majors in TV, giving them an edge over the independents, who have no such opportunity to recoup.

**Seek a 'Less Conventional' Screen Gems:** Screen Gems executives, at their recent program meeting in Phoenix, decided that they would aim at "less conventional" programming for 1962-63. It was pointed out that the company's successful *Flintstones* had been a departure in programming when introduced, and there was much discussion about innovation rather than imitation.

Company executives told us that although contracts have not been firmed on most projects, Screen Gems' agenda contains a documentary series on psychiatry, anthologies; a contemporary action show and comedies.

## HOLLYWOOD ROUNDUP

**Storer to Make TV Films?** That's what a tradepaper quoted Storer Bestg. Co. Pres. George B. Storer Jr. as saying. But Storer told us such a step is not imminent. He added that while SBC had been exploring the possibility since being in TV, actual production "could be a year, 5 years or 10 years away . . . I don't know when it will be. I hope we're closer to it than we were when we began thinking about it years ago." Production could be tape or live, added Storer.

**MCA Loses Court Appeal:** D.C. Court of Appeals ruled for FCC last week and threw out the appeal of MCA & its vp Taft Schreiber. The Commission had cited them for contempt—for refusing to testify publicly during network-study hearings in Hollywood. The next move is uncertain. MCA may try other courts; FCC may ask Justice Dept. to proceed with criminal charges, etc.

**QM Productions** will use a new lightweight portable magnetic soundfilm recorder, weighing 51 pounds, on its series, *The New Breed*. The recorder was developed by Gordon Sawyer of the Goldwyn sound dept.

**Cambria Studio**, producers of *Clutch Cargo*, have completed the pilot of their latest animated strip, *Space Angel*. Produced in color and portrayed in "a realistic illustrative art style," the series will be ready for January, 1962 release.

**Screen Gems** has placed into production for next season *Dennis the Menace*, starring Jay North, and *Shannon*, starring George Nader. Winston O'Keefe is producer of *Dennis* and Jerry Briskin of *Shannon*.

**Four Star Television's** 60-min. *The Corrupters*, starring Stephen McNally & Robert Harland, has gone into production at Republic for next season.

**Warner Bros.** has resumed filming its *Room for One More* series, starring Andrew Duggan & Peggy McCay, and produced by Ed Jurist.

**20th Century-Fox TV** has signed 12 directors for its *Bus Stop*, *Follow the Sun* and *Adventures in Paradise*.

**Producer Collier Young** is planning a new series, *1600 Pennsylvania Ave.*, in which lives of the Presidents will be dramatized.

**Revue Studios' Wagon Train** has resumed production for next season.

**Desilu Productions** begins filming next season's *The Untouchables* in early July.

**Warner Bros.**, has signed Frankie Laine to guest in a *Roaring 20s* segment going into production July 10.

**CBS-TV's** November special starring Danny Kaye will be produced & directed by Bud Yorkin.

**People:** GAC vp Herman Rush is in Hollywood for 2 weeks of conferences on client TV plans and projects for next season . . . Taft Schreiber, Revue Studios pres., is back at his desk following a Hawaiian vacation.

### Obituary

**Paul Guilfoyle**, 58, former stage & movie character actor, and more recently a TV director, died June 27 of a heart attack. He had directed shows for *Lawman*, *Highway Patrol* and *Sea Hunt*, among others, and had acted in the *Gunsmoke* series. Surviving are his wife and son.

## NEW YORK ROUNDUP

**Add Syndication Sales:** ITC has sold its new first-run series, *Whiplash*, in 48 markets to date . . . Ziv-UA has upped the market total on *Ripcord* to 87 . . . Trans-Lux has added 5 more markets to the list in which the 30-min. documentary series the *American Civil War* is scheduled . . . MCA-TV's rerun package of 4 former network film shows (*Overland Trail*, *Suspicion*, *Riverboat* and *Cimmaron City*) has been sold to 5 more stations, bringing the total to 60. New purchasers include WGN-TV Chicago. MCA is launching syndication sales on *Mickey Spillane's Mike Hammer* for 5-times-weekly strips . . . Seven Arts has sold both of its current packages of post-1948 Warner Bros. features to 3 more stations. Latest 7 Arts totals: The first package has been sold in 94 markets; the 2nd in 20.

**United Artists** placed a color-spot campaign on WNBC-TV for a black-&-white movie, "The Naked Edge," which opened at 2 N.Y. theaters June 30. Incongruous? Not at all, according to WNBC-TV salesmen. A flashing red light on the theater marquees signals "no admission" during the last 13 minutes of the surprise-ending suspense show. "It didn't take too much selling to convince UA executives that if you have a blinking red light to impress on the public, color TV is the place to do it," said WNBC-TV.

**Official Films** acquired 5 TV-film production firms & their product last week, all owned or controlled by the Hollywood production team of Don W. Sharpe-Warren Lewis. The deal, whereby Official exchanged "an undisclosed number of shares of its stock" for all the stock of the Sharpe-Warren companies, adds 5 off-network properties to the Official syndication roster: *Peter Gunn* (114 episodes), *Mr. Lucky* (34), *Yancy Derringer* (34), *Wire Service* (39), and *Du Pont Theatre* (42). Sharpe has been named to Official Films' board. One report placed Official Films' stock-exchange deal at more than \$2 million.

**Screen Gems** scored 4 firsts last week, all involving the sale of a new game-show called *Showdown*: (1) It was the first purchase made by the new Canadian network, CTV. (2) It's the first TV program produced in Canada by a U.S. production firm specifically for Canadian telecasting. (3) It's the first network game program produced in Canada. (4) It's SG's first live show. *Top Cat*, the SG-Hanna-Barbera animated show set for ABC this fall, was also brought by CTV.

**D & R Productions Inc.**, a new telefilm production company formed by Dan Hunn & Ron Fritz, will specialize in animated TV commercials & industrial films. They have recently done commercials for Alcoa, General Electric, Brillo and Texaco, among others. The new firm is located at 210 E. 47th St., N.Y.

**Ziv-UA** has bought "Acres & Pains," the S. J. Perelman collection of short stories, as a prospective network series for the 1962-63 season. Perelman will collaborate with "another writer" to script the pilot and will continue as a writer on the entire series.

### Obituary

**Arthur M. Good**, 49, RKO General film mgr., died of a heart attack June 28 at Middlesex General Hospital, New Brunswick, N.J. He was also RKO TV-film buyer.

## Foreign

**Foreign-Market Watchdogs Are Hopeful:** The threat of telefilm dubbing costs mounting so high that "the entire Spanish-language market would soon be lost to American TV film" has been stalled until 1962. And in Washington, FCC Chmn. Newton Minow is keeping his mind "open & very receptive to a constructive & factual approach" to the question of the kind of U.S. image projected by export film shows playing in foreign markets. These 2 reports were made respectively last week by 2 prime spokesmen for the export telefilm industry, William H. Fineshriber (TV vp, Motion Picture Export Assn.) and John G. McCarthy (pres., TV Program Export Assn.).

Following a 5-week survey trip throughout Latin America (Vol. 17:26 p12), Fineshriber reported that he had "received assurances" that proposed legislation in Argentina requiring all Spanish telefilm dubbing for Argentine TV to be done in that country "would be rejected in its present form . . . and sent back to the [Argentine] Senate for revision." One result of the Fineshriber-lobbied review of the bill: "Consideration of the dubbing measure by the Deputies would be postponed until the spring of 1962." (For more on this see Vol. 17:24 p10.)

Fineshriber and U.S. telefilm producers have good reason to breathe easier because of the Argentine decision to pigeon-hole the bill. If the bill ever becomes law, MPEA officials predict gloomily, it will be followed by "similar measures . . . in all the major Latin-American markets—with each country requiring local dubbing." At the moment, most Spanish dubbing is done by U.S. producers in Mexico City or San Juan at a cost of about \$1,000 per 30-min. film. The dubbing is done once for all Spanish-speaking markets, since no single market in this group pays enough for telefilms to cover dubbing costs.

In N.Y., TVPEA's McCarthy, alarmed recently by what he considered Chmn. Minow's "blanket indictment of the American TV industry," met with Minow to put in a good word for the industry's export activities. Said McCarthy: "I was pleased to be able to advise him that based on an intensive study of this matter I could assure him that, by & large, the image of America portrayed by our TV programs abroad is enormously attractive & favorable." Furthermore, added McCarthy, he had stressed to Minow that what might be the pattern of network fare in the U.S. was not necessarily the pattern of shows available in overseas syndication and that "a comparatively small segment represents crime & private-eye programs." Result of McCarthy's talk with Minow: "I am satisfied that his mind is open & very receptive . . . He was appreciative of information [re] our operations abroad."

**Brazil Sets Up TV-Radio Controls:** President Janio Quadros signed a decree June 28 empowering the official govt. press agency to use privately-owned TV-radio stations for transmission of govt. programs whenever it would be "in the public interest," the *N.Y. Times* reported last week. The decree also forbids stations to broadcast "expressions or images that are offensive to public morals."

"Tele Sept Jour": This French TV weekly editorialized in its May 20 issue for early morning ETV patterned after NBC-TV's *Continental Classroom* and CBS-TV's *Sunrise Semester*. The piece mentioned that the U.S. had been doing this successfully for several years, but qualified even as it praised: ". . . and God knows we don't have much respect for American TV production."

## Programming

**Comedies Rate High Among Newcomers:** In the 1960-61 season, 2 comedies have emerged as the rating pace-setters among new-this-season shows. The comedies were the only shows launched in the past-season to make the "Top 10." In Nielsen's first national June report, *The Andy Griffith Show* (Mon. 9:30-10 p.m. on CBS-TV for General Foods) out-distanced every show except *Gunsmoke* in the AA ratings. It drew a 2nd-place 27.5 rating (12,898,000 homes). *Gunsmoke*, a traditional winner, scored a 33.6. *My 3 Sons*, also a relative newcomer, landed in 9th place with a 23.6 AA worth 11,068,000 homes (Thu. 9-9:30 p.m. on ABC-TV for Chevrolet).

**Networks Gear for 2nd Space Shot:** Another Project Mercury sub-orbital space shot is due in mid-July, and network TV will give it the same extensive live coverage afforded the maiden U.S. space voyage in May (Vol. 17:18 p9). CBS will co-ordinate the 3-network pool, with CBS News producer Robert Wussler & director Bob Quinn officiating. Determined not to lose film footage of the capsule recovery (as happened in the case of Commander Shepard's flight) CBS plans to install a silent, automatic film camera on the underside of the main recovery helicopter. This camera will be triggered by the co-pilot on picking up the astronaut—either Lt. Col. John H. Glenn or Capt. Virgil Grissom. Other coverage refinements, if NASA permission is granted: Live TV cameras will be placed inside Mercury control and the blockhouse, operational centers of the space-travel effort. An official request has also been made to transmit, live, the astronaut's in-flight reports to the Cape.

Seven Arts & WOR-TV N.Y. showed—in the wake of the June 20 premiere of *The Big Preview*—that a well-promoted post-1948 film that's new to TV can beat network reruns at the local level. WOR-TV selected the Warner-distributed "The High & the Mighty" (John Wayne, Claire Trevor, Robert Stack) as the kick-off attraction for its new Tue. 9-11 p.m. showcase of hand-picked features, most in color, from 7 Arts and UAA sources. The station scored an average 15-min. audience share in Arbitron of 38% in the 9-11:15 p.m. period, against competition from 6 other local channels. The score was 10 points higher than 2nd-place WCBS-TV, which carried regular CBS fare, and easily outdistanced other network o&o's and independents.

**Prime-Time Public Service Pays Off:** For Corinthian's KHOU-TV Houston, at any rate. That station reports sale of 7 local prime-time news & public affairs specials in the past 6 months to a savings & loan assn., a bank, an auto dealer and—most recently—a pharmacy. The pharmacy bought a crime-investigation documentary entitled "Seventeen Murders in May," requesting only that the title be changed to "Every Third Day." It was changed.

**That ABC-TV Children's Show:** The network's news & culture show for junior viewers (Vol. 17:22 p4) has begun to take shape. Titled *Periscope*, the 30-min. afternoon Monday-Friday series will present 20 minutes of culture & scientific experiences, and 10 minutes of news. This news segment will provide a training ground for students to aid production & camera crews. The series is scheduled to debut in October.

**ATAS Assembly Postponed:** Because of what was termed "overwhelming global response," the ATAS International Assembly will be postponed until late 1962. It was to have been held in N.Y. Nov.-11.

**'Today' Goes Live Again:** Originally a fully live show, *Today* has shifted more & more to tape production until only the Monday & Thursday segments are done without pre-taping. Now, *Today* will switch back from tape to all-live production, effective July 17. NBC's reason: "The program will dwell more strongly on news than in the past." One result of the switch: Program regular Jack Lescoulie, who has been with the show for nearly a decade, announced he was resigning, stating "I can't face those hours (7-9 a.m., with rehearsals starting around 5:30 a.m.) anymore." Garroway himself leaves the show Sept. 15.

NBC & Westinghouse Bcstg. Co. last week were all but challenging each other to a choice of slide rules at dawn as one of the season's liveliest rating feuds continued. Needled by NBC's release of 5-city Arbitron ratings in which *Jack Paar* and WBC's *PM East & PM West* shows are compared (Vol. 17:26 p12), Westinghouse hit back. Had WBC's new tape-syndicated series initially lost out to Paar in Arbitron? WBC didn't care if it had. Inverting the situation to produce the classic good-offensive-is-the-best-defense, WBC snapped: "The *Jack Paar Show* has made no dent whatever on the ratings of *PM East & PM West*." Furthermore, said WBC, it knew that "across-the-board shows don't capture a No. 1 position on the first week out . . . WBC is quite happy with the initial progress & major objective." NBC bounced back with a new round of data: "The 2nd week of *PM East & PM West* shows no apparent trend upwards from the first week . . . In fact the share softened slightly the 2nd week . . . Paar has shown a slight increase in shares." WBC, meanwhile, had closed deals in 12 markets, with sales pending in 4 more.

**4th "Continental Classroom" Series:** NBC-TV's early-morning educational series, *Continental Classroom*, will continue for a 4th season on that network, NBC Chmn. Robert W. Sarnoff announced last week. Missing, however, will be the administration & financing assistance of Learning Resources Institute, which has shifted its allegiance as a network ETV angel to CBS-TV for an educational series this fall (Vol. 17:19 p8). The latest *Classroom* series will be a 2-semester college-level course in the structure & function of the U.S. government, taught by Dr. Peter H. Odegard of the U. of Cal. at Berkeley. The series will be colorcast & carried by "approximately 170 stations" Mon.-Fri., 6:30-7 a.m. In the 30-min. period prior to the political science course, there'll be a rerun of the show's course in contemporary mathematics. NBC, Sarnoff told us, is currently discussing low-pressure financial support for the new series with several large industrial concerns, and there is also a possibility that the show may be opened for full-fledged TV sponsorship.

**Jack Gould:** "One of the more attractive innovations of summer TV is the decision of ABC and CBS to give a showing of programs produced by stations in other cities. Tuesday night, as an example, the ABC affiliate in Oklahoma City, KOCO-TV, held the screen on Channel 7 (N.Y.) with an unpretentious & tasteful half-hour of history entitled 'Cows, Cowboys and Cow Country.'"—*N.Y. Times*.

**Experiment '61:** That's the name of a local 30-min. series WCAU-TV Philadelphia started airing last weekend (July 2), Sundays at 11 a.m. The show resulted from a canvassing by program dir. John O. Downey of employes. Their ideas will make up the series. Sunday's show was "A Walk Into Freedom," produced by Vicki Brown, a secretary.

## Advertising

**TV Sets Pace for All Ad Media:** Network TV ad volume was 16% higher in April compared with the same month in 1960 and represented "the brightest spot in the national advertising picture," reported *Printers' Ink* last week. There is, said *PI*, a "pattern of decline" evident in all other media (magazines, newspapers, network radio, business publications, outdoor) that are measured for the advertising trade publication by the media planning div. of McCann-Erickson. This decline resulted in an April all-media volume drop of 3%. Rallies were staged in April by farm publications & business papers, but not enough to offset the long-term drops.

Here in *PI*'s index for April as prepared by McCann-Erickson's media-planning division:

MEDIUM	INDEX		CHANGE FROM		% Cumulative Change
	1961	1960	1 month ago	1 year ago	
GENERAL INDEX	229	235	- 3	- 3	0
TOTAL MAGAZINES	177	190	- 5	- 7	- 2
Weekly	198	215	- 7	- 8	- 3
Women's	136	140	- 4	- 3	+ 4
General Monthly	208	232	- 8	-10	+ 1
Farm	97	100	+21	- 3	-21
NEWSPAPERS	196	211	- 8	- 7	- 5
NETWORK TELEVISION	512	443	- 2	+16	+13
NETWORK RADIO	23	25	0	- 8	- 8
BUSINESS PAPERS	234	255	+ 6	- 8	- 7
OUTDOOR	125	157	- 7	-20	-11

All indexes have been seasonably adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49, except for the TV base, which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through April 1961.

**Magazine Attacks Summer TV:** Latest exchange in the running media duel between TV & print came in the form of a *Sports Illustrated* ad in the *N.Y. Herald-Tribune* June 26 which heaved a promotional brick at TV's "slack, summer-replacement & rerun season." Unlike TV, said the ad, "magazines put on a new show all year round . . . and in the summer, distributors will tell you that newsstand sales boom in the resort areas." [They will also tell you what *Sports Illustrated* did not add: That newsstand sales in non-resort areas go down in the summer; that subscription-delivered magazines are often left unopened until their owners return from vacation; and that vacationists have been known to look at TV while staying at resorts.—ED.] Then, getting down to Madison Ave. cases, *Sports Illustrated* added: "You could take \$50,000 out of what you've saved with your summer show and invest it in, say, 8 beautiful black-&-white pages in tested, tried-&-true *Sports Illustrated*—and sell all summer long."

**New Reps:** WTTG Washington to Blair Television Associates July 1 from Peters, Griffin, Woodward • WKST-TV Youngstown to Young July 1 from Weed • WITN Washington, N.C. to Venard, Rintoul & McConnell July 1 from Bolling.

**Ad People:** Herbert D. Strauss promoted from exec. vp to pres., Grey Advertising, succeeding Arthur C. Fatt, named chmn. & chief exec. officer. Lawrence Valenstein, founder of the agency, resigns as chmn., continues as exec. committee chmn. . . . Hilton N. Wasserman elected administrative vp, Kenyon & Eckhardt; Fred Hauser appointed dir. of personnel services and a vp; Alfred Norcott elected controller, continuing as secy.

Mickey Trenner, ex-Grey Advertising, named to head TV-radio & commercial production activities, Kenyon & Eckhardt Los Angeles office . . . Stanley DeNisco elected a Ted Bates vp.

**Fall TV Costs Rise:** Next season's prime-time network TV shows will cost advertisers 2-6% more than they did this past season, according to a new *Sponsor* report. Analysis of production-talent costs on a weekly basis revealed that crime-suspense shows, up 2.4% in average cost, will get the largest share of advertiser dollars, followed by situation comedies (costs up 18%), and Westerns (costs up 6%). Here's the cost breakdown of this fall's weekly \$6.8-million outlay for programs:

**Adventure:** 30-min. shows (there'll be 5) average \$33,600 each, while the 60-min. type (6) average \$90,500.

**Anthologies:** The three 30-min. dramatic shows average \$51,600 apiece; the 60-min. shows (5) average \$79,600.

**Comedy:** Four half-hour shows average \$60,600.

**Situation comedy:** All 30-min. long, the 23 programs in this group average \$45,000.

**Crime-suspense:** 60-min. shows (16) will average \$92,600. There's only one 30-min. show in this category.

**Music:** *Sing Along with Mitch* will cost about \$70,000 weekly; *Lawrence Welk* about \$45,000.

**Public affairs:** 30-min. shows (4) average \$27,500. *CBS Reports*, the only 60-min. show, will cost \$50,000.

**Panel quiz:** 30-min. programs (4) average \$26,600.

**Sports:** *Fight of the Week* will cost \$45,000 weekly; *Make that Spare* \$15,000.

**Variety:** 60-min. type (6) average \$128,600.

**Westerns:** The 10 hour-long shows in this group will average \$82,000. The 30-min. shows (4) average \$47,200.

**TvB's Penn State Study:** Because "most mass-communications research is inadequate, limited and superficial," TvB has been involved for the last 2 years in a 2-pronged, and as yet unsuccessful, search for a realistic method of ad media measurement. In a brochure published last week, the Bureau revealed the findings, to date, of a Penn State University team commissioned by TvB to study research problems: (1) "Perhaps the most important finding is the realization that the problems are intertwined with those of almost every field." (2) Closed-circuit TV provides a new way to accelerate research by making it possible to study many things simultaneously. (3) Many previous tests are misleading because they failed to fit the medium used. (4) Previous studies combined advertising, the medium and the audience, thus making it impossible to discern which factor was responsible for the result.

Effective research techniques, according to the study findings, would include: (1) More systematic study of the effects of communication variables and conditions of use in terms of desired objectives. (2) A more thorough definition of such variables & conditions. (3) Development of reliable & valid criteria for evaluating results of the experimental comparisons. (4) Designs which "make it possible to study the interactions among variables, opposed to keeping all variables constant but the one being studied."

The 2nd phase in TvB's exploration is now closed. This was the competition to find exceptional plans in the field of TV research—a contest to "stimulate the scientific community, irrespective of field, to focus attention on the challenging problems of mass communication." More than 150 original plans were received, said TvB. They are now being evaluated; outcome will be made known this fall.

**Drug Firms Cited:** Two N.J. drug firms—Zenith Laboratories Inc., Englewood, and Kemworth Laboratories Inc., Orange—have been accused by FTC of misrepresenting their "quality control" systems in advertising. In addition, Zenith was cited for allegedly false claims for capsules.

**It's Lestoil for Zsa Zsa:** But of course, Dah-leenk, Zsa Zsa Gabor will be selling "Sparkle Scent Lestoil" in a 13-week spot-TV campaign scheduled to start this week (July 3) in 75 major markets. Who else? Naturally, Dah-leenk, Zsa Zsa won't actually be seen *using* Lestoil. She'll sweep around her N.Y. mansion in a \$1,500 Marusia creation, complaining that "woman's work is never done," but anything so un-Gaborish as dish-washing will be done on camera by a staff of household domestics. Copy & production for the new Lestoil commercials was handled by Sackel-Jackson, Lestoil Products' agency, and the series was produced by Filmways.

Lestoil is no longer spot-TV's biggest spender; P&G is. However the cleanser firm has budgeted \$3.5 million (71% for spot TV) to backstop "Sparkle Scent Lestoil," and another \$3.5 million (100% in spot TV) is allocated for a later campaign for "Pine Scent Lestoil." Lately, according to Sackel-Jackson media vp Len Tarcher, Lestoil's strategy has been that of "pulling out of those early-morning & late-night viewing hours in favor of buying high-rated adjacencies in both day & night programming." By early autumn, Tarcher predicted, the Zsa Zsa campaign would cover "150 TV stations in Lestoil's established 26-state marketing area."

**Freberg's Happy (Chinese) New Year:** The spot TV-radio, tongue-in-cheek commercials produced for Chun King Corp. by satirist Stan Freberg have boosted sales of the firm's canned Chinese foods by 25% according to Chun King Pres. Jenio Palucci. Last week, Palucci decided to move into full-scale network advertising, and signed with ABC-TV for a 6:30-7:30 p.m. one-shot Stan Freberg special to be seen Sun. Feb. 4, 1962. The date, which at first glance looks arbitrary and unusually long-range, isn't really a random choice. It is the eve of the Chinese New Year (4460—the "Year of the Tiger"). The show will originate live in ABC-TV's Hollywood studios. The program sale was made through BBDO. The Feb. 4 special will also serve as the kick-off for Chun King's 1962 spot-TV campaign, again featuring commercials produced by Freberg Ltd.

**Updated Agency Guide Published:** The 1961-62 *Roster & Organization* of the American Assn. of Ad Agencies, listing 338 member agencies operating 735 offices in 112 U.S. and 55 foreign cities, has been issued by AAAA, 420 Lexington Ave., N.Y. 17. The new agency total represents an increase of 25 since last year. They are located in 112 U.S. and 55 foreign cities. This is a record number for 4A, which handles "about three-fourths of all advertising volume in the U.S." Included in the *Roster* are membership qualifications, agency service standards & standards of practice, and a statement of 4A aims.

**Adman Heads GOP Unit:** Rep. Wilson (R-Cal.), 45, the only professional advertising man in Congress, has been elected House Republican Campaign Committee chairman. He replaces Rep. Miller (R-N.Y.), who now is GOP National Committee chairman. Wilson is a partner in San Diego's Champ, Wilson & Slocum Agency.

**Storer's New Regional Sales Offices:** In addition to its N.Y. and Chicago offices (Vol. 17:6 p12 & 16:50 p12) Storer Television Sales Inc. has opened offices at 1018 W. Peachtree St. N.W., Atlanta 5; New Center Bldg., Detroit 2; 338 South Western Ave., Los Angeles 5, and Russ Bldg., San Francisco 4.

**Post Goes Higher:** *SatEvePost* will raise its newsstand price to 20¢ in mid-September.

## Stations

**NEW & UPCOMING STATIONS:** New starters reporting this week include KUSD-TV (Ch. 2, educational) Vermillion, S.D., which will begin programming July 5 and a Canadian station in the Maritimes, CFXU-TV (Ch. 9) Antigonish, N.S., which began programming with CBC-TV on June 26. The U.S. on-air total will change to 586 (91 uhf), including 57 non-commercial educational outlets. And the Canadian on-air total now stands at 91 stations.

KUSD-TV has a 250-watt Sarkes Tarzian transmitter on the campus of its owner, U. of S.D., which also operates radio KUSD. It has a Jampro antenna on a 150-ft. tower purchased from Tower Construction Co., Sioux City, Ia. The studios are those formerly used by the U. for its closed-circuit system, which is being abandoned after more than 3 years of operation. Acting as gen. mgr. is Martin Busch, director of KUSD-radio-TV-film. Don Miller, continuing with radio KUSD, also is TV-program supervisor. Philip Hess is TV-production dir. James Prusha, from KUSD, is chief engineer.

CFXU-TV has a 12-kw RCA transmitter and a 420-ft. Microtower. Owner is Atlantic Television Co. Ltd., which has A. D. MacInnis as pres. and A. J. Sears & J. Hilus Webb as vps. Charles J. O'Brien, ex-radio CJFX Antigonish, is gen. mgr. Wilfred S. Taylor, ex-Chrysler of Canada, is in charge of sales. Regis Kell, ex-St. Francis Xavier U. electronics lab, is chief engineer. The station is sold in combination with CJCB-TV (Ch. 4) Sydney, N.S. at a \$300 base hourly rate, but it also has its own base hour at \$120. Reps are Weed and All-Canada.

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

**KNDU (Ch. 25) Richland, Wash.** hopes to begin in July as a semi-satellite of parent KNDO (Ch. 23) Yakima, an ABC-TV affiliate, writes Hugh E. Davis, KNDO pres. & gen. mgr. An RCA transmitter has been installed in a building on a 2,200-ft. hill S of Kennewick, Wash., where a 100-ft. Stainless tower also is ready. The station will have a resident staff, but over-all management & programming will be handled by Davis. The combination rate for the 2 stations hasn't been reported, but KNDO has a \$300 base hour. Weed and Day-Wellington (Seattle) will be reps.

**KSLN-TV (Ch. 34) Salina, Kan.** has changed its target to July for ABC-TV programming, according to Melville L. Gleason, pres. of grantee Prairie States Bestg., which operates radio KAWL York, Neb. It has a 5-kw GE transmitter and an Alofrd antenna on a 210-ft. tower. Base hour will be \$250. Rep will be Pearson.

**KTES (Ch. 19) Nacogdoches, Tex.** plans to return to the air Sept. 13, the effective date of an affiliation agreement with ABC-TV. It will pick up the signal of KTBS-TV (Ch. 3) Shreveport, La. shortly after that station becomes a primary ABC-TV affiliate (Vol. 17:13 p11). KTES is now owned by Pat Scoggins, who acquired it for \$5,000 from Lee Scarborough last year. It has a \$75 base hour.

**KMED-TV (Ch. 10) Medford, Ore.** has set a Sept. 24 programming target, but building construction is to be completed by July 15, reports Ray Johnson, exec. vp of grantee Radio Medford Inc., which also operates radio KMED. It will use a 288-ft. Fisher tower, but other equipment hadn't been ordered when Johnson wrote us on June 22. He will be gen. mgr. of the stations and TV mgr. as well. Rep will be Meeker.

**'Don't Wear Blinders,' Collins Says:** "We cannot wear blinders in this business and make the kind of track record of which we are capable," NAB Pres. LeRoy Collins said at June 27 ceremonies dedicating the new \$3.5-million Mid-America Broadcast Center of WGN-TV & WGN Chicago.

"I have criticized broadcasting's shortcomings—just as I have praised its virtues—because I want broadcasting to do better," Collins told 200 broadcasting & civic leaders at a dinner winding up a fete by the *Chicago Tribune* station.

"No one is more ambitious for broadcasting to succeed & surpass itself than I," he went on. "Further, perhaps no one has been more outspoken exhorting broadcasting to find ways more frequently to scale those heights."

Collins said TV & radio "must remain independent of any govt. thought-control," but he warned that broadcasters' free-enterprise status "cannot be used as prop for the *status quo*."

He wound up his speech with these admonitions: "No broadcaster in America can afford to be satisfied to measure his product solely by that of a competitor. He can & must measure it against the limits of his own potential—and always seek to expand those limits. Nor can any broadcaster be justified in doing merely what he thinks will meet popular acceptance. For that is the way to conformity, the way to banal mediocrity."

Collins praised WGN Inc. exec. vp-gen. mgr. Ward L. Quaal as one of the "brightest examples of what can be achieved in this great profession of broadcasting through competent, dedicated, tireless effort." He cited Quaal as a champion of NAB's TV & Radio Codes.

\* \* \*

**NAB's Carlisle Applauded:** Vigorous backing of NAB Pres. Collins by the Association's station-relations mgr. William Carlisle, in a speech before the N.D. Bestg. Assn. (Vol. 17:26 p10), brought enthusiastic applause from his audience, hand-shaking and back-thumping later. Carlisle's associates were split, in advance, on the wisdom of the speech—although those who saw no need for it were agreed on one fact, as one of them put it: "Carlisle is definitely no apple polisher, and Collins didn't put him up to it." The speech made explicit what the staff assumed everyone knows—that NAB's hq forces are behind Collins's basic principles all the way and that anyone who doesn't support him would resign. It's understood that NAB Chmn. McCollough heartily supports Carlisle's speech.

**There's Wide Spread in Station "Values":** A good indication of just what a well-established broadcast channel is worth in a major market can be seen in the difference between "book value" and "sale value" of WMGM N.Y., owned by Loew's Theatres Inc. The independent radio outlet, whose sale is currently awaiting FCC approval, is being acquired by Crowell-Collier for \$10,950,000. Actually, it's carried on Loew's books for \$300,000, according to Sidney D. Slater, research dir. of the N.Y. brokerage house of Herzfeld & Stern.

**ITA Enters AM Field:** First AM transmitter built by ITA Electronics has been shipped to WLYN Lynn, Mass. ITA Pres. Bernard Wise said the company has more than a score of back orders for the new 1-kw units. ITA also announced the first shipment in its new series of FM transmitters—a 7.5 unit to WMUU, Bob Jones University, Greenville, S.C.

**Plunge From Tower Kills Painter:** Homer G. Welles, a painter, fell 150-ft. to his death while painting KDKA-TV Pittsburgh's 675-ft. tower.

**Dub Rogers Sells Stations:** In a \$4-million transaction, owners of KSYD-TV Wichita Falls, Tex., headed by Pres. Sidney A. Grayson, have bought W. D. (Dub) Rogers' KDUB-TV & KDUB Lubbock, KEDY-TV Big Spring, physical assets of leased KPAR-TV Sweetwater-Abilene and West Texas TV Network. The broker was Hamilton-Landis & Associates. Pioneer telecaster Rogers will continue as gen. mgr. of the stations "for a limited time," a joint announcement said. Rogers said he wasn't ready to announce further plans, but: "Broadcasting is the business I know best and in which I am most interested. I am definitely going to stay in it."

**Minow Kudos to Kansas:** After FCC Chmn. Newton Minow read the 6-point program for getting re-licensed, as suggested by the Kansas Assn. of Radio Bcstrs. to its members (Vol. 17:24 p5), he wrote the organization's Pres., Thad M. Sandstrom (gen. mgr. WIBW-TV & WIBW Topeka): "May I personally congratulate you & the Association for this most constructive & encouraging step. Through such exemplary leadership we hope that this will aid more broadcasters in serving the public interest."

**Kliegl SCR Dimmers UL-Approved:** A line of UL-approved silicon-controlled rectifier dimmers in 4-, 5- and 6-kw capacities has been introduced by Kliegl Brothers. Dimmers of 3-, 10- and 12-kw capacities also will be available in the immediate future. A new 38-page manual covering the SCR dimmers, autotransformers and other lighting & control equipment is available on request to Kliegl Bros., 321 West 50th St., N.Y. 19.

**State Directory for Newsmakers:** Kansas Assn. of Radio Bcstrs. has issued a directory of TV & radio stations in the state and in Kansas City, Mo. The pamphlet is directed primarily to Kansas Congressmen & state officials, and calls attention to news-room telephones which may be called to make beeper recordings for later broadcast.

**Atlas Buys San Francisco Radio:** KQBY has been sold by Sherwood R. Gordon for \$750,000 to Atlas Bestg. Co. Inc., which has as its principals Patricia & Frank Atlas. The latter was formerly with radio WIND Chicago and is currently head of Atlas Productions, Beverly Hills. Broker was Edwin Tornberg & Co. Inc.

**C-E-I-R Approves ARB Merger:** Stockholders of the 7-year-old data-processing & business-services company voted June 29 to merge with American Research Bureau (Vol. 17:22 p6). C-E-I-R will acquire all ARB stock, the latter's 11-acre facilities at Beltsville, Md. and ARB affiliate ARB Surveys Inc.

**Decca Case Disapproved:** FTC hearing examiner Abner E. Lipscomb has recommended dismissal of payola charges against Decca Distributing Corp., N.Y. subsidiary of Decca Records Inc. His initial decision was in line with the agency's policy of withdrawing payola complaints following implementation by FCC of the 1960 Harris-Pastore Act (Vol. 17:26 p10).

**Taft Bcstg. Buys Recreation Center:** Taft Bcstg. has purchased for more than \$1 million cash 3 corporations which operate Brentwood Bowl, which is a Cincinnati recreation center comprising bowling lanes, a restaurant and an amusement park. Taft will operate the center as a wholly-owned subsidiary, renamed Cincinnati Bowl Inc.

**Wometco Buys Florida Vending Firm:** Wometco Enterprises has acquired in a cash transaction L & H Vending Co., Orlando, Florida. The acquisition will be absorbed into Wometco Vending of Central Florida.

## Educational Television

**ETV Lobbying Urged:** It will take letter-lobbying by ETV supporters across the country to build up enough steam in the House for approval of federal subsidies for educational station equipment. That's the warning from Washington Dir. David Stewart of the National Educational TV & Radio Center as broadcast in *NET News*. Pointing out that ETV legislation has been passed by the Senate, but has not yet reached the House floor (Vol. 17:25 p22), Stewart said: "Passage by the House is unlikely unless the majority of Congressmen receive more mail from their constituents." The House Commerce Committee held a closed legislative session June 22, but failed to act on a \$25-million matching grant ETV bill (HR-132) recommended by its Communications Subcommittee.

**ETV Branded "Schizophrenia":** Educators took turns last week in rapping ETV and other latter-day teaching aids as "impersonalized, de-humanized" and as "academic pinball machines" before the annual convention of the National Education Assn. in Atlantic City. Among those tossing brickbats: Dr. Frederick M. Raubinger, N.J. Commissioner of Education ("... an increase in the distance between pupil & teacher"), and Dr. William Van Til, chmn., N.Y.U.'s Secondary Education dept. ("... some conceive teaching machines & TV as substitutes for the living teacher rather than supplements").

**Ford Fund Folds:** The Ford Foundation's Fund for Adult Education, which in 10 years contributed more than \$12 million for development of educational TV, is out of business. Its functions are now handled by the Foundation's education division. NET programming vp Robert Hudson said: "Educational TV will always be in the debt of the Fund for Adult Education for its prophetic & tangible intervention in behalf of educational TV during the critical initial period."

**Medical TV Uses Studied:** The Council on Medical TV, affiliated with N.Y.'s Institute for Advancement of Medical Communication, is undertaking a 2-year govt.-financed survey of TV techniques in medical & dental education. Awarded an Office of Education contract under Title VII of the National Defense Education Act, the Council has assigned its exec. secy. John K. Mackenzie & Dr. Michael T. Romano of the U. of Ky. dentistry school to supervise.

**TV Teaching Problems:** Philosophical, technical & educational problems which TV teaching has generated are discussed in a new book, *Television Teaching Today*, by Henry R. Cassirer. It's part of the UNESCO series *Press, Film and Radio in the World Today*, available from UNESCO publications center, 801 Third Ave., N.Y. (266 pp., paper bound, \$3).

**KQED Racks Up Record TV Auction:** The San Francisco ETV station's 7th annual fund-raising event produced \$84,700—double last year's revenue and markedly ahead of the \$50,000 goal that had been set. Merchandise & services contributed by viewers for auctioning during the 5-day TV drive amounted to "at least \$100,000 in value," the station reported. The proceeds will be applied to KQED's \$375,000 budget.

**ETV Aid Bill Filed:** Surplus govt.-owned communications equipment could be given to educational TV stations under terms of a bill (S-2119) co-sponsored by Sens. Kerr & Monroney (D-Okla.). It also would authorize surplus-property donations to public libraries and schools for the mentally retarded & physically handicapped.

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Annually—Spring Published Saturdays Published in January

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**Personals:** Elmer W. Lower, NBC Washington news mgr., named NBC dir. of news & public-affairs shows effective Aug. 1; George A. Vicas, ex-CBS News, named to head a new NBC News European office, which will produce news & information documentaries for NBC-TV. . . . George H. Allen promoted to vp, Meredith Publishing Co.

Jim Beach, ex-ABC-TV Central div. vp, named best supervisor, Foote, Cone & Belding, Chicago . . . Roger B. Read, Taft Bestg. administration vp, named pres. of Taft's newly acquired Cincinnati Bowl (see p. 16). Other officers in the new company are Hulbert Taft Jr., chmn.; David G. Taft, vp, Dorothy S. Murphy, treas., Robert Taft Jr., secy. . . Clayton H. Brace, KLZ-TV & KLZ Denver, elected pres., Colo. Bestrs. Assn.

Ralph Evans resigns as exec. vp, Palmer Enterprises (WHO-TV & WHO Des Moines; WOC-TV & WOC Davenport); Dr. David D. Palmer, son of the late Dr. B. J. Palmer, will be directing head of all Palmer Enterprises . . . Naomi Andrews named ad dir., CBS Radio . . . Herbert F. Tank retires as chief transmitter engineer, WJW-TV & WJW Detroit; he joined WJW in 1923.

Peter Dimmock named gen. mgr., outside broadcasts, BBC-TV . . . Eugene D. Warren named engineering dir., John J. Leay chief engineer of TNT's new engineering div. (62-10 34th Ave., Woodside, L.I.) . . . John Perry, asst. to NAB Pres. Collins, on Aug. 4 marries Susan Berla in West Orange, N.J.; she's public relations asst. with Learning Resources Institute, producer of *Continental Classroom*.

Sylvia Kessler named asst. chief, FCC Renewal & Transfer Div. . . . Wilner, Bergson, Scheiner & Lessenco is new Washington TV-radio law partnership, succeeding Lyon, Wilner & Bergson following withdrawal of Richard Lyon.

### Obituary

Frank V. Bremer, 67, radio-broadcast pioneer and founder & vp of radio WAAT Newark, died June 24 of cancer. When WAAT and its TV subsidiary WATV were sold in 1958, becoming WNTA-TV & WNTA, Bremer acted as a consultant to owner NTA. He had started amateur broadcasting in 1910, using a spark-coil transmitter, received amateur & commercial operator's licenses in 1914.

Frank H. Coffine, 50, local sales mgr., KOIN-TV Portland, Ore., died June 27 after an extended illness.

Justice Dept. Juggles Topkicks: W. Wallace Kirkpatrick, first asst. to antitrust chief Lee Loewinger, has resigned after 23 years to enter private practice. He'll be succeeded by Robert L. Wright, chief counsel of the Senate Judiciary Subcommittee on Patents, Trademarks and Copyrights. Other changes in the antitrust div.: George D. Reycraft promoted to chief of section operations, Harry G. Sklarsky to chief of field operations, Louise Florencourt to confidential asst. to Loewinger.

## Technology

**Space-Race Pace Picks Up:** A national policy on satellite communications finally is in the works, now that President Kennedy has asked the Federal Space Council, headed by Vice President Johnson, to come up with basic recommendations.

Importantly, the President asked the Council to examine the question of satellite ownership—which some observers take to mean that govt. ownership is again a possibility after having been ruled out by earlier administration statements. Kennedy made it clear that speed is important.

A similar plea that the U.S. "get there first" was expressed by RCA Chmn. David Sarnoff in a speech before the National Press Club last week. He also made clear his ideas about the demands of GE, Lockheed & other non-common carriers for ownership participation in satellite communications. He spelled out the parts of an international communications system—pickup, transmission, relaying, reception, delivery—and asked: "Do the proposed satellite owners want to go into the pickup & delivery business? I don't know what they mean. And I don't think they know what they mean."

Sarnoff also disclosed that RCA has developed plans for putting a remotely-controlled camp on the moon—stocked with food, water and power facilities—to precede man's actual landing. He tickled Washington's press corps by holding up a mockup of a pocket-size color TV-AM-FM-transmitter-receiver which he said would be "the reporter's best friend in the 70s"—device by which an editor could reach his correspondent anywhere in the world. He conceded that many reporters would consider such "progress" dubious.

Asked about color TV, he said: "It has caught on. I don't think it will be long before it's a mass item and the price comes down. The price now compares with that of the first black-&-white sets."

**Technical Advances:** Two devices to improve technical quality of news & special events programs are being put in use by 2 networks. NBC has designed & built a "video picture translator" which makes possible integration of program originations from separate points through dissolves, inserts, split screen, etc., and permits switching between sources without rollover. The translator is installed in N.Y., but can be moved to other locations for special program needs. At CBS-TV, an Eidophor TV projector has been installed and will be used for special effects on *Douglas Edwards & the News*. In this case, it's being used as a light amplifier, to project live film or slide pictures with high brightness, making it possible for the newscaster to appear in the same picture. TNT is the U.S. distributor for the Swiss-made Eidophor equipment.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**N.Y. CAUTIOUS ON FM STEREO:** The biggest market of them all probably won't be opened to FM stereo until fall. Of course, there could be a sleeper, but a check of the 7 stations most likely to stereocast reveals a uniformly cautious approach, with more desire to "get it right" than "get it first."

Although N.Y. Times' WQXR-FM has already received prototype RCA stereo generator (Vol. 17:26 p16), station officials say they plan to go through period of evaluation before starting stereocasts. Among objectives of WQXR-FM's stereo-testing program is close attention to main channel monophonic reproduction. "We want to make sure our monophonic listeners receive the full & complete signal." Also, station is interested in effect of stereocasting on its off-the-air-pickup QXR Network. "We look at stereo as a long-range addition to broadcasting rather than a promotion," a spokesman told us.

ABC's o&o WABC-FM N.Y., which programs separately from the network's AM operation, is moving slowly, ABC engineering vp Frank Marx told us. "We've talked with all manufacturers of transmitting equipment, and a number of receiver makers," he said: "It won't be all beer & skittles. We're not jumping overboard, because this thing must be done right or it's no good. The program material has to be good and there must be adequate receivers available."

WRVR, non-commercial station owned by Riverside Church, is acquiring stereo equipment, according to gen. mgr. Jack D. Summerfield, but won't be stereocasting before October and possibly not until first of next year. WRVR is one of organizers of upcoming non-commercial Montreal-to-Chapel Hill FM network being coordinated by National ETV & Radio Center, due to start next fall on limited basis. Much of the relaying will be done on multiplex subchannels, so WRVR already has invested in multiplex gear.

Another non-commercial outlet, Pacifica Foundation's listener-supported WBAI is also "moving slowly," according to mgr. Gene Bruck. The station, which tested Crosby system on the air 2 years ago, is "talking to the Crosby people" about multiplex equipment, Bruck told us, but wants to "wait & see whether people will really listen." Added Bruck: "Much as we'd like to partake from the very first, it's unrealistic even to talk about it now."

Municipally owned WNYC-FM plans to "move ahead as rapidly as we can"—which isn't very rapidly because of the nature of a city-owned operation—Dir. Seymour N. Siegel told us. Purchase of equipment will require municipal appropriation. "We'll be operating on stereo in time for next summer's season of live music."

Concert Network's WNCN "will definitely be on the air with stereo in the fall," a spokesman told us. Station also has a multiplex background-music operation, and therefore must make adjustments in SCA sub-carrier frequencies before it can start stereocasting.

Fordham U.'s educational WFUV, which once participated in tests of Crosby system, is interested in installing stereocasting equipment, but has no target date. Because it operates on an educational frequency (unlike non-commercial WBAI, WNYC-FM & WRVR), it must wait until FCC issues rules for stereocasting by educational stations, expected soon, before it can firm up its plans.

N.Y. FM operators share these common worries over stereo multiplexing: (1) Receiver availability & circulation. (2) Effect on coverage area. (3) Effect on off-air network operations or SCA multiplex activities. (4) Effect on monophonic broadcast quality. (5) Quality of available transmitting & receiving equipment.

RCA shipped 2 more pre-production stereo multiplex generators, last week, meanwhile—to WSPA-FM Spartanburg, S.C., and KHGM Houston, Tex. These can't be used until type-accepted by FCC.

On the stereo receiver front: GE introduced its first stereo radio—a modern wood-cabinet 10-tube set with wing speakers, to retail at about \$175. Admiral announced a fully transistorized plug-in multiplex unit for its radio-phono consoles. Motorola is reported to be preparing to announce a multiplex adapter for its auto FM radio. For details on multiplex receiver activity, see p. 20.

**SHAPE OF COLOR SETS—HOW IMPORTANT?** Motorola took its stand on color last week, and fired the opening gun of what could be a real battle—or a smokescreen.

Exec. vp Ed Taylor stood up before some 1,200 distributors & their salesmen at the Chicago Motorola convention and said, in effect: "Motorola won't go into color TV until we can sell a set with a 23-in. rectangular tube which can fit inside the same size cabinet as a 23-in. black-&-white set." And he revealed that Motorola has developed such a set, which could be produced in about a year, and will be demonstrated in a month.

It isn't news that such a set can be made. Motorola lab receiver uses same principles as RCA's, but substitutes a 23-in. rectangular shadow-mask color tube with 90-degree deflection for RCA's 21-in. round with 70-degree angle. The tube was made with a modified 23-in. black-&-white bulb, with color phosphor screen applied in conventional way; new yoke & deflection components were required.

Size of set is just as important as price, said Taylor. "If we get this [23-in. 90-degree set] even at the price of present color sets, color TV becomes a salable item." The 23-in. tube cuts 5 in. from set's depth, increases viewing area to 283 sq. in. from present 261.

RCA has decided that 21-in. round tube is "it" for next year or 2 at least—although it undoubtedly has know-how to produce similar tube in 90-degree rectangular version. (Westinghouse had rectangular 22-in. shadow-mask color tube in 1956-58.) Question is one of tooling & bulb costs, etc., and RCA—now in the black on color—apparently believes that any changeover would be too costly for the immediate benefits. Motorola move, if it gains adherents, could force RCA's hand and make it advance its schedule for shortening and squaring off its shadow-mask tube. In meantime, Motorola's stand is clarified—no color for at least a year.

Motorola will give data on its development to tube makers soon. It has no proprietary interest in the 23-in. color set, which uses conventional circuits, although Motorola itself holds many color patents. RCA's response, from a spokesman: "There have been so many reportedly new color tubes announced over the years that until we see them in operation we don't feel that we can comment."

National Video, which worked with Motorola on color tube, told us it could get into production on the tube in about a year, if there's a demand for it. Taylor explained Motorola's attitude this way:

"We got tired of waiting for tube manufacturers to come up with the kind of design needed to make color receivers salable. Therefore, we took the initiative ourselves to accomplish something that the industry told us was several years away. We're willing to share our laboratory findings with the industry as our 1961 contribution to color-TV progress. We would like to see all the manufacturers in this industry put as much of their time & effort into advancing the color art in their laboratories as is being put into the marketing of receivers that are too large for the average size American living room."

Motorola made no actual commitment to go into color at all, but its less-than-gentle poke in RCA's ribs may get others thinking about pros & cons of a rectangular version of the present type color tube. Motorola's attitude, in fact, seems to have changed somewhat since 2 months ago, when Pres. Robert W. Galvin told stockholders (Vol. 17:19 p23): "At the present time, color TV does not appear a profitable prospect nor is there any technological advance on the horizon to change this picture."

Rectangular color, anyone?

**JAPANESE BATTERY TVs REACH U.S. MARKET:** Sony's heralded 8-in. battery portable TV went on sale in N.Y. last week—nearly a year behind the originally announced delivery schedule (Vol. 16:4 p15). The set carried a \$249.95 price tag; attachable battery pack optional at \$29.95.

Liberty Music Shops broke the news with full-page ads in June 25 N.Y. Times, followed by additional insertions during the week. The headlines proclaimed: "It's here . . . the new Sony truly portable, all transistorized, personal direct-view TV." Liberty told us interest in the Japanese set was high, sales "excellent."

Distribution of Sony set will go national beginning in July. Sony Corp. of America merchandising vp Milton Thalberg told us the battery portable (Model 8-301 W) is being imported in "substantial quantities," and the import pace will be stepped up to a peak by early fall. "We expect to sell many thousands of them," he added. The sets are being brought in by Sony's U.S. import operation, Agrod Electronics.

"We'll have about 100 dealers in the metropolitan N.Y. area by the end of the week," Thalberg told us. Among outlets already offering the Sony 8-incher: Bloomingdale's, Abercrombie & Fitch, Victor Appliances. Any maintenance problems which develop will be handled by 5 Sony service centers in the N.Y. area.

"It's our policy not to spread out until our service centers are properly supplied with all necessary replacement parts," Thalberg said, explaining the reason for limiting introduction of the set to N.Y. As Sony's service centers across the country are supplied with parts, the battery portable will be introduced in their sales areas. (For profile of Sony Corp., see p. 21.)

Delmonico International expects to begin deliveries of its 8-in. Japanese battery portable by the end of July, exec. vp Herbert Kabat told us. He expects the unit will be priced in the "\$250 bracket—but this is still indefinite." Pres. Albert Friedman was slated to leave for Tokyo July 2 to confer with Victor Co. of Japan about quantity & pricing details.

Deliveries of Delmonico's Japanese color TV are scheduled to start about 60 days after their first showing at the Music Show in Chicago this month. Kabat said that 2 color models are "in the works," but final decision has not yet been made as to which will be introduced at NAMM. The 2 are a table console and a combination embracing AM-FM-stereo phono. Both models employ RCA 21-in. color kinescopes. Prices have not been finalized on either model.

Another feature of Delmonico's NAMM display will be the \$99-list 19-in. Japanese portable introduced at the Summer Home Furnishings Mart. Kabat told us deliveries are slated to get under way before July 31.

#### TV-RADIO PRODUCTION: EIA statistics for week ended June 23 (25th week of 1961):

	June 17-23	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	137,655	131,765	123,707	2,668,491	2,866,790
Total radio .....	350,684	339,468	347,687	7,205,157	8,238,602
auto radio .....	110,338	117,246	131,752	2,301,431	3,224,586

**GE'S FIRST STEREO RADIO:** Good looking, good sounding and high priced. That's capsule description of the first stereo multiplex table-model radio to be made & marketed by GE.

The T-1000, now in production, and due to be marketed in stereo-FM areas, is a slim all-wood set, modern in design, with detachable doors, each containing an 8-in. speaker. It measures 19-in. wide, 13-in. high, 8½-in. deep. The doors' hinges serve as conductors between the speakers & amplifiers when the set is played with the speaker-doors attached. The speakers may be removed and placed up to 8 ft. from the set by using plug-in cables between speakers and set.

The set has 6 controls and a vertical sliderule dial for AM & FM tuning. The controls perform these functions: on-off, AFC, phono (for phono jack), AM, mono FM, stereo FM, loudness, stereo balance. The price will be about \$175.

The 10-tube set is the first in a series of GE stereo radios; lower-priced ones will be introduced later this month at the Music Show in Chicago. GE apparently has rejected the 2-piece approach for table radios. Although it originally had designed 2-piece sets, it's understood the company believes that the detachable speaker approach has more appeal. It tested 12 designs through consumer panels, and in every case the two 2-piece designs came out last in order of preference.

GE also has entered the AM-FM portable market, and last week showed an 11-transistor model at \$125.

Admiral, meanwhile, announced that its FM multiplex circuit will be fully transistorized. Designed for Admiral's stereo consoles, it's advertised as "not an adapter . . . an integral component of Admiral's multiplex sound system, available as built-in or 60-second plug-in unit."

Motorola said last week it would have stereo radios around the first of the year.

At week's end only 3 FM stations were broadcasting stereo, and the FCC had granted no new type-acceptances for stereo multiplex broadcast equipment. Type-acceptance proceedings reportedly were "in the works" for RCA conversion gear, but it was expected that no final action could be taken for a couple of weeks. Although RCA has now shipped 7 prototype multiplex stereo generators to station (see p18 & Vol. 17:26 p16), they may not legally be used to transmit stereo programs until the equipment is type-accepted.

**D. Duck, Color Salesman:** Walt Disney and his animated characters will act as spokesmen for color TV in RCA's upcoming ad campaign, termed its "most extensive in years" and reputed to be budgeted at more than \$5 million. RCA's color strategy this year is to plug all color TV in general—not only RCA—geared to the RCA co-sponsored (with Eastman Kodak) *Walt Disney's Wonderful World of Color* on NBC-TV. Other RCA ad plans, as outlined last week by RCA Sales Corp. ad & sales promotion vp Jack M. Williams: (1) Individual ad campaigns for each RCA product category. (2) All ads in major circulation magazines to be in color. (3) Heavy introductory campaign for each product in September. (4) Print ad campaign in 2nd half of 1961 to reach 39.9 million homes. (5) Series of "color TV nights" to attract consumers to stores to watch a complete evening of color programming. J. Walter Thompson is RCA's agency.

**Canadian Color Sets:** Although color telecasting isn't permitted in Canada, RCA plans to start producing color sets at its Prescott, Ont. plant in time for fall sales. With the increasing number of colorcasts reaching Canada from the U.S., demand for color sets from Canadian border areas has been increasing, Canadian RCA spokesmen say.

**SONY'S SUNNY PROSPECTS & PROSPECTUS:** Japan's Sony Corp. hit the U.S. stock market June 8 with 2 million common shares offered in blocks of 10 at \$17.50 a block (Vol. 17:24 p19). Within 90 minutes, the entire \$3.5-million offering was gobbled up by American investors who thought they knew a good thing when they saw it. Last week (June 29), Sony's U.S. quotation was 20 7/8 bid, 22 3/8 asked.

Sony's bright prospects, as well as numerous heretofore unrevealed details about the nature, scope and success of its operations, were profiled for all to see in a comprehensive prospectus issued by underwriters Smith, Barney & Co. and Normura Securities Co. Ltd.

For a company incorporated as recently as 1946, Sony has made tremendous progress. In its 1960 fiscal year (ended Oct. 31, 1960), Sony sales totaled \$36,775,000, up from \$23,607,000 the preceding year. Of the 1960 sales, \$12,964,000 came from exports, compared with 1959's export value of \$8,720,000. Total profit in 1960 was \$1,936,000—down from 1959's \$2,046,000. Sony explained that the 1960 earnings "were adversely affected by the company's virtual discontinuation of [its manufacture of transistors for resale] in order to concentrate on the development & production of new products, such as portable TV receivers."

In the 4 months to Feb. 28 of fiscal 1961, Sony earned \$720,000 on net sales of \$15,787,000, compared with \$638,000 on \$10,044,000 sales in the same fiscal-1960 period.

The net sales were produced by a variety of products: transistor radios, 61.4%; tape recorders, 23.9%; recording tape, 3.6%; transistor TV sets, 0.7%; semiconductors, 0.7%; other products (hearing aids, microphones, recording heads, magnetic data recorders), 9.7%.

The Japanese home market accounted for 65.4% of total sales in fiscal 1960. Other markets: Asia (other than Japan), 10.2%; U.S. 9.1%; Europe, 6.8%; other, 8.5%.

Transistor radios accounted for 77.6% of Sony's foreign sales; audio tape recorders chipped in another 11.5%. The prospectus also noted that "net sales of Sony radios & tape recorders in the U.S. during 1960 accounted for 69.9% & 23% respectively of total net sales of Sony products in that country."

#### **Sony's Battery-powered Portable TV**

The 8-in. battery portable introduced to the U.S. market by Sony last week (see p.19), received this description and less-than-enthusiastic send-off in the prospectus: "In May 1960, Sony marketed a transistorized portable TV set which sells at retail in Japan for \$199.72. It is anticipated that this set will be introduced in the U.S. in the summer of 1961 to sell at retail for \$279.90 [actual list price \$249.95 plus \$29.95 battery]. This product is the first of its type to be developed & marketed and there is no assurance that it may be profitably marketed in the U.S."

Sony had a healthy financial glow as of Feb. 28, 1961. Its consolidated balance sheet of that date showed \$4,820,000 cash on hand. Its total land, buildings, machinery & equipment and construction in progress were valued at \$14,581,000. Total current assets were listed at \$25,456,000. Current liabilities totaled \$25,642,000.

An insight into Japanese labor practices also is provided by the prospectus:

"Each year Sony grants its employes [3,698 in April, 1961] an annual increase in base wages and these amounted to an average 12%, 10.8% and 17.3% for the years commencing May 1, 1958-59-60 respectively. In addition to base wages, the company, in accordance with Japanese custom, also pays a semi-annual bonus to its employes.

Sony paid bonuses equal to approximately 4 months pay for each of the semi-annual periods in 1959 & 1960.

"The company has also established the Sony Health Insurance Assn. to which each employe contributes 3% of his base pay and the company contributes an amount equal to 3½% of such base pay. The Association pays the cost of certain medical & dental services for employes and utilizes surplus funds to defray part of the cost of employe recreational benefits.

"In addition, the company provides medical facilities & subsidized cafeterias at each of its plants, dormitories for certain of its employes, high school educational facilities where such facilities are not available locally, recreational facilities, and reimbursement of the costs of transportation to & from work.

"Employes are required to retire at age 55. Upon retirement, an employe, other than a director, is entitled to receive . . . a lump-sum payment based on his years of service, his monthly pay at the time of retirement and certain other factors. An employe who has worked for the company for 30 years is entitled to a maximum lump-sum retirement payment of 37 times his monthly wages at the time of retirement."

\* \* \*

**Japanese Electronics Output:** The Japanese electronics industry's 1960 production was valued at \$1.166 billion—up 25% from the \$932 million of 1959, the Commerce Dept.'s Business & Defense Services Administration reported last week on the basis of figures from the Japanese Ministry of International Trade & Industry. The total output in 1959 represented an 87% increase over 1958. Breakdown: TV receivers, 3,551,700 sets at \$394.2 million (up from 2,852,800 at \$334.8 million in 1959); radios with 3 or more transistors, 11.1 million at \$169.2 million (vs. 7.6 million at \$122.4 million); tubes, \$169.8 million (\$141.1 million); semiconductors, \$71.3 million (\$52.9 million). Japan's production of transistors continued to exceed that of the U.S. in units, but not in dollars. In 1960, Japan produced 139.8 million transistors at \$53.8 million (up from 86.5 million at \$44.5 million), compared with 1960 U.S. production of 127.9 million transistors at \$301.4 million.

\* \* \*

**Japanese Import Re-Alignment:** Petely Enterprises Inc., longtime N.Y. importer of Japanese radios, has been named exclusive U.S. & Canadian sales agent for all products of Fuji High Frequency Radio Laboratory, sold under the "Constant" brand name.

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**Another RCA Strike Looms:** Some 2,500 members of the Assn. of Scientists & Professional Engineering Personnel were slated to go on strike midnight Saturday at RCA plants in Camden, Moorestown and Pennsauken, N.J. and Croydon, Pa. On June 16, RCA & AFTE came to terms after a 5-hour walkout at the same locations (Vol. 17:25 p18). The APEP union is asking for a 10% wage boost, a 10-month contract, other benefits. APEP walked out for 6 days last year before arriving at the one-year pact which expired Saturday (Vol. 16:29 p15).

**Little Set, Big Speaker:** "Revolution in pocket-radio tone quality" is claimed by Zenith for loudspeaker being used in 2 new pocket radios at \$39.95 & \$60. The "Extended Range" speaker is 3 x 5-in., oval, with the voice coil offset, rather than centered, giving a steep cone angle at the top for greater treble response and a larger cone area below for extended bass. A flat ceramic magnet makes possible the use of the big speaker in a radio only 1½-in. deep.

**OPTIMISTIC MOTOROLA SHOWS LINE:** On an upbeat note, Motorola unveiled its 1962 TV, stereo & radio lines to distributors in Chicago last week. Exec. vp Edward R. Taylor reported that consumer-product business last month was the best for any June in Motorola's history.

He predicted that Motorola's unit sales of TV sets in the 3rd quarter would be 15% higher than in the same 1960 period, with stereo rising nearly 20%. "For the full year, despite the adverse economic influences in the first 4 months," he said, "Motorola distributor sales of TV, stereo & radio products in total will exceed 1960."

For the entire industry, he foresaw "a real possibility" of distributor sales of 6.25 million TV sets, compared with 5.8 million last year, translating into "nearly \$1.5 billion for the consumer economy."

The new TV line features a "picture-optimizer control" which permits the viewer to select the picture texture he prefers. Among other innovations is a 23-in. "convertible console" (open list) featuring a "furniture frame top" and 3 interchangeable swivel furniture bases for different styles. The 19-in. all-transistor Astronaut portable is carried over at \$275 plus \$88 for rechargeable batteries.

The 19-in. line is priced from \$169.95 to \$269.95 (remote), 23-in. sets from \$199.95 to \$369.95. Four stereo theaters are featured at \$499.95 to \$825. A new remote control in 23-in. models uses an entirely transistorized remote-receiver chassis.

Stereo units continue to feature "Vibrasonic" sound, which this year is described as an "acoustical compensator control for concert-hall realism" (the word "reverb" isn't used); 3-channel sound is highlighted again. Portable stereo units range from \$34.95 to \$249.95, consoles \$149.95 to \$995 (Drexel furniture).

The AM-FM line has Motorola's first AM-FM clock radio, at \$79.95, an FM-only set at \$49.95, and AM-FM sets at \$59.95 & \$79.95. Clock radios include an all-transistor portable set at \$75, other models starting at \$19.95. Seven table radios range from \$14.95 to \$39.95.

**Average Set Lasts 11 Years:** Families investing in new TV sets keep them 11 years on the average. Used sets last 6 years. And city families hang on to their sets a year or 2 longer than rural families. These are among "home notes" extracted by economists in the Agriculture Dept.'s research service from Census Bureau statistics. In other appliance fields, new refrigerators and electric or gas ranges are used for 16 years, used refrigerators or gas ranges 8-9 years, new automatic washers & dryers 9 years.

**FCC Weighing Radiation Seal:** More prominent radiation-compliance notice to the TV & radio set-buying public is being considered by FCC. It is thinking of requiring all manufacturers to place a 3x1-in. label on each set—stating that "[Company X] certifies that this receiver complies with FCC radiation limits as of date of manufacture." The FCC set Aug. 7 as the deadline for comments on proposed rule making which would amend Sec. 15.66 of its rules. The proposal covers all receivers in the 30-890-mc range, including TV & FM and excluding AM.

**Add Good-Business Notes:** Olympic reports record orders at its national distributor convention in Chicago prior to the International Home Furnishings Market, with more business during the convention & market than during all of June & July last year.

**Trade Personal:** John Stevens resigns as vp, Hoffman consumer-products operations, to re-enter the management consultant field; Theodore S. Hoffman named vp-mgr., Hoffman Electronics semiconductor div. . . . John Booth retires July 3 as director of Philco's Techrep Div. after 15 years of service with the company. . . . Kenneth M. Lord, ex-General Dynamics, named mfg. & purchasing vp, Raytheon.

Otto J. Riss, ex-Bendix Corp., named mfg. dir., Packard Bell home-products div. . . . William R. Spackman named gen. sales mgr., Michigan Magnetic (tape recorder heads), succeeding Paul H. Schulte, who has left the position because of illness. Schulte will continue as area sales mgr. covering Mich., Ind. and Ohio.

Melvin C. Oelrich elected pres., American Concertone, succeeding George Otis, who is chmn. Paul Abbey, ex-Ampex, named mktg. dir. for consumer-professional products . . . Robert B. Wyland, ex-American Airlines, named human-relations vp, Daystrom.

Lt. Gen. Clovis E. Byers (ret.) named vp, GT&E Washington, D.C., office, succeeding Rear Adm. Frederick J. Bell (ret.), who will continue as a consultant to the company . . . William J. LaHiff appointed gen. mgr., Dynamics Corp. of America's Farmingdale div.

Charles Feldman appointed to new post of ad mgr., Columbia Record Distributors, N.Y. & Newark, N.J. . . . Harold M. Winters resigns as East Central regional sales mgr., RCA Sales Corp., because of ill health.

Richard P. Axten promoted from PR dir. to secy., Raytheon, succeeding Paul F. Hannah, who continues as vp and gen. counsel. C. Gayle Warnock, ex-Communications Affiliates, named Raytheon PR director. E. Nevin Kather, semiconductor div. gen. mgr., and John T. Thompson, distributor-products div. gen. mgr., named vps.

**Components Output Up:** Shipments by U.S. manufacturers of electronic components last year had an estimated \$3.4-billion value—up more than 10% above 1959 levels, the Commerce Dept.'s Business & Defense Services Administration reported. Nearly 40% of the principal components were for military end-use. Receiving-tube output declined 7% in 1960 to \$348 million from \$374 million in 1959, but shipments in most other categories increased—TV picture tubes by nearly 8% to \$259 million, semiconductor devices by 37% to \$542 million, capacitors by 9% to \$255 million.

**"Steelman" Name Returns:** Steelman Electronics Inc. has been formed by Morris J. Steelman, veteran phono manufacturer, whose Steelman Phonograph & Radio Corp. went out of existence last year as a result of bankruptcy proceedings. The new firm, headquartered in Mt. Vernon, N.Y., will show a line of phonos from \$19.95 to \$149.95 at the Music Show in Chicago's Palmer House July 16-19.

**TV-Radio Complaints Lead:** Customers' beefs about TV-&-radio set sales & service lead all other types of complaints, according to managing dir. Leland S. McCarthy of Washington's Better Business Bureau. In 12 months, he reported, his office heard 600 complaints of alleged gyms by set dealers. Appliance sales & service accounted for 367 complaints, home improvements for 366.

**Add Plant Shutdowns for Vacation:** Philco, all plants, July 17-30. Thompson Ramo Woolridge, Tapco Group, July 31-August 14.

### Obituary

John K. Gowen Jr., 67, asst. secy. of Hazeltine Corp., died June 25 at his home in Great Neck, L.I. He is survived by his wife, 2 sons, a brother, a sister and 5 grandchildren.

## Finance

**Ling-Temco Files Plan:** A 4-step financing plan paving the way for its takeover of Chance Vought Corp. has been filed with SEC by Ling-Temco Electronics Inc. The SEC application (File 2-18340) calls for registration of: (1) 493,332 common shares underlying 5-year warrants to be issued in connection with the Chance Vought purchase and conversion of 5½% subordinated Chance Vought debentures due 1977. (2) 67,462 common shares underlying 9-year warrants issued to holders of \$5 million of 6% senior notes due 1974. (3) 314,264 common shares & 15,120 preferred shares issuable under stock-option plans. (4) 78,241 common shares to cover options under a Chance Vought plan. Ling-Temco's name will be changed to Ling Temco Vought Inc. The merger was approved by Chance Vought stockholders June 30 at a Dallas meeting.

**General Instrument Increases Sales:** For the first fiscal quarter (ended May 31) of 1962, General Instrument posted a 12-13% gain over the combined \$19-million sales a year earlier of GI and 2 subsequently acquired companies, General Transistor and Pyramid Electric. Earnings in the May quarter approximated the combined 27¢-a-share profit of March-May 1960. Chmn. Martin H. Benedek told the annual meeting that sales for the entire 1962 fiscal year will be "approximately 30% above" the preceding year's record \$70.6 million, profits will be "satisfactory." Shareholders approved an increase in authorized common to 5 million from 3 million shares. GI has 2,432,504 shares outstanding.

**Transvision Electronics Inc.,** New Rochelle, N.Y. maker of ETV equipment & other electronic teaching devices, has filed an SEC registration (File 2-18409) for 140,000 common stock shares in a public sale underwritten by Adams & Peck. The price was unreported in the company's statement, which also covered shares underlying warrants to be sold to Adams & Peck, Florida Capital Corp. and Comac Associates. Biggest portions of the proceeds (\$250,000 & \$225,000) would be devoted to developing closed-circuit ETV business and to expanding manufacturing & engineering facilities, Transvision said.

**P. R. Mallory's 2nd-Quarter Forecast:** Reversing the trend of the preceding 3 quarters, sales & profit in 1961's 2nd quarter will be slightly ahead of the year-earlier performance. Vp C. A. Barnes said the improvement should continue through the balance of the year and boost 1961 sales & earnings above the 1960 figures. However, first-half returns are expected to show sales down some 6% from \$48.7 million a year ago, earnings 12-15% below first-half 1960's \$2 million. Barnes also reported that Mallory is in negotiation on acquisition of undisclosed concerns.

**Electronic Instrument Co.,** Long Island City maker of hi-fi components and amateur radio apparatus, seeks SEC registration (File 2-18404) of 173,000 capital-stock shares for public sale underwritten by Goodbody & Co. The company is offering 118,000 new shares, and the sole stockholder, Pres. Harry R. Ashley, is offering 57,000 outstanding shares. Proceeds would be used largely to retire debts.

**MPO Videotronics Inc.,** N.Y. TV commercial producer, has listed 60,000 common stock shares with SEC (File 2-18402) for public sale at an unreported price through Francis I. du Pont & Co. The company said the proceeds—plus a \$750,000 institutional loan being negotiated—would be used to convert its quarters at 222 E. 44th St. into a production center costing \$1.6 million.

**Indiana General Notes Sales Pickup:** Sales in May & June have reversed the first-quarter's downtrend and have increased order backlogs of all divisions to "significantly" higher levels than they were at year's start, Pres. Robert F. Smith said. He forecast that first-half results will approximate first-half 1960's profit of \$733,313 on \$10.4 million sales. For the balance of 1961, "an anticipated pickup in sales should enable us to exceed 1960 results, but by how much is still a matter of conjecture." A factor expected to boost operating results in the 2nd half, he said, is the recently issued (April) patent giving Indiana General proprietary rights for ferrite memory core materials used in computers.

**SEC Order Withdrawn:** An SEC stop-order against Hazel Bishop Inc., whose 1960 stock-registration statement was challenged on grounds that it "contained false & misleading statements" (Vol. 16:45 p11), has been lifted by the Commission. Permitting the statement to become effective, SEC said the company had corrected the registration with "appropriate disclosures" about its business, including deals with C & C Television Corp. (now Television Industries Inc.).

**Applied Research Inc.,** Port Washington, N.Y. designer & developer of devices for space communications systems & radio frequency analysis, plans public sale of 120,000 common stock shares at \$6 per share through Cruttenden, Podesta & Co. and Spear, Leeds & Kellogg. An SEC registration statement (File 2-18350) said half of the shares will be offered by the company, half by Pres. Aldo M. Scandurra, vp Martin Dolin and secy.-treas. Nicholas M. Poulos.

**Daystrom Posts First-Quarter Profit:** Daystrom opened its 1962 fiscal year "in the black" during the first quarter ended June 30, Chmn. Thomas Roy Jones told the annual meeting last week. The company was in the red during the preceding quarter. Jones said operations "are looking better, although the black figures are neither as good as we want nor as we expect." In the year-ago fiscal quarter, Daystrom earned \$344,528 on \$22.5 million sales.

**Sprague Sees Record 1961:** Forecasting peak sales & earnings, Chmn. Robert C. Sprague estimated that "sales will run around \$75 million [vs. a record \$64.5 million in 1960] and earnings will be in the neighborhood of \$4 a share [\$3.40 in 1960]." He said current sales & profits are running considerably ahead of a year ago, attributed the rise to new product developments, such as tantalum capacitors and other items for the data-processing field.

**RKO General Has First-Half Gain:** General Tire & Rubber scored gains in both consolidated net sales & earnings for 1961's first half. The report to stockholders noted: "Our current consolidated earnings represent an increase of 2.4% despite the fact that the 1961 income of RKO General, our TV-radio subsidiary, was subject to income taxes whereas its 1960 income was not. The RKO General income before taxes was greater than that of 1960."

**Arvin Expects 2nd-Quarter Gains:** Arvin Industries will bounce back from its first-quarter loss (Vol. 17:18 p8) and post 1961-over-1960 gains in both sales & earnings in the 3 months to July 3, Chmn. Glenn W. Thompson forecast last week. Sales in the 2nd quarter are expected to jump 10% from \$15.2 million in May-July 1960. Earnings "will be substantially above" the \$47,441 (4¢ a share) profit of fiscal 1960's 2nd quarter, he said.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco	1961—6 mo. to May 31	\$157,926,234	—	\$ 6,201,187	\$0.60	10,379,438
	1960—6 mo. to May 31	164,856,003	—	5,216,559	.51	10,305,342
Lab for Electronics	1961—year to Apr. 28	50,929,000	—	1,891,000	1.66	1,136,636
	1960—year to Apr. 28	48,114,000	—	1,648,000	1.68	981,670
Loral Electronics	1961—year to Mar. 31	35,776,964	\$2,804,023	1,301,618	.75	1,740,444
	1960—year to Mar. 31	17,439,871	1,180,798	579,216	.33 <sup>1</sup>	1,732,500 <sup>1</sup>
Seeburg	1961—6 mo. to Apr. 30	16,272,505	—	518,527	.37	1,409,799
	1960—6 mo. to Apr. 30	12,974,598	—	1,203,302	.95	1,260,000

Notes: <sup>1</sup>Adjusted to reflect 5% stock dividend in July, 1960 and 3-for-1 split in November.

**Mergers & Acquisitions:** Consolidated Electronics Industries is acquiring Mercury Record Corp. for undisclosed stock & cash. To facilitate the financing of the acquisition, Consolidated is selling \$1.7 million of its common shares to the trustee of its controlling stockholder, United States Philips Trust • Melpar Inc., Falls Church, Va. radar-electronics-missiles subsidiary of Westinghouse Air Brake, plans to acquire Television Associates and subsidiary Television Associates of Indiana, both in Michigan City, Ind. The amalgamation has been approved by the boards of the 2 concerns, awaits only the consent of Melpar stockholders, who will vote the merger at a special meeting in August • Thompson Ramo Wooldridge and GEC of Britain have formed International Systems Control Ltd. to develop control systems for British industry. The new firm will have a capitalization of about \$1.2 million • Avnet Electronics and Foundry Equipment Ltd. have formed England-based Feco Inc. to develop & distribute automatic foundry equipment in the Western Hemisphere • Lab for Electronics and Tracerlab have voted to merge, subject to approval of stockholders. Lab for Electronics would be the surviving company. The proposed amalgamation calls for the exchange of one Lab for Electronics common share for each 4½ of Tracerlab's 717,423 outstanding shares • Litton Industries has purchased for undisclosed cash London Office Machines Ltd., distributor of office machines & equipment in the British Isles • Reeves Soundcraft has teamed with an English group to form jointly-owned Soundcraft Magnetics Ltd. The new company will market Reeves' magnetic recording tape in the UK • Muter stockholders have approved doubling the authorized common to 2 million shares to acquire via a stock exchange General Magnetic Corp., privately-owned Detroit maker of permanent magnets for sound equipment. The exchange calls for Muter to issue 262,500 shares for General Magnetic's total 212,500 outstanding—a transaction involving more than \$2 million, based on Muter's ASE quotations last week • Lionel Corp.'s proposed acquisition of Hathaway Instruments will be voted by stockholders of both firms Sept. 7.

**Reports & Comments Available:** Amphenol-Borg Electronics, review, A. M. Kidder & Co., One Wall St., N.Y. 5 • Paramount Pictures, analysis, Ira Haupt & Co., 111 Broadway, N.Y. 6 and Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • Beckman Instruments, memo, Cooley & Co., 100 Pearl St., Hartford 4.

### Recent Stock Issues

Stock	Offering Price	Bid	Asked
General Resistance	3	3½	4¼
Julie Research Labs	10	14¼	16
Marcon Electronics	10	16	18⅞
Sony Corp.	17½	20⅞	22⅞
Wrather Corp.	10	7¼	8½

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday June 29, 1961

Stock	Prev. Bid	Bid	Asked	Stock	Prev. Bid	Bid	Asked
Acoustica	19¼	19¼	21½	Magna Th.	4	4	4½
Adler Elec.	16½	16¼	18½	Magnetics Inc.	11	10	11¼
Aerovox	10¼	10½	11¼	Maxson	21½	20¼	22¾
Allied Radio	28½	25¼	27¼	Meredith Pub.	38	37	40¼
Astron Corp.	2½	2½	2¼	MetroMedia	18¼	17¼	19¼
Babcock	26½	29	31¼	Microdot	26	25¼	27½
Baird Atomic	18½	17½	19½	Milgo Elec.	20½	19½	22½
Cannon Elec.	27	28½	32	Narda Micro.	7	7	8½
Capehart	8¾	8½	9½	Newark Elec.	14¼	13½	14¾
Chicago Aer.	21	22½	25½	Nuclear Chi.	40	40	43½
Control Data	101	95	101	Official	3¼	3¼	4¼
Cook Elec.	11¼	11¼	12½	Pacific Aut.	5¼	5	5¼
Craig	13¼	13¼	14¼	Pacific Merc.	7¾	7¼	7¾
Crosby Tel.	6	5¼	6¼	Phillips Lamp	145	135½	140½
Dictaphone	34	35¼	38¼	Pyramid	2	1¼	2¼
Digitronics	24	26	29¼	Radiation	24¼	22	23¾
Eastern Ind.	16	15½	17	Rek-O-Kut	2¼	2½	3-3/16
Eitel-McC.	16½	16½	18¼	Research Inc.	5¼	4¾	5¼
Elco Corp.	11½	12¼	14¼	H. W. Sams	39½	39½	43¼
Electro Instr.	20	19	22	Sanders Assoc.	52½	56	60
Elec. Voice	10½	10½	12	Silicon	11¼	10½	12
Elec. Assoc.	30	28½	30¾	H. Smith	9¼	12	13½
Elec. Cap. Corp.	43	42¼	46¼	Soroban	59	63	68¼
Erie Resistor	14¼	14¼	15¼	Soundscribe	11	11½	12¾
Executone	19	18	19¼	Speer Carbon	29¼	29¼	32¼
Farrington	14¼	12¼	13¾	Sprague	77¼	78¼	82¼
Foto Video	7	6½	7¼	Sterling TV	3¼	3¼	3-15/16
Four Star	21½	22	24¼	Systron-Don.	40	40¼	43¼
Gen. Devices	11¼	12¼	13¾	Taft Beste.	17¼	19	20¾
G-L Elec.	8	8	9½	Taylor Instr.	52	45	48¾
Goodwill Sta.	—	10½	11¼	Technology	6¼	6½	7¼
Granco	3¼	3	3-9/16	Tele-Bestrs.	2¼	1½	2¼
Gross Tel.	21¼	20¼	22¼	Telechrome	10¼	10¼	12
Hallcrafters	23½	22½	24¾	Telecomp.	6¼	7¾	8¼
Hathaway	24	23½	26¼	Time Inc.	82	82	86¼
High Voltage	160	165	180	Tracerlab	12½	10¼	12¼
Infrared	14¼	16	17¼	United Art.	7¼	7¼	8¼
Interstate Eng.	18	18	19¼	Universal	¾	¾	1-3/16
Ionic	30	30	33	Vitro	25¼	25¼	27¼
Itek	49	48	52½	Vocaline	2½	2½	2¾
Jerrold	8¼	8	8¾	Wells-Gardner	32¼	31	33¼
Lab for Elec.	48	46¼	50¼	Wilcox Elec.	10	9½	10½
Leeds & North.	34¼	34¼	37¼	Wometco	24¼	24¼	27
Lel Inc.	8¼	8¼	9½				

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avnet Electronics	Yr-end	\$0.25	Aug. 7	Jul. 21
Daystrom	Q	(Omitted)		
IBM	Q	.60	Sep. 9	Aug. 10
Networks Electronic	Stk.	5%	Jul. 31	Jul. 14
A. C. Nielsen	Q	.15	Aug. 1	Jul. 10
Warner Bros.	Q	.30	Aug. 4	Jul. 14

# WEEKLY **Television Digest**

JULY 10, 1961

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VOL. 17: No. 28

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

**WITH THIS ISSUE:** Full Texts of FCC's Revised Proposed Rules on Program Forms and Proposed Rules on Logging Requirements (1961 Supplement No. 8)

## SUMMARY-INDEX OF WEEK'S NEWS

JUL 10 1961

### **FCC**

**PROPOSED "PROGRAM IMPROVEMENT" TOOL**—FCC's new program forms—are set out for industry comment. Would make broadcasters account for "composite" & "selected" week (p. 1).

**MIAMI CH. 10 DECISION UPHeld** by Court of Appeals, which cites "corrupt tampering" with FCC, sustains Commission order against WPST-TV, WKAT and North Dade (p. 3).

**N.Y. RADIO DEALS CHALLENGED** by FCC in hearing notices holding up Crowell-Collier's acquisition of WMGM and renewal of WINS, which Storer wants (p. 10).

### **Advertising**

**MAGAZINE SLUMP REPORTED FOR FIRST HALF** of 1961 by Magazine Ad Bureau. TV was only ad medium to gain (p. 2).

**FTC FLEXES ITS MUSCLES** in new enforcement rules under President Kennedy's reorganization plan. Delaying tactics in advertising deception cases are banned (p. 2).

**SPOT-TV PRICE-CUT SOUGHT** by Lennen & Newell in letter to reps. Suggested formula: A 10% cut on announcements within new expanded nighttime breaks (p. 9).

**NIELSEN PROFILE OF N.Y.** gives close-up look at family viewing patterns, relationships between income, education & viewing (p. 10).

### **Programs**

**ALTHOUGH TOTAL VIEWING'S UP**, prime-time viewing is slipping, Nielsen checkup for us reveals (p. 2).

### **Consumer Electronics**

**FM STEREO SALES** to be launched officially at Music Show, with keynote speech by Comr. Lee. New German & Canadian TV imports to be shown (pp. 14 & 16).

**TOP TV BRANDS-IN-USE** in 19 markets shown in 1961 Consolidated Consumer Analysis; RCA is No. 1 in 18 markets (p. 15).

**BRITISH ELECTRONICS EXPORTS** to U.S. decline in 1960, led by large drop in record-player shipments (p. 16).

**100 TOP DEFENSE FIRMS**, enumerated by Pentagon, dominated by electronics producers; General Dynamics again heads list (p. 17).

**SEMI-PROFITABLE SEMICONDUCTORS:** Wall St. Journal analysis finds manufacturers "caught in a wave of price cutting & falling profits despite a continuing upturn in sales" (p. 18).

### **Films**

**SYNDICATION OUTLOOK FOR 1962-63 BLUE.** Hollywood executives blame producers who were "junk dealers" and stations who "never properly supported" syndication (p. 6).

### **Auxiliary**

**CATV LIKES "RIGHTS" RULING**, counsel Smith asserting that San Francisco decision will aid fight against United Artist copyright-infringement suit (p. 11).

### **Other Departments**

**STATIONS** (p. 4). **NETWORKS** (p. 12). **PERSONALS** (p. 13). **FOREIGN** (p. 13). **ETV** (p. 13). **FINANCE** (p. 19).

**FCC'S PROPOSED 'PROGRAM IMPROVEMENT' TOOL:** FCC came out with its proposed new program forms last week, as expected. We include herewith full text as special supplement. It's 3 documents in one—TV form, AM-FM form, logging form.

As we reported earlier (Vol. 17:27 p2), it differs from original proposal of last February (Vol. 17:9 p2) in several significant respects. Much of the difference is attributable to FCC-industry consultations which produced clarification. Not that industry is going to like it any more, because it would give broadcasters a dilly of a headache digging up added detail. Industry has until Sept. 7 to tell FCC what's wrong with proposal.

It's a most vital document which we urge all to read, because it's basic tool with which FCC hopes to carry out fundamental policy it propounded last year (Vol. 16:31 p1)—namely, that broadcasters should tell FCC what they did to ascertain needs of their viewers & listeners and how they intend to meet them.

"To summarize the whole thing," an FCC staff member said, "I'd say it was designed to have the broadcaster account for every second of his broadcast week—something we've never had before."

Chmn. Minow concurred in proposal but would have gone further, would have asked broadcasters to tell how many network public-affairs programs they carried & what they substituted for such programs which were rejected. Comr. Hyde dissented without issuing a statement; he told us: "I adhere to my original views of last February"—grave concern about Commission establishing "guidelines." Comr. Craven concurred with: "I am for the Notice . . . but I have some reservations with respect to the matter which I can resolve after the comments are in."

**FIRST-HALF MAGAZINE SLUMP:** An 11% decline in ad pages, and a 4% revenue fall-off in the first 6 months of 1961, was the not-so-good news revealed by the Magazine Ad Bureau last week. Figures, based on 83 general & farm magazines reporting to Publishers Information Bureau: 35,423 ad pages vs. 39,767 in the same period last year; \$419 million ad revenue intake vs. \$436 million for 1960's first half.

All magazine categories were down in number of ad pages, with only 3 categories registering slight gains: Fashion (up 1%), monthlies (up 8%), women's magazines (up 4%). Ad-page declines were reported by traditional leaders Saturday Evening Post (off 29%), Newsweek (15%), Life (9%), Time (18%), Coronet (21%), Ladies' Home Journal (16%), Better Homes & Gardens (29%), Business Week (20%), Fortune (18%). Increases were scored by Playboy (up 45%), TV Guide (43%), Reporter (31%), Cosmopolitan (14%), Redbook (11%) and Reader's Digest (9%).

TV was only major medium to score gain in ad revenue in the January-June 1961 period (newspaper ad linage fell nearly 10%). Gross network & national-spot revenues rose 3% to \$670 million, pointed out TvB. Viewing is also "moving ahead," TvB reported, with all-day average viewing level at 5 hr., 32 min. for the September 1960-April 1961 season (vs. 5 hr., 27 min. in 1959-60). Average tune-in (10 a.m.-11 p.m.) in April was up over April 1960 as well as over April 1959.

**THO' TOTAL VIEWING'S UP, PRIME-TIME VIEWING SLIPPED:** All-day TV viewing may be making gains (see above) but there is a drop in U.S. viewing during the peak nighttime hours. This downward drift was spotlighted earlier this year by Lever Bros. vp Henry M. Schachte (Vol. 17:17 p7) and reflected again last week in a usage-trend study prepared at our request by A. C. Nielsen.

At best, 1961 viewing merely equals 1960 in terms of the number of hours spent by the average U.S. TV home in viewing TV between the hours of 7-11 p.m. It was off in January (2.34 hours in 1960 vs. 2.29 in 1961), equal in February (2.32 vs. 2.32), and off again in March (2.28 vs. 2.22), April (2.25 vs. 2.22), and May (2.03 vs. 2.01). Similar decline is noted in percentage of homes tuned in during average prime-time minute.

Drop is somewhat obscured by home growth. If the average TV home is watching TV somewhat less at night, there has been a steady growth of TV households. Result: The May 1960 average percentage of homes tuned during prime time was 51.3%, representing 23,188,000 homes, for example. In May 1961, the figure had eased down to 50.5%, but it represented 23,685,000 homes—about half a million more.

**FTC FLEXES ITS MUSCLES:** No longer known as "little old lady of Pennsylvania Ave.," FTC last week ripped away some traditional procedural rules in advertising cases, clamped down on leisurely hearing processes and served stern notice that it would not fool around with frivolous appeals by litigants.

"Extensive & far-reaching changes" in rules—first since 1955—were announced by FTC Chmn. Paul Rand Dixon just one week after President Kennedy's reorganization plan for his agency emerged intact from Republican attacks in Congress (Vol. 17:27 p3). And more FTC streamlining—started earlier with staff shakeups (Vol. 17:26 p11)—could be expected.

"We have good reason to hope that our revised rules will help the Commission to shake itself loose from a lifelong incapacity to act soon enough," said Democrat Dixon. "By requiring litigants to present the issues of a case to the Commission in the fastest reasonable time, we may be able to bring relief to victims of illegal actions while they are still in business." New anti-stalling machinery will go into motion July 21.

FTC will aim its consent-order shotgun at respondents in deception & monopoly cases. In past FTC practice, litigants have been able to joust interminably with Commission lawyers & hearing examiners before coming to terms—as they have done, sooner or later, in about 70% of cases. Under new rules, negotiations for settlements will be opened before formal complaints are issued. Litigants will have 30 days to make up their minds whether they want to sign cease-&-desist papers. If there's no agreement in that time, complaints will go on books, and cases "will be fully litigated"—with no more chance for consent-order settlements.

FTC-cited advertisers may find one publicity break in new consent-order procedure, however. If agreement is reached, there'll be only one FTC press release reporting the fact. In past, embarrassed advertisers could anticipate seeing their companies' names in papers in repeated stories—at times of complaint, answers to charges, hearing, examiner's opinion, consent order and/or FTC's final decision.

Dilatory hearing tactics will be out, too, Dixon said. In new setup approved by full FTC, hearings must "proceed with all reasonable expedition"—at one place & without suspension until they're finished, not scattered all over U.S. and interrupted by repeated adjournments & recesses. "There will be no more adjournment of a case in December 1958 until January 1961," Dixon promised.

Litigants no longer may count on automatic reviews of examiners' decisions, either. It's been FTC's procedure to sit solemnly to hear appeals, no matter if—as Dixon put it—their "only purpose is to delay a final decision & waste the Commission's time." Starting next week, it will take votes of at least 2 of FTC's 5 members to bring case before full Commission on appeal. Holdover Republican Comr. Sigurd Anderson, who publicly opposed White House reorganization plan, and holdover Democratic Comr. William C. Kern objected to this rule. Anderson said it was "violation of at least the spirit of due process," but Dixon prevailed.

FTC's conflict-of-interest & ex-parte restrictions will be tightened at same time. Former FTC officials & attorneys will be barred from representing companies in cases in which they participated "substantially." Once hearings start, private discussions of merits of cases between FTC lawyers & company counsel, between lawyers & examiners or between lawyers & FTC members will be banned. And if company attorneys refuse to produce documents or if they engage in "dilatatory tactics" at hearings, examiners may recommend that Commission disbar them from FTC practice.

**LEE DE FOREST—'FATHER OF RADIO':** More than any other man, Dr. Lee De Forest, who died at 87 June 30 in his Hollywood home, was responsible for giving birth to the modern science of electronics. Like many pioneers, he was taken for granted in an era which seemed to have passed him in sophistication.

His invention of the audion in 1906 made possible electronic amplification and led to radio, TV, talking pictures, computers. With more than 300 U.S. & foreign patents to his credit, Dr. De Forest never stopped his research for long—even after his heart attack in 1957. He observed his 84th birthday by applying for a patent on a 4-in.-thick wall TV set. At the time of his death, he had been doing research on the production of electrical power from heat through the use of selenium cells.

Dr. De Forest always felt a keen responsibility for the uses—and what he considered the abuses—of radio, and, later, TV. "What have they done to my baby?" he used to ask, in his almost continual crusade to keep TV & radio as instruments of education & culture. Since 1951, he had carried on this crusade as first vp of the National Assn. of Better Radio & TV.

One of the last of the individualistic inventors, Dr. De Forest in his later years became a piece of living history—recipient of awards & honors. His disregard for money and his willingness to lend his name to various schools & business enterprises, tended to place him in the stereotyped mold of the eccentric inventor.

Actually, his interests ranged far beyond science. Aside from his drive for uplift of TV & radio programming, he was a poet and visionary. The fact that he lived to see his audion vacuum tube recognized as possibly the greatest single invention of all time, which gave birth to a multi-billion-dollar industry, may have concerned him less than the uses to which he felt his inventions were being put. In his biography, published in 1950, he wrote:

"Throughout my long career, I have lost no opportunity to cry out in earnest against the crass commercialism, the etheric vandalism of the vulgar hucksters, agencies, advertisers, station owners—all who, lacking awareness of their grand opportunities and moral responsibilities to make of radio an uplifting influence, continue to enslave and sell for quick cash the grandest medium which has yet been given to man to help upward his struggling spirit."

In a formal resolution, FCC expressed "its deep sense of loss" at the death of Dr. De Forest. Citing more than 300 inventions in communications fields by the "outstanding American," the Commission said the "govt. & the public generally are indebted to Dr. De Forest for his creative contributions."

**MIAMI CH. 10 DECISION UPHELD:** Long-disputed Miami Ch. 10 "influence" case "concerns corrupt tampering with the adjudicatory process itself," Court of Appeals held last week in sustaining FCC's year-old order taking outlet from WPST-TV & giving it to L. B. Wilson Inc. (Vol. 16:29 P1 et seq.).

"Surreptitious efforts to influence an official charged with the duty of deciding contested issues upon an open record in accord with basic principles of our jurisdiction eat at the very heart of our system of govt.," Court said scathingly, rejecting arguments for overturn of FCC's decision by National Airlines' WPST-TV and 2 other barred contestants—WKAT Inc. & North Dade Video Inc.

It was clear victory for Commission. Court's opinion by Judge E. Barrett Prettyman said "we would affirm it" if FCC's 1960 ruling had been submitted "as a final order." Court noted, however, that FCC plans to consider other applications in addition to L. B. Wilson's—but excluding WPST-TV, WKAT and North Dade

—when full-term license For Ch. 10 comes up. "Its decision then will of course be subjected to review here upon appeal," Prettyman pointed out.

Court recounted backdoor maneuvers in the case by National Airlines' Public Service TV Inc. & other disqualified contestants, said: "He who engages in such efforts in a contest before an administrative agency is fortunate if he loses no more than the matter involved in that proceeding."

Even stronger judicial language was picked up by Court from other opinions in non-FCC fraud cases to buttress its Ch. 10 decision. Among Court quotes cited: "From the moment that [a litigant] cease to depend upon the justice of his case & seeks discriminatory & favored treatment, he becomes a corrupter of the govt. itself. It is a wrong against the institutions set up to protect & safeguard the public."

**MEYNER TOSSES MONKEY WRENCH INTO ETV DEAL:** There'll be no sale of WNTA-TV N.Y. to that ETV group (Vol. 17:8 p8 et seq.) if N.J. Governor Robert B. Meyner has his way. In a 32-page brief filed with FCC last week, Meyner strongly protested any title transfer of his state's sole TV channel, even though the station would be providing a cultural service.

"Obviously questionable," was Meyner's opinion of the plans of Educational TV for the Metropolitan Area (ETMA), official purchaser of the Ch. 13 independent. He also charged the ETV group, NTA, FCC and the other N.Y. TV channels with a "conspiracy" in which FCC was making "a potential mockery" of Chmn. Minow's lofty new aims for increased local public service by stations.

Meyner threatened to go to court on the issue—a step which could conceivably gum up the sale, since a purchase condition by ETMA is that the deal be wrapped up no later than Dec. 1. The Governor sneered publicly at the contributions (totaling \$2 million) from the 3 networks and N.Y. independents WOR-TV and WNEW-TV. The contributions, he said, were "the price these stations are willing to pay to be relieved of their lawful responsibility to promote culture & public-service programming." [See also story below.]

## Stations

**CANADA STATION REVENUES DIP:** Two annual reports on Canadian broadcasting—from the govt.'s Board of Bcst. Governors and the govt.-supported Canadian Bcstg. Corp.—indicated a decline in TV-radio station & network revenues for the 12 months ended March 31.

BBG's report estimated that the nation's TV stations took in 8% less revenue than in the preceding fiscal year, while radio stations averaged net revenue declines of 25%. BBG also reported that 90% of Canada's population is now within reach of TV.

CBC's annual report showed a drop of 1.5% in ad revenue compared with the preceding year, and Pres. Alphonse Ouimet predicted a steeper dip in the current fiscal year as a result of competition from the privately operated CTV network, which begins operation next September.

The 1.5% decline in CBC TV-radio revenues—attributed to a general reduction in ad budgets—contrasted with an increase of 18.3% in the preceding fiscal year. The govt.-supported network reported that its expenses topped \$100 million for the first time during the last fiscal year, reaching \$100,952,825—an increase of \$6.9 million or 7.4% over the preceding year. Revenues included \$37,601,651 in TV-radio advertising revenue and \$59,288,476 in govt. subsidies—excluding \$2,796,524 in subsidies returned to the government.

Pres. Ouimet again cautioned against permitting CBC-TV affiliates to join the independent network. Such action, he said, "would be disastrous to Canadian broadcasting in the long run." CBC's directors said their long-range plans include extension of TV service in Saskatchewan, New Brunswick, Eastern Newfoundland & Prince Edward Island.

## More about

**WNTA-TV's SALE TALE:** N.J. Gov. Meyner's move (see above) leaves FCC with a tricky decision to make. It must now decide: (1) Whether Ch. 13, which has had a poor financial track record for 2 owners, could exist as some sort of independent station beamed strongly to N.J. viewers. (2) Whether N.J. public-service interests would be adequately served by an ETV station which would essentially be a N.Y. station, even though its original license gave it a home, technically, in Newark, N.J.

TV reality was somewhat ignored in Meyner's plea. The N.J. governor stated several times in his brief that viewers in his state "need & are entitled to" their own channel. This pointedly ignored the fact that northern N.J. is within easy reach of 6 N.Y. channels, southern N.J. is covered by 3 Philadelphia channels, and mid-state viewers have an even greater choice.

ETV interests appeared undismayed by Meyner's action, preferring to put their faith in their cause and in FCC's avowed fondness for a vhf brand of ETV in major cities. Said NET Pres. John F. White: "In this effort, prescribed rules & procedures have been followed to the letter."

The Meyner protest created the 3rd snafu for a N.Y.-area station sale in recent weeks. FCC is currently holding up the sale of N.Y. radio outlets WINS (to Storer Bcstg.) and WMGM (to Crowell-Collier) while it explores license qualifications (see p. 9).

WNTA-TV itself is operating on a sort of "lame duck" basis with plans going no further than the end of August. Ted Cott, for the past 4 years NTA's bcstg. div. vp, has resigned to "undertake immediately some important new projects."

**And Now—"Instant Payment"!** A sight-draft method of payment for advertising placed by Geyer, Morey, Madden & Ballard is being offered to TV & radio stations and most daily newspapers, announced agency Pres. Sam M. Ballard July 10. "The co-operating media, in effect, pay themselves as soon as they have computed the monthly net amount due," said Ballard. "We provide the envelope sight drafts, the publisher or station makes them out in the net amount due, inserts a copy of his invoice, and deposits them in his bank like a check." GMM&B audits drafts & invoices, as usual, when they are presented by the agency's bank. A trial run of the plan for Sinclair Refining Company has proved it "a great saver of time & effort—and accurate," Ballard said, adding that "billing errors or discrepancies have been rare and adjustable without lengthy, wasteful correspondence." A simple procedure for media, the plan also eliminates any risk of cash discount loss by missing no due dates, according to GMM&B. The agency hopes to extend the new system to all media.

**ITA Expands Marketing Operations:** ITA Electronics, Lansdowne, Pa. designer & builder of broadcasting & communications equipment, last week advanced Paul Comstock to the new post of mktg. dir., heading up an expanded marketing operation. He is succeeded as best. sales mgr. by Allan Timms, formerly Northeast regional sales engineer. Other changes: Elliott Baker moves up to govt. & industrial sales mgr. from best. sales. Joseph Novik, formerly product mgr., named Washington regional sales mgr., with hq in D.C. William J. Groves, ex-RCA best. & TV engineering ad staffer, joins ITA July 17 as ad director. ITA is now producing its new 10-kw FM transmitter, last week shipped its first unit to KMUZ Santa Barbara, Cal.

**Music Committee to Report:** The 6-month-old All-Industry TV Station Music License Committee (initiated by NAB to "set procedures to be employed in negotiating with ASCAP for the performance rights on music controlled by them & used on TV") will issue a progress report this week (July 11). Present contracts, negotiated in 1957, expire Dec. 31, 1961. "The help of many TV stations has been willingly given in assembling necessary facts & figures," praised Committee Chmn. Hamilton Shea, WWSA-TV Harrisonburg pres. & gen. mgr. He added: "There should be no free riders . . . every station in the country is urged to join in this support."

**Rollins Buys Outdoor Ad Company:** Rollins Bestg. Co. has purchased for over \$3 million Tribble Advertising Co., San Antonio, which reportedly has displays in more than 100 Texas cities. Rollins operates WPTZ Plattsburgh, N.Y., WEAR-TV Pensacola, Fla.-Mobile, Ala., WCHS-TV Charleston, W. Va. and 6 radio stations.

**It's a Real Woofers:** In response to some 1,000 phone calls from puzzled listeners, "Washington's Good Music Station"—radio WGMS—has put out an official explanation of barking sounds which have been interrupting symphonies. They emanate from a 5-year-old Dalmatian named Lucky, owned by the station's landlord. WGMS staffers made the mistake of starting to feed Lucky at the studio door. Now the dog hangs around, barking for more under studio windows. The station plans a soundproofing program—"double-thick windows & walls."

**Gannett Sells Radio WENY Elmira, N.Y.:** An agreement has been reached by Gannett newspapers to sell WENY for \$240,000 to South Jersey Radio Inc., a group of Sayre, Pa. businessmen which has been buying newspapers & radio stations in N.J. & Fla.

## Programming

**Nets Holding Down Violence:** In Hollywood, NBC-TV's broadcast standards dept., scanning filmed programming, recently refused 3 *Laramie* reruns, and 2 first-runs of *Whispering Smith*. Two scenes in a *Laramie* segment were re-edited because of brutality, and the "tag" of a Hitchcock film was reshot because the criminal got off too easily.

At CBS-TV Charles Pettijohn told us they've had no such problems, but that in N.Y. the network is screening *Gunsmoke* for rerun selections, and is carefully picking the less violent segments.

ABC-TV's Dorothy Brown, dir. of continuity acceptance, Western div., said there had been no orders to reject or reshoot any films because "we're concerned about violence in every show we've had. We're as conscientious & careful as we've always been." Miss Brown said it was too early to judge next season's product, most of which had just gone into production. However, she told us, the network had found that ad agencies, studios, producers and writers are showing much concern about excessive violence, and are listening more carefully than ever to her department. Most producers & writers are "taking a new look at their product," she said.

\* \* \*  
**"Blueprint for Crime":** Some TV shows not only encourage children to break laws but often provide a "blueprint for crime," Washington Police Chief Robert V. Murray told a House Appropriations Subcommittee at a D.C. budget hearing. "I think where juveniles are fed a steady diet of crime & violence, rape & murder, it is bound to have an effect on them," he testified. "I think there have been many cases where the juveniles have followed what I call a blueprint and followed out exactly what they had seen on TV in the commission of crimes."

\* \* \*  
**Judges Lambaste TV:** Meeting in San Francisco, the National Council of Juvenile Court Judges unanimously adopted a resolution protesting TV shows "devoted to themes of crime, violence, brutality, sex and sadism." The judges said crime shows in prime time have been tripled on TV since 1954 and are "dangerous to the welfare of our youth." Kansas City Judge Henry A. Riederer, the Council's new pres., said that "we, as judges, must realize that impressionable children can react in unacceptable behavior when treated to a steady diet of blood & thunder."

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**"In the (Local) Public Interest":** WJZ-TV Baltimore and the Greater Baltimore Committee have announced jointly a year-long campaign to identify & solve the city's most acute problems. A kickoff conference on Oct. 2 will be followed by the station's 26-episode series of 30-min. shows, examining & recommending action on specific area problems. The series, called *Focal Point: A Continuing Conference on Community Progress*, deals with such subjects as mass transportation, urban renewal. The committee & TV station estimate their expenditures in the civic effort will exceed \$200,000.

**Canon 35 Blasted:** The American Bar Assn.'s Canon 35 ban against camera-&-microphone coverage of judicial proceedings was subjected to a special half-hour editorial attack simulcast by WOW-TV & WOW Omaha. Take-off point in the editorial—delivered by Meredith Bestg. Co. exec. vp Frank P. Fogarty—was a ruling by a local judge forbidding photographers at a recount of Omaha's mayoralty race vote. The recount was a "judicial function," the judge explained.

## Film & Tape

**1962-63—NEVER ON SYNDIE:** Hollywood TV-film executives currently blueprinting production plans for 1962-63 are bypassing syndication. They see no hope for a lift in that depressed field (Vol. 17:25 p13). A few scattered syndication properties are planned, but the scant supply is in emphatic contrast to the 25 series which made syndication prosperous only 5 years ago.

Executives we checked were leaving the door open for a change in the picture, but nobody professed to see any hint of a shift at this time. They attributed the gloomy syndication picture to 2 factors: Producers who supplied "junk" to the syndicated market, and lack of support by stations for producers of syndicated films.

Revue Studios, the largest TV-film company in Hollywood, doesn't have a single syndication series in production for the first time in its 10-year history. But there Pres. Taft Schreiber told us: "We cannot believe the syndication market is a dead or dormant field. It will always be a market we hope to supply. Somewhere, somehow, there may be an answer." Schreiber added that some series planned for production next year may go into syndication. Since Revue does not apply a low-budget yardstick to syndicated film, it will be no problem to decide which properties should go into syndication if the market opens up, he explained.

Screen Gems, once a prime supplier of syndicated film, may release one or 2 series in 1962-63, we were informed by William Dozier, vp for coast activities. He added that "the syndication market is tightening a little, but with some of the networks giving up some of their option time to local stations, it may pick up next year." Meanwhile SG has only one new series in syndication this season—*Shannon*, starring George Nader.

Desilu Productions, which had 3 syndicated series shooting last year, has none now. Ziv-UA has only 2—far below the optimistic plans expressed by that company several months ago. Cal. National Productions and CBS Films have both quit production. None of the movie studios in TV is in syndication, nor is the prominent independent, Four Star Television.

**Storer Forms Program Subsidiary:** Storer Bestg. Co. has formed subsidiary Storer Programs Inc., for the distribution & sale of TV programming. The new company will also select properties, finance their production, and handle syndication & exploitation. Production will be done by outside producers, Pres. George B. Storer Jr. told us (Vol. 17:27 p11). First acquisition of Storer Programs is *Divorce Court*, the taped series owned by KTTV Los Angeles. Storer bought 130 60-min. shows and will take over contracts with the 28 stations now carrying it.

The new subsidiary will open offices in N.Y., Chicago & L.A. Storer regional vp Terry H. Lee is vp of the company. Mgr. Joe Evans of WSPD-TV Toledo, is gen. mgr.

**What's MCA's Next Move?** No decision has been reached by the talent agency following the D.C. Court of Appeals rejection of MCA's & vp Taft Schreiber's appeal (Vol. 17:27 p11). FCC had cited both for contempt after Schreiber refused to testify during FCC hearings in Hollywood. Asked what he & MCA would do now, Schreiber told us: "I don't know anything about it. That's up to the lawyers." MCA's counsel was out of town.

## HOLLYWOOD ROUNDUP

**Shupert Named 20th-Fox TV Sales Chief:** George T. Shupert's selection as dir. of TV sales for 20th Century-Fox TV last week was an offshoot of the elevation of 20th-Fox TV Pres. Peter G. Levathes to the job of studio production chief for TV & movies (Vol. 17:26 p12). In Shupert, 20th has an experienced executive who has been an MGM-TV vp, ABC Films pres., vp & gen. mgr. of United Artists TV, and sales vp for Peerless TV Productions. He takes over his new job Aug. 1 and will spend most of that month in Hollywood familiarizing himself with 20th-Fox TV operations. His hq will be in N.Y.

United National Pictures has been formed for the production of theater movies & "pay-TV movies when that medium materializes." Partnered in it are producers Richard L. Bare and Owen Crump, and ex-Republic executive Jack E. Baker.

CBS-TV producer Ben Brady has left the network after 7 years, and opened offices of his independent TV & movie company at Desilu Gower. He has a joint venture commitment for a series to be made for CBS-TV by Davana Inc.

**Sheb Wooley Quits Rawhide:** The actor said he obtained his release from CBS-TV because of dissatisfaction with recent roles. He is contractually committed to appear in 16 episodes this season before leaving.

Warner Bros. will film as a public service a half-hour TV drama, "The Misery Merchants," for the Arthritis & Rheumatism Foundation. Cedric Francis is producing the film which goes into production July 17.

Television Producers Guild, launching a membership drive, plans to institute an Eastern section in N.Y. Jules Bricken, a board member, will go to N.Y. to confer with Albert McCleery, Bob Banner and Walt Framer.

TEC Productions is turning out 78 five-min. *Mahalia Jackson Sings* shows at Paramount TV Productions—Irving Townsend producer, Harold Goldman exec. producer.

Gilber Roland has signed to guest star in the "Quick Shuffle" episode of Revue Studios' *Frontier Circus*, produced by Richard Irving.

Four Star Television has a record number of 70 writers preparing 100 scripts in its 5 series for next season.

Official Films has sold reruns of *Peter Gunn*, *Mr. Lucky* and *Yancy Derringer* to KTLA Los Angeles.

Ziv-UA has dropped its *Lock-up* syndicated series, which starred Macdonald Carey.

Insight Inc. is filming next season's *Expedition* series at Producers Studio.

Selmur Productions has piloted *Mobile 7*, about TV's remote reporters. Gene Banks is producer.

Screen Gems has signed Whitney Blake as a regular in its *Hazel* series, starring Shirley Booth & Don DeFore.

People: Hy Averback has been named producer of Four Star Television's *Mrs. G. Goes to College* series, starring Gertrude Berg & Sir Cedric Hardwicke, which goes into production in mid-July . . . Harry Essex has been signed as story consultant on *Target: The Corrupters*, at Four Star Television . . . George Faber named to new job of dir. of client relations for CBS Films.

## NEW YORK ROUNDUP

NTA re-shuffled its top executives last week, even as N.J. Governor Robert Meyner was stirring up a storm over the sale of the film company's broadcast property, WNTA-TV N.Y. (see p. 4). Station vp & gen. mgr. Henry White will continue in his present capacity "until the station is physically turned over" to the ETV group, said NTA Pres. Leonard Davis. "It is contemplated that White will join the NTA distribution organization in an executive capacity following the transfer." Other NTA officer changes, which amount to little more than the pinning-on of new titles: Berne Tabakin (exec. vp), Bob Goldston (business affairs vp & secy.), Leon Peck (treas.), Vernon Burns (exec. in charge of new series production), E. Jonny Graff (WNTA AM & FM pres. & gen. mgr.), Remi Crasto (gen. foreign mgr., except Canada).

Ziv-UA has purchased TV rights to *Laura*, the Vera Caspary novel which inspired in 1944 the 20th Century-Fox film directed by Otto Preminger and starring Dana Andrews, Gene Tierney and Clifton Webb. TV's *Laura* (unlike the movie version, which has become a minor classic among suspense thrillers) will be "a sophisticated comedy-drama series," said Ziv-UA. Pointing to the recent acquisition of S. J. Perelman's *Acres & Pains* (Vol. 17:27 p11), Ziv-UA vp Richard Dorso called last week's move a "continuing part of our expanded policy of purchasing distinctive works by distinguished writers for translation into quality TV presentations."

Elliot, Unger & Elliot, Screen Gems' commercial production arm, is involved in an expansion plan in N.Y. & Hollywood resulting from its recent entry into the industrial films field as well as "a continuing increase in TV commercial production." In addition to the construction of a 5th sound stage in N.Y., EUE has added 7 sales & production people to its staff in the past month, including designer Sol Ehrlich (creative dir.), Philip Frank (exec. producer & sales representative), and Doria Belden (production asst. to Michael Elliot).

Trans-Lux's latest promotion device to spark TV sales for its Encyclopaedia Britannica film library is a monthly news bulletin called *Closeups*. Edited by EBF special coordinator Roz Karen, the bulletin includes tips on special tie-in promotions, new EBF film releases, synopses and rating data of the 800-episode library, now in 75 TV markets.

CBS Films, which recently shut down all its own production facilities (Vol. 17:24 p10), is nevertheless doing fine financially with off-network series in syndication. The 8-week gross on its 154-episode series, *December Bride*, hit \$700,000—representing 21 sales including WABC-TV N.Y.

**Add Syndication Sales:** Screen Gems has scored 11 rerun sales on its 78-episode police-action series, *Manhunt* . . . Ziv-UA has sold *Ripcord* in 94 markets to date . . . Seven Arts has sold its 2nd group of post-1950 Warner Brothers films to 27 stations.

Hearst Metrotone News has begun a co-production TV venture with BCG Films—*Perspective on Greatness*, a series of newsreel-clip biographies on important people.

**People:** Eve Baer has been appointed to the newly-created Ziv-UA post of program-services mgr. . . Robert A. Behrens has been named Official Films gen. mgr. of syndicated sales.

**Film's "Pre-Sold" Properties:** Fourteen of next season's film series bear the "pre-sold" (to the public) label—they are already known to viewers because they are based on movies, plays, books or cartoons. This isn't complete insurance against failure, of course, as has been evidenced by such cancellations as *My Sister Eileen*, *Asphalt Jungle*, *Guestward Ho!* and *Michael Shayne*. And some of the movies converted into TV series in the past, which did not continue, include *How to Marry a Millionaire*, *Broken Arrow*, *Zorro*, *King's Road*, *Casablanca*, *Charlie Chan* and *The Thin Man*. But Hollywood believes, despite this list, that a pre-sold property which is well done has a better chance than the ordinary series. They point to the durability of a *Perry Mason* as an example.

Most of the taken-from-another-field series come from movies. This is not surprising since the major studios now in TV have vast libraries of potential series. These vehicles are Warner's *Cheyenne* and *The Roaring 20s*; MGM-TV's *National Velvet*, *Dr. Kildare* and *Father of the Bride*; Screen Gems' *Naked City*; and 20th Century's *Margie*.

Based on books are *87th Precinct*, *77 Sunset Strip*, *Perry Mason* and *Dobie Gillis*.

Taken from cartoons are *Dennis the Menace* and *Hazel*.

From the legitimate theater has come 20th Century-Fox TV's *Bus Stop* which was also a movie.

**Lawmen Get Equal Time with Outlaws:** Sensitive to criticism of TV violence, NBC-TV has revamped the formula for next season's *The Outlaws*. The outlaws, who have occupied the series 80% of the time this season, will share it 50-50 with the lawmen next season (Vol. 17:18).

"We are trying to personalize the lawmen more," producer Frank Telford told us. "We plan to make personalities out of our leads—something we did not do last year."

Telford replaces Joe Dackow as producer of the series. In the cast, Bruce Yarnell replaces Barton MacLane, who quit when the structural overhaul got under way; Don Collier returns as a co-star; and Slim Pickens has been added as a featured player.

"We will watch ourselves on sadism & excessive violence, although I don't believe the show ever had those qualities. Too much violence is the last refuge of a bad script. We plan to emphasize characterization," commented Telford, pointing to rival *Gunsmoke* as an outstanding example of the less-violence-more-characterization school.

5,650 actors (4,125 members of Screen Actors Guild & 1,525 Screen Extras Guild members) have qualified for health-&-welfare benefits under the new contracts with TV & movie producers. More than \$200,000 has been paid in hospital, medical & life insurance benefits to about 500 actors since Jan. 1, it was disclosed by Byron Ellerbrock, administrator of the producer-supported plan. Additional actors & extras will become eligible Oct. 1 by earning at least \$1,000 in a 4-quarter period in employment with producers who are signatories to the plan.

Creston Studios, producer of animated cartoons for TV, has bought an apartment building adjacent to its Hollywood location, to house its expanded production activities. The structure will be remodeled immediately. Creston produces *Calvin & the Colonel* and *King Leonardo*, and will do a pilot of *Beetle Bailey* for King Features.

Additions to the cast of "The Scene Stealers," 60-min. March of Dimes TV film currently in production: Jane Powell, Eartha Kitt, Jack Lemmon, Ralph Edwards.

**WHAT L.A. STATIONS ARE BUYING:** Los Angeles' 7 stations are presently displaying a wide diversity of buying tastes. Two prefer feature films, 2 like first-run TV films, 2 emphasize film reruns, and the 7th, caring neither for movies nor telefilm, is returning to live TV.

Dick Woollen, vp & program dir., KTTV (independent), told us that the station, once a strong buyer of feature films, had just replaced its *Late Movies* with *PM West*. "We are not interested in movies," he said, "and we are looking for TV-film reruns. We're not interested in first-runs because we have been burned by them. At the moment, of course, there aren't enough first-runs around to get disenchanted. A producer can't make a good syndicated series now because the economics don't allow it. We think we provide better programming with good reruns & tape shows. We recently bought ATV's taped *An Age of Kings*, and our TV film buys include 250 segments of *The Best of Groucho*, and—from MCA—*Johnny Staccato*, *Riverboat*, *Overland Trail*, *Suspicion* and *Cimarron City*."

Much the same policy is followed at KTLA where program dir. Robert Quinlan told us: "We are going for the off-network TV films, not first-run syndication. The latter is not our image. Also, their price is far out of line. It's being slowly proved that reruns are doing as well for a station as first-run syndicated films. We are also programming heavily in the live area. We are not buying post-'48 movies. They are too expensive for an independent station which is not part of any group. We recently bought a first-run TV series, *Main Event*, with Rocky Marciano, but that's the exception to the rule. We have also bought the taped *Crime & Punishment* series from Collier Young."

KCOP Pres. Alvin Flanagan commented that "about the only product available now is off-network shows, and the chief reason they are available is because they weren't successful on the networks. Consequently, there's not much interest on our part. We are more interested in developing our own shows, and we are looking for live programs of informational & documentary character."

KRCA film mgr. George Burke told us that the NBC-TV o&o is "looking for first-run TV film, but there aren't many. We will exhaust what is available, before we go to off-network. We are not interested in old movies."

KNXT (CBS-TV o&o) and KHJ-TV (independent) are the prime movie buyers in this market. Explained KNXT film-program dir. Allen Ludlum: "We try to stick mainly to first-run (for TV) movies. We aren't too interested in TV film, although we look at all first-run product."

KHJ-TV dir. of station operations Hal Phillips said that "most of our recent buying has been post-'48 movies. We have the 7 Arts package of late releases, also the UA and Warner Bros. post-1948s. We've bought some half-hour reruns, but aren't interested in first-runs because the price is out of line and, more important, our philosophy has been to emphasize feature-film programming. We also plan to step up live programming & tape shows."

KABC-TV, having bought *King of Diamonds* and *Ripcord*, both UA-Ziv-TV first-runs, and the 60-min. *Intertel*, has a definite interest in first-run product, although it has already bought enough film for next fall's needs. So we're told by Elton H. Rule, vp & gen. mgr. of this ABC-TV o&o. Rule said that when the channel could not find enough first-run films, it bought off-network reruns, and when this source was insufficient, syndicated reruns were purchased. Recent KABC-TV buys include *Manhunt*, *Grand Jury* and *Bat Masterson*, all reruns, and the station is now negotiating for 2 off-network shows, both 60-min. series. Cinema?

"We are not in the movie business," said Rule tersely.

While the over-all picture offers no comfort to makers of syndicated first-run product, it is encouraging to those concerned about TV-film residuals. There is a definite upswing in the demand for telefilm reruns—a fact of no small importance to producers with an increasing accumulation of film in their vaults.

**PRODUCER-STARS DOING WELL:** Next season's programming will contain 20 series that are being filmed by production companies owned by actors. This is a trend which shows no signs of abatement, and which began a decade ago, when 3 companies were formed by stars. They were Four Star Productions, in which Dick Powell, Charles Boyer and David Niven partnered to produce & star in *Four Star Playhouse*, an anthology series; Desilu Productions, owned by Desi Arnaz and his then wife, Lucille Ball, for their comedy hit, *I Love Lucy*; and Mark VII, formed by Jack Webb for production of *Dragnet*, in which he starred.

Four Star Productions has since become Four Star Television, one of the powerhouses in TV production (three 60-min. series and 2 half-hours next season). Desilu has a single series (*The Untouchables*), but owns 3 studios. Mark VII is presently inactive in TV.

Bing Crosby Productions has been reactivated to produce the 60-min. *Ben Casey* for next semester. Robert Young & producer Eugene Rodney return to produce *Window on Main Street*, in which Young stars. Danny Thomas's Marterto Productions has 5 half-hour series. Jack Benny's J&M Productions has a 60-min. series, *Checkmate*, produced with Revue Studios. Jackie Cooper's own production company films his *Hennesey* series. James Arness's own unit films *Gunsmoke*. Dale Robertson's company turns out *Wells Fargo*. Ozzie Nelson is producer & star of *The Adventures of Ozzie & Harriet* with his Stage 5 Productions. Todon Productions, owned by Donna Reed & her husband, Tony Owen, films *The Donna Reed Show* with Screen Gems. And John Forsythe is a partner in the production of *Bachelor Father*, in which he stars.

Despite the growth of actor-owned companies, there is also attrition. Those which faded away in the yearly axing last spring were the companies of Loretta Young, Tab Hunter, Hugh O'Brian, Ann Sothern, Barbara Stanwyck.

**They Like Westerns:** With the horse operas under continual attack but with their ratings still impressive, columnist Hy Gardner set out recently to identify some of the faceless millions who do like to watch the Westerns. His list included Brig. Gen. David Sarnoff, Robert Sarnoff, Jack Dempsey, Jimmy Durante, Dwight D. Eisenhower, J. Edgar Hoover, Richard M. Nixon, Gloria Swanson, Dr. Norman Vincent Peale, Loretta Young, Mrs. John F. Kennedy, Jack Webb, Perry Como, Mayor Robert Wagner of N.Y., Raymond Massey and Rocky Graziano (the last named, however, is "quick to switch to another channel if a fine concert is scheduled"). Tommy Manville was also mentioned, but not as an admirer of Westerns. Seems he likes love stories.

Warner Bros. is sending a *Hawaiian Eye* troupe to Honolulu, and a *Surfside 6* group to Miami in July for filming of scenes & background footage. Howie Horwitz is supervising producer of both shows.

## Advertising

**Seek Spot-TV Price Cut:** Lennen & Newell gave station reps a jolt recently when that agency proposed a "major modification" in the pricing of spot TV because of expanded nighttime breaks. "We have hesitated to simply decry the development," wrote L&N vp & media dir. Herbert Zeltner in a friendly-but-firm communique. But, he added, "our very evident concern is apparent when we realize that this agency spends approximately \$1 out of every \$4 placed for its clients in spot TV." A 4-month agency study of the matter has convinced L&N that there will be no major loss of spot TV's effectiveness—if it is "properly scheduled & priced." L&N's idea of a price prescription:

(1) A 10% reduction in the price of 20-sec. announcements in expanded breaks—"an amount large enough to safeguard the efficiency of spot TV to the advertiser" without causing a loss of station revenue. If the entire 40-sec. break is sold, there will still be an over-all revenue increase of approximately 20% for stations, L&N indicated. If the break were not fully sold, present price levels would apply.

(2) 30- & 40-sec. announcements could be offered in multiples of the lower, base price wherever applicable.

(3) Consideration to be given to the establishment of some "sensible & reasonably uniform plan to assure non-pre-emptible locations for ID announcements."

Rate card revisions covering longer breaks have yet to be made by most stations. But the few spot-TV pricing plans which have been set are not likely to please Lennen & Newell. The Crosley Bcstg. Corp. revealed last week that the 40-sec. prime-time rate for its 5 stations will be 165% of the basic (and unchanged) 20-sec. rate, the 30-sec. rate 140% of the charge for 20-sec. announcements. WTVJ Miami has put the 40-sec. rate at between 130-140% of the present 20-sec. charge, although the station will sell 8 p.m. and 10:30 p.m. availabilities (Sunday-Saturday) for 20- & 10-sec. spots only, to insure availabilities for advertisers already committed to 10-sec. campaigns.

Taft station group vp Lawrence H. (Bud) Rogers said that to charge less than twice the current 20-sec. price for the new 40-sec. announcements would be "economically unsound." The 5 CBS-TV o&o's will, "as in the past," base all rates on the 20-sec. length, with the 30-sec. rate 150% and the 40-sec. rate 200% of the 20-sec. charge, announced the network group.

Several station reps had recommended rate structures to their clients before the Lennen & Newell "suggestions." Among those reps favoring the full 200% price increase for 40-sec. spots are Blair-TV and Katz. Weed TV has suggested 3 possible formulas: (1) 30-sec. & 40-sec. rates at 150% & 200% respectively of the 20-sec. price. (2) 30-sec. & 40-sec. at 125% & 175%. (3) 30-sec. rate to be equal to the 60-sec. plus 20-sec. rates, divided in half, and the 40-sec. rate to equal the 60, since there'll be fewer 60-sec. availabilities under the new long-break system. Edward Petry also recommended pricing the new 40s on a par with ("slightly increased") 60-sec. announcements.

\* \* \*  
**Spot-TV Costs Soar:** Time charges for a typical 20-sec. spot commercial are up 5% from last year, production charges are up 15%, and talent fees have risen 64%, according to a recent *Advertising Age* report. A 26-week campaign (2 commercials weekly) in the top 50 markets would cost about \$1 million for time at the present rates, \$4,500-\$5,000 for production and \$1,442 for talent under the new AFTRA-SAG contract, the publication estimated. Network costs are leveling off, but the average nighttime

CPM "probably will go up during the 1961-62 season due to intensified competition for audiences." Seasonal network CPM for 1957-58 was \$3.37, in 1958-59 it was \$3.55, in 1959-60 it was \$3.92 and in 1960-61 it was \$3.96. Reasons for the leveling off, according to AA: (1) "As long as set circulation was zooming, station time-charge increases spiraled upward too. Now those rises are tapering off." (2) Although program expenditures rose during 1961 as the result of new talent-labor contracts, networks often absorbed the increase, particularly for low-rated shows. (3) Competition for minute-participation sponsors "has sometimes driven the sponsor admission fee on 60-min. films, costing \$100,000 and up, down to the \$28,000 level."

**Food Firms Buying More TV:** Food & grocery advertisers billed \$277 million in 1960 gross-time network & spot TV and \$81 million in the first quarter of 1961 (vs. \$77 million in the same 1960 period), according to TvB. The top 20 all-media food advertisers spent 53.1% of their budgets in TV last year, the report continued, upping their first quarter 1961 expenditure 9.6% to \$51.4 million.

The largest sub-classification was coffee & tea, with gross network & spot billings of \$58 million. General Foods led this group with billings of \$17.6 million. (Tea advertisers increased their TV dollars 35.4% over 1959, with 1960 billings of \$10.8 million.) Cereals, led by Kellogg (\$15.4 million), ranked 2nd with billings of \$41.6 million, followed by baked goods (\$31.8 million), led by Continental Baking Co. (\$6.2 million).

Following are the nation's top 20 food advertisers of 1960 together with their TV expenditures. All but 5 increased their TV spending last year over the year before:

### LEADING FOOD COMPANY ADVERTISERS

	Total Measured Advertising* in 1960	% spent in TV 1960	Television Billings** 1960	1959
1. General Foods Corp.	\$ 65,084,760	57.1	\$ 37,164,388	\$ 35,489,721
2. General Mills	29,958,422	57.5	17,221,517	16,156,947
3. Natl. Dairy Prods.	22,738,452	42.8	9,742,461	7,922,187
4. Kellogg Co.	20,855,832	75.3	15,695,586	13,442,861
5. Campbell Soup Co.	20,527,544	32.0	6,568,140	5,258,735
6. Stand. Brands, Inc.	18,264,839	56.7	10,364,220	10,389,650
7. Natl. Biscuit Co.	16,202,617	72.0	11,669,252	9,730,022
8. Corn Products	15,516,583	45.6	7,079,906	8,747,887
9. Quaker Oats Co.	13,974,656	38.5	5,384,844	4,669,746
10. Hunt Food & Ind.	13,206,077	49.5	6,530,630	2,936,200
11. Pillsbury Co.	12,845,744	68.3	8,774,420	6,934,594
12. Armour & Co.	11,482,057	43.1	4,948,360	5,890,528
13. Swift & Co.	11,100,697	29.7	3,295,210	3,128,964
14. Continental Baking	10,463,158	61.9	6,473,117	11,582,615
15. Ralston Purina Co.	9,390,519	71.8	6,742,580	6,222,860
16. Carnation Co.	8,852,562	57.2	5,065,407	3,225,438
17. H. J. Heinz Co.	7,370,130	40.8	3,009,011	2,875,530
18. Borden Co.	7,363,500	19.2	1,417,300	4,450,906
19. Beech-Nut Life Svcs.	7,000,588	86.3	6,039,477	5,476,210
20. Cal. Packing Corp.	6,239,428	17.4	1,088,209	321,500

Total Top 20 ..... \$328,438,165 \$174,274,035 \$164,853,101

\* Newspapers, general and farm magazines, business publications, outdoor and television media expenditures.

\*\* Source: Network—TvB/LNA-BAR; Spot—TvB-Rorabaugh.

New Reps: WCKT Miami to Harrington, Righter & Parsons July 1 from NBC Spot Sales • KBAK-TV Bakersfield, Cal. to Young June 29 from Select Station Reps and Weed • WUSN-TV Charleston, S.C. to Young June 29 from Select Station Reps and Bolling and Ayers • WHTN-TV Huntington-Charleston, W. Va. to Young July 1 from Blair Television Associates • WKOW-TV Madison, Wis. to Young July 1 from Bolling • KETV Omaha, Neb. to Harrington, Righter & Parsons Aug. 1 from H-R TV.

New 4A Office: The American Assn. of Advertising Agencies has opened a Central Region office in Chicago. John L. Del Mar, asst. vp, will head it.

**NIELSEN'S PROFILE OF N.Y.:** Within an electronic circle centered on the Empire State Bldg.'s 7-channel antenna tower lies the country's largest TV market. Last week admen got their first real look at the socio-economic family viewing habits of that market. It came in the form of a special study that had been made last spring by A. C. Nielsen in the 17 counties comprising the N.Y. metropolitan area. Highlights:

1. Set usage. Practically every home (99.9%) with a TV set uses it at some time during the week. Dividing the TV homes into 3 equal groups ("heavy," "medium" and "light" viewing), Nielsen discovered that the heavy families accounted for 60% of all viewing done 7-8 a.m., 69% of viewing 2-3 p.m., and 47.7% in the 8-9 p.m. period. Those in the medium group accounted for about 30% of the viewing, and the light group accounted for as little as 6.1% of all viewing done 2-3 p.m. and only 18.3% in the 8-9 p.m. period. The light viewers, although an elusive target for advertisers, had definite tastes. Although they comprised only 19.7% of the prime evening audiences of all 7 N.Y. stations, 32.1% of the prime-time viewing of one N.Y. station (Nielsen didn't say which) came from this group.

2. Income, education. Of all TV homes, 21.7%, on the average, watched TV between 11 p.m. and 2 a.m. Dividing by educational lines revealed that of homes whose household head had completed high school (or better), 19.3% watched TV during these hours, while homes representing 3 years or less of high school accounted for 25%. Similarly, households with lower income (less than \$6,000) generally used TV more and averaged 22.9% watching late-night TV vs. 20.7% of homes with over-\$6,000 income.

3. Children, location. As might be expected, kids boost TV viewing. N.Y. homes with children watched TV 38% more during the full TV day (6 a.m.-2 a.m.) than did adult-only homes in the area. The biggest difference came in the 5-7:30 p.m. period, when an average of 52.7% of homes-with-children watched TV vs. 34.8% of adult-only households. Also brought out was the fact that homes in N.Y.'s 5 boroughs watched TV slightly less than those in the suburbs—(29.1% average audience, 6 a.m.-2 a.m., for the city folk vs. 30.5% for their suburban neighbors).

**TV-Radio Agency for Drug Firms:** Recent (and successful) forays into TV advertising by ethical drug companies (*viz.* Mead Johnson for Metrecal; Merck, Sharp & Dohme with a recent network special) seem to be sparking new interest in the medium among drug manufacturers. The latest sign of this trend is the setting up of Ted Gotthelf Inc., a TV-radio subsidiary of ad agency Ted Gotthelf Associates in N.Y. The new concern will specialize in the preparation of TV-radio campaigns for the agency's several pharmaceutical clients, and will seek new TV business in the drug field. Named to head the new subsidiary is David Hale Halpern, former pres. of the American TV Society and RTES.

**Ad People:** Charles C. Barry named to head Young & Rubicam TV-radio dept., succeeding Mōrt Werner, resigned.

Kenneth S. Olshan appointed media research dir., Doherty, Clifford, Steers & Shenfield . . . Claude Forget named TV-radio supervisor, McCann-Erickson (Canada) . . . Hank Anciro named a Benton & Bowles vp . . . Robert Carley appointed a vp, Young & Rubicam . . . Joseph W. King retired as Foote, Cone & Belding treas.

## The FCC

**N.Y. Radio Deals Challenged:** Big N.Y. radio deals involving Crowell-Collier's proposed acquisition of Loew's WMGM, and renewal of Gotham Bcstg. Corp.'s WINS, which Storer wants to buy, were put on ice by FCC last week—as expected (Vol. 17:27 p7).

Crowell-Collier's broadcasting qualifications were challenged by the Commission in a letter citing alleged misconduct in operations of its radios KDWB St. Paul, KEWB Oakland and KFVB Los Angeles. FCC said it would have to hold a hearing on the WMGM transfer unless Crowell-Collier came up within 30 days with good reasons for calling it off.

A similar letter went to Gotham, which was given 30 days to explain why the WINS renewal shouldn't be subjected to a hearing on charges that 3 former station staffers—program dir. Mel Leeds, disc jockey Alan Freed and record librarian Ronnie Granger—received payola which the station "directly or indirectly" shared.

The \$11-million WMGM sale was held up when FCC Chmn. Minow broke a 3-3 tie on the question of whether to haul in Crowell-Collier for a hearing, Comrs. Lee, Craven and Cross voting against the action. Minow said he "would have preferred not to have participated," since his Chicago law firm was counsel for Loew's. He added that he "had no contact with the case & did not know of its existence while I was in the firm."

FCC was unanimous in setting the scene for the WINS renewal hearing, on which the \$10-million deal with Storer hangs. Chmn. Minow & Comr. Bartley urged, however, that the Commission proceed at once with a hearing without waiting for any arguments by the station against it.

**WHAS-TV Losing Tall-Tower Battle:** FCC has instructed its staff to draft a decision finally denying the application of WHAS-TV Louisville to build a 1,859-ft. tower. The Commission's reasons will be spelled out in the decision. Last year, FCC examiner Charles J. Frederick recommended denial on the grounds that the greater height would produce serious economic competition with Lexington's 2 uhf stations and "would create a serious menace to air navigation" (Vol. 16:34 p9).

**FCC Bills Delayed:** Senate & House FCC reorganization bills (Vol. 17:27 p3) failed to reach either floor for action during the short July 4 Congressional work week. The Senate Commerce Committee had been expected to clear a Commission-drafted measure (S-2034) by Sen. Pastore (D-R.I.), but the group didn't meet in the holiday-recess absence of Chmn. Magnuson (D-Wash.). House Commerce Committee Chmn. Harris was ready to report his similar measure (HR-7856) to the House, but put it off.

**Barrow Is Back:** U. of Cincinnati Law School Dean Roscoe Barrow, who headed FCC's monumental network study, has been rehired by the Commission as a consultant on network matters. He will spend most of the summer in Washington.

**Option Time Deadlines:** Following up action by the Court of Appeals in remanding option time issues to FCC (Vol. 17:27 p10), the Commission has set Sept. 7 as the deadline for comments on its new look at "public interest" problems. Oral argument was scheduled for Sept. 28.

**Another ETV CP:** San Bernardino, Cal. Ch. 24 has been granted by FCC to the San Bernardino Valley Joint Union Junior College District for an educational station.

**Minow Criticized in Maine Speech:** "I think it's frightening that in such a high place [FCC] there should be such a misconception of the essence of democracy." So charged John W. Guider, former Washington communications attorney and now pres. & gen. mgr., WMTW-TV Poland Spring, Me. The FCC in general and its new boss in particular "want to dictate what people shall hear & see," he told the Portland Rotary Club late last month. "They do it by processes ranging from threat of failure to renew a station's license to harassment by administrative examination of a station's format." Such "censorship" procedures are an abuse of the FCC's Congressionally-granted powers, according to Guider. Predicting that excessive TV violence will play itself out, as have other programming "phases," Guider snapped: "Pros of the broadcasting business understand you can't legislate or regulate taste or intellectual curiosity anymore than you can morals." TV is making a great contribution to the fields of news, culture and public affairs and, concluded Guider, "to the 'pursuit of happiness' which the founding fathers thought important enough to group with life & liberty in the Declaration of Independence."

**"I Meant Every Word":** That's the title of a long interview with FCC Chmn. Minow in the July *Television* magazine. It refers to his historic NAB speech, and the interview re-emphasizes the views expressed in that talk.

**Sen. McGee Commends FCC:** FCC's warning to the industry, about "retaliatory action" against witnesses who testified during the network hearing (Vol. 17:27 p8), received strong backing from Sen. McGee (D-Wyo.). "Because of the little 'fuss' raised already," he said in the July 5 *Congressional Record*, "I think the industry should stand on notice that there will be many watchful eyes observing the future conduct of contracting and talent arrangements in the TV industry." He also reprinted the July 1 column of *Washington Post* TV critic Lawrence Laurent which said: "For once, the FCC refused to sit still while threats were made. Once the meekest agency in the federal establishment, the FCC found its courage only after being battered by scandals. Since March 1960, under Chmn. Frederick W. Ford and now under Newton N. Minow, the FCC has declined to play its familiar role of cheerleader to the broadcast business."

**New Bedford CP Final:** The long-pending New Bedford, Mass. Ch. 6 proceeding was brought to a close by FCC last week when it made effective immediately the grant to E. Anthony & Sons, permitting Eastern States Bcstg. Corp. & New England TV Co. to dismiss. The Commission closed out its proposed rule-making to add Ch. 6 to Providence, noting that the New Bedford station could also serve the Rhode Island city.

**Pay TV Postponed:** Complying with RKO Phonevision's request for a year's delay in the start of its Hartford pay-TV trial on WHCT (Vol. 17:27 p3), FCC last week set a new target date of July 1, 1962. The Commission said the company's "estimates on the production & delivery of subscription equipment" justified the time extension. (This "in no way affects TelePrompTer's plans for testing its Key-TV system this year," said TelePrompTer's pres. Irving B. Kahn last week in New York. Key TV is proceeding "ahead of its developmental schedule," he said and would be active in a pilot operation "by year-end.")

**Plugola Comments Delay:** FCC has given the industry until July 31 to comment on its proposed rules governing plugola (Vol. 17:27 p6). Reply comments are due Aug. 15.

## Auxiliary Services

**CATV LIKES 'RIGHTS' RULING:** E. Stratford Smith, special counsel to NCTA handling the copyright suit by United Artists against CATV systems (Vol. 16:27 p20), says he takes great sustenance from recent court decision against 3 Salt Lake stations (Vol. 17:27 p2).

"The San Francisco decision," he said last week, "will be tremendously valuable to us in the United Artists copyright case. It recognizes our basic thesis—that CATV is a master antenna service doing for viewers what they could do for themselves. It recognizes that the copyright owner is fully paid through the traditional method of sponsorship. The broadcaster gets paid by sale of time. CATV doesn't interfere at the point of profit-taking."

The United Artists case is now in the deposition-taking stage, is expected to come to trial in N.Y. early next year.

In the San Francisco decision, the court held that the Salt Lake City stations had no rights in their signals being infringed by pickup & sale by CATV systems.

**NAB Disputes CATV Microwave Ruling:** NAB took issue with FCC examiner Walther W. Guenther recently, disputing his initial decision which concluded that the possible economic injury to a station by a CATV microwave is of "no legal significance" (Vol. 17:22 p11). Guenther had recommended denial of a protest filed by KWRB-TV Riverton, Wyo. against grant of a microwave to Carter Mountain Transmission Corp., which plans to feed CATV systems in Riverton, Landis and Thermopolis. NAB charged that Guenther "failed to grasp the underlying principle that all uses of radio must be equated with the over-all public interest."

**Vhf & Uhf Translator Starts:** Kφ6AA & K10AC Broadus, Mont. started June 20, with K10AC repeating KOOK-TV Billings, Mont. and Ch. 6 picking up K10AC • Kφ4AK McDermitt, Nev. began July 1 with KBOI-TV Boise • Kφ9AC & K12AD Sundance, Wyo. started June 24 with KOTA-TV Rapid City, S.D. & KTWO-TV Casper, Wyo. • K77AU Likely, Cal. began June 6 with KOLO-TV Reno • K70CH Aberdeen, Wash. began June 18 with KOMO-TV Seattle • K76BF Cosmopolis, Wash. began June 18 with KTNT-TV Tacoma • K12AI Sisseton, S.D. began June 22 with WDAY-TV Fargo, N.D. • Kφ5AB & K12AE Powell, Wyo. began June 19 with KGHL-TV & KOOK-TV Billings, Mont. • K13AQ Atkinson, Neb. began June 30 with KPLO-TV Reliance, S.D. • K10AG Hettinger, N.D. began July 3 with KFYR-TV Bismarck.

**Dage Raises CCTV Prices:** A general price rise, averaging 7% but ranging up to 25%, for its lines of closed-circuit TV systems & equipment has been effected by Thompson Ramo Wooldridge's Dage TV Division. The increases range from \$105 on a \$4,000 system to \$875 on \$12,500. Prices on TV cameras & controls have been jumped 25%. Dage gen. mgr. W. G. Gordon estimated that industry-wide sales of CCTV equipment now total some \$25 million annually. However, he added, very few companies are making any profit although "millions have been spent in research & development over the past 10 years. In the past 5 years we've spent well over \$1 million." Gordon said the increases were the first in 5 years and "long overdue."

**Experimental Translator Granted:** Byron W. St. Clair, New Rochelle, N.Y., has been given an FCC CP to experiment with a Ch. 12 translator, moving it around the state to determine coverage capabilities.

## Networks

**ABC Bounces Back in MNAs:** After lagging behind CBS-TV in recent "multi-network area" Nielsen reports (Vol. 17:26 p6), ABC-TV whizzed under the rating wire once more in first place as the 1960-61 season drew to a close. This was evident in Nielsen's 2nd June report, the last 50-market MNA study prior to the start of summer reruns & replacements.

The MNA scores for the 3 networks in the 2-week period ending June 18, 1961 (Sun.-Sat., 6-11 p.m.): ABC—14.9 AA rating. CBS—14.3. NBC—12.0.

There was no particular program pattern in the end-of-season victory, ABC pointed out. The network landed 6 shows in the top 10 in the 50-market MNAs (including a tie for 10th place between *The Flintstones* & *77 Sunset Strip*). Of this group, 3 were mystery dramas (*Untouchables*, *Naked City*, *77*) & 3 were comedies (*My 3 Sons*, *Real McCoys*, *Flintstones*). Half the shows in the group were program veterans with at least one prior season on the air; the other half were newcomers.

"Since a number of CBS comedies and such NBC shows as *Perry Como* are off during the summer, we have every reason to believe that we'll hold this competitive lead up to & beyond the start of the 1961-62 season," ABC research mgr. Fred Pierce told us last week. In any event, ABC is hedging its bet in one future direction. Although ABC has been generally regarded as the electronic haven for the fast-drawing lonesome cowboy, this won't be as true this fall as in past seasons. A check of fall schedules reveals that ABC will have only 4 "pure" Western shows (2½ hours weekly) during the 1961-62 season, as against 5 Western (4 hours) on CBS and 6 (5½ hours) on NBC.

On the national scene for the 2nd of Nielsen's June reports, things weren't as good for ABC. CBS racked up its 142nd win in national nighttime averages in the last 144 reports. The national AA scores for the 2 weeks ending June 18: CBS—15.0. ABC—13.6. NBC—12.8. This represented a CBS national margin of 10% over ABC and 18% over NBC. This was less than the 14% & 23% margins CBS had anticipated on the basis of slide-rule figuring beforehand, but it was still a substantial win. Interestingly, CBS also beat out ABC in the Nielsen 24-market report, although it lost to ABC in the 50-market figures. The combined 24-market figures for the 2 weeks ended June 18: CBS—14.5. ABC—13.8. NBC—11.8. What it all boiled down to was that ABC had lost to CBS in the 24-market and the national ratings, but had won in the 50-market study, a research area which falls somewhere between the two, and which represents some 60% of all U.S. TV homes.

### NETWORK SALES ACTIVITY

#### ABC-TV

Feathertop, Thu., Oct. 19, 8:30-9:30 p.m., full-sponsorship.  
*Mars* (Needham, Louis & Brorby)

#### CBS-TV

Checkmate, Wed., 8:30-9:30 p.m., participations eff. Oct. 11.  
*Liggett & Myers Tobacco* (J. W. Thompson)

Daytime programming, Mon.-Fri., participations eff. fall.  
*Alberto-Culver* (Compton)  
*Drackett* (Young & Rubicam)

**BBG Disaffiliates 2 CBC Dissidents:** The Board of Best. Governors set precedent last week by approving requests of CHCH-TV Hamilton and CJSS-TV Cornwall to cut their network ties with CBC (Vol. 17:26 p7). The Canadian network had opposed both applications for disaffiliation.

CJSS-TV's release from its CBC obligations is effective September 30 and was granted because of financial difficulties. In its application, the Cornwall station said it planned to join Canada's new private TV network and would share programming with its parent stations CJOH-TV Ottawa and CFCF-TV Montreal.

CHCH-TV's disaffiliation date will be set later. Its separation from CBC was allowed on grounds that CHCH-TV duplicates other CBC coverage in its area and is, therefore, not essential to the national broadcasting service. CHCH-TV Pres. Ken Soble had said some weeks ago (Vol. 17:22 p13): "We don't want to belong to any network. We just want to offer viewers some variety and get away from this program duplication in our viewing area."

In other actions BBG:

Granted CBC a TV station at Grand Prairie, Alta., and a rebroadcasting station at Peace River, Alta.

Reserved decisions on CBC applications for TV at Dryden, Ont. and a repeater at Sioux Lookout, Ont.

Granted applications for rebroadcast stations to CKVR-TV Barrie, Ont. at Parry Sound, Ont.; to CKRS-TV Jonquiere, Que. at Port Alfred, Que.; to CFCR-TV Kamloops, B.C. for rebroadcasters at Ashcroft, Chase, Lillooet, Merritt, Clinton (2) and Mount Timothy (2)—all in B.C.

**NBC Switches Program Chiefs:** Although there'll be no visible effect on NBC-TV programming until at least the middle of the 1961-62 season, when the first program replacements are made, NBC will have a new TV programs vice president this fall. Replacing David Levy, who currently holds the job, will be Mort Werner, who joined NBC in 1951 as the original producer of *Today* and left the network in 1957 as daytime-TV program vp. More recently Werner has been a vp of Kaiser Industries and TV-radio vp of Young & Rubicam (the ad agency from which David Levy came to NBC). He is the first of "Pat Weaver's boys" to return to the networks.

Levy has been offered an NBC post in which he'll be concerned with program production, possibly involving such NBC-produced series as *Bonanza* and various entertainment specials. Was the switch made because of nighttime rating victories scored by ABC and CBS, usually at NBC's expense, this past season? NBC denied that it was, with one network spokesman saying "our rating position at this time is a little better than it was a year ago."

At Y&R, Charles (Bud) Barry, onetime NBC executive and recently with NTA & MGM in program executive posts, has been named to replace Werner as TV-radio vp.

**Holiday Payoff for ABC:** There's nothing like a long July 4th weekend to restore that spring to the step & the determined gleam to the eye of a network salesman—or so ABC-TV learned last week. Back from the holiday, members of the ABC sales dept. pounded their Madison-Park-Lexington Ave. beats July 5 to produce just over \$1 million in sales during the working day. The score: 65 quarter-hour segments in various daytime shows sold to Nutri Bio Corp., a large "scatter plan" sale of minute participations to Maytag, and a 1961-62 participation series in *Ben Casey* to Minnesota Mining & Mfg. Co.

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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MARTIN CODEL  
*Associate Publisher*

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

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
 Annually—Spring Published Saturdays Published in January

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**Personals:** Jack Donahue, ex-national sales mgr., named gen. sales mgr. of KTLA Los Angeles . . . Saul Rosenzweig, ex-WLOS-TV Asheville, named vp & gen. mgr., KPLR-TV St. Louis . . . Ira Kamen, ex-Portland Industries Corp., named exec. vp, Teleglobe Pay-TV System.

William B. Monroe Jr., news dir., WDSU-TV New Orleans, succeeds Elmer Lower as mgr., NBC News Washington (Vol. 17:27 p17). Russ Tornabene promoted from Washington news supervisor to news operations mgr., N.Y. . . . Bob Martin named programming & operations dir., KPHO-TV Phoenix.

Herminio Traviesas, BBDO vp, named chmn., RTES membership committee, succeeding T. J. McDermott, now a member of the board of governors . . . James E. Fuchs promoted from N.Y. sales mgr., NBC Films, to the sales dept. of NBC-TV; he was world shot-put champion in 1949, won medals in the 1948 & 1952 Olympics . . . David Steel, Washington engineering consultant, changes phone to 373-3173 . . . Willis C. Beecher, Washington engineering consultant, establishes offices at 1413 K St. NW. (phone 393-5621); Beecher and the former Roberta Kilduff Hooker were married June 22.

**Meetings This Week:** National Assn. of TV & Radio Farm Directors summer meeting (July 9-13). Speakers include Secy. of Agriculture Orville L. Freeman, NAB Pres. LeRoy Collins, FCC Chmn. Newton N. Minow, Food & Drug Administration Comr. George Larrick • NAB Seminar (9-21). Harvard Graduate School of Business Administration, Boston, Mass. • NBC-TV Affiliates promotion mgrs. meetings. N.Y. (10), New Orleans (11), Chicago (12), Los Angeles (14).

**Meetings Next Week:** S.C. Assn. of Bcstrs. summer convention (July 16-18). Speakers include FCC Comr. Robert T. Bartley and Howard G. Cowgill, ex-chief of FCC Broadcast Bureau. Ocean Forest Hotel, Myrtle Beach, S.C.

### Obituary

Henry Doorly, 81, retired pres. & chmn. of the Omaha World-Herald (owner of KETV Omaha, Neb.), died June 26 of a heart attack.

## Technology

**Montreux Repeat Planned:** The May 17-21 International Festival of TV Arts & Sciences in Montreux, Switzerland—first of its kind—was so successful that the International Telecommunications Union & other promoters of the event have scheduled another symposium for 1962.

The 2nd series of international technical sessions will be held in Montreux April 28-May 4 next year, with the ITU's John H. Gayer again acting as chairman. He said the initial event was of "such international & technical importance" that it should be repeated annually.

More than 300 participants from 32 countries were registered for the May festival, at which 50 technical papers on a wide range of TV topics were read.

RCA engineering vp George H. Brown represented RCA Chmn. David Sarnoff, who was awarded a Montreux citation for his "outstanding contributions to the advance of TV." He read Sarnoff's acceptance speech, in which the broadcasting pioneer took a characteristic TV look ahead: "Ten years hence, it is conceivable that a billion people in virtually every nation on earth will be watching the same program, at the same time & in color, with simultaneous translation techniques making it understandable to all."

U.S. TV studio equipment exhibitors at the festival included Ampex, Austin, Corning, Eraser Co., MCA Inc., Raytheon, RCA, Telechrome, Temco.

## Foreign

**South American TV Progress:** As reported by Motion Picture Export Assn. vp William H. Fineshriber after a 5-week Latin American tour, here are highlights of the growth of commercial TV in 3 countries:

(1) Chile, which now has 3 experimental stations, will get 3 commercial outlets in Santiago in the next 12-18 months, probable licensees being the newspaper *Mercurio*, Radio Minería and the Assn. of Radio Bcstrs.

(2) Colombia, whose TV has been a govt. monopoly, with 14 repeater stations relaying programs of Televisora Nacional in Bogota, has authorized 2 commercial channels in Bogota for 1962, to be operated by the largest radio outlets, Emisora Nuevo Mundo and Nueva Granada. Privately operated stations are also scheduled for Cartagena & Baranquilla.

(3) Peru's commercial TV has seen "impressive growth," with Lima's 2 biggest ad agencies reporting that more than 30% of total client budgets is spent on TV. A new commercial outlet, due in Lima in October, will be operated by a group consisting of Radio America, *La Cronica* newspaper and the Prado banking interests.

## Educational Television

**GE Gets ETV Contract:** The Greater Washington Educational TV Assn. has awarded GE a contract to equip its proposed new Ch. 26 station (Vol. 17:27 p5). A 12-kw transmitter & 5-bay antenna will be installed at WTTG's former tower site in nearby Arlington, Va. Equipment in studios in Arlington's Yorktown High School will include 3 vidicon cameras, test apparatus and monitors.

"Classroom TV Enters a New Era": Copies of a special article describing the Midwest Program on Airborne TV Instruction (MPATI), as reprinted from the magazine's May 20 Education Supplement, are available from *Saturday Review*, 530 5th Ave., N.Y. 36.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MUSIC SHOW TO LAUNCH FM STEREO:** A fortuitous combination of time & place will make next week's Music Industry Trade Show (July 16-20) one of most significant consumer-electronics events since early days of TV. The NAMM-sponsored show, more important to consumer electronics each year, will mark the real introduction of FM stereo.

Enough time has now elapsed since FCC's April 19 decision to allow most manufacturers to have working prototypes of FM stereo receivers—at the very least—and to have formulated merchandising plans, price policies, etc. Chicago, coincidentally, is today the nation's center of stereo FM broadcasting. It's the home of 2 of the 3 stations now stereocasting, and presumably attendees at the show will have the opportunity to hear off-the-air stereo, in addition to stereo "broadcast" locally at some exhibits through closed-circuit stereo FM generators.

FCC Comr. Lee will officially lay the cornerstone for FM stereo at special symposium sponsored by EIA Consumer Products Div. July 19 at the show. Program will be moderated by EIA Consumer Products Chmn. Edward Taylor, Motorola exec. vp, with Lee talking on "What FCC Expects from FCC Stereo." Also participating will be NAB radio vp John F. Meagher discussing "What FM Broadcasters are Doing About Stereo" and Zenith & GE representatives who will explain technical advantages of the new medium. This will be followed by manufacturers' panel on marketing opportunities, a multiplex demonstration and a question period for dealers.

Music Show will be the occasion for the release of EIA's stereo promotion booklet, "The Facts About FM Stereo—A New World of Broadcast Sound" (Vol. 17:22 p16). EIA will distribute 100,000 copies of the non-technical brochure to dealers & servicemen to help them answer consumers' questions.

Virtually all stereo phono manufacturers will be showing multiplex equipment—and this includes many imports. Two German lines—Blaupunkt & Saba—will have stereo table radios in addition to their phono-stereo-FM lines (Blaupunkt's FM stereo adapters are made by Crosby Electronics).



Music Show has become a big TV event, and this year it will feature 10 U.S. TV manufacturers. All except Westinghouse have previously shown their 1962 lines to distributors and/or dealers.

Two foreign brands of TV will try to crack U.S. market for first time at Music Show. Big Canadian manufacturer Dominion Electrohome Industries, which has sold stereo phonos to some key U.S. accounts in the past, will show a complete consumer-electronics line under the "Deilcraft" brand. TV sets will be priced at \$259.50-\$895, stereo hi fi \$339.50-\$895. Dominion plans to work on direct dealer-franchise basis.

Novelty item of show will be the return of projection TV—a 4½-ft.-screen model to be shown by Saba Electronic Corp. for home use. Saba will premiere complete new line of German-made super-deluxe stereo phonos & radios, including remote-control stereo multiplex. Officials of Saba and its sales rep Kane-Mark Corp. declined to give details on the projection TV set prior to the Music Show.

(For list of Music Show consumer electronics exhibitors, see p. 16.)

**TV-RADIO PRODUCTION:** EIA statistics for week ended June 30 (26th week of 1961):

	June 24-30	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	132,326	137,655	106,310	2,800,817	2,963,044
Total radio .....	324,846	350,684	285,651	7,530,003	8,524,520
auto radio .....	93,187	110,338	98,471	2,394,618	3,323,092

**TOP TV BRANDS-IN-USE IN 19 MARKETS:** Direct comparisons of TV-set brands-in-use in selected markets have been compiled for 1961 by Consolidated Consumer Analysis, and are reproduced below by special permission.

Consumers' use of various products, from lipstick to house paint, is surveyed by sampling techniques in the home markets of CCA member newspapers each year. The 19-market TV survey tabulated here ranks 13 brands according to percentage of households owning them in the various markets.

Study covers all sets owned in homes of consumers responding—not just recent purchases. Therefore, popularity in 1960 & 1961 of various brands isn't reflected very strongly. The 1961 survey used total sample of 55,582 families, representing 2,891,488 households in 19 markets.

RCA was No. 1 TV brand in use in 18 of the 19 markets, Zenith first in one (Honolulu). Rankings of 2nd & 3rd most popular brands in the 19 markets (compared with survey results for same 19 markets in 1960): RCA, 2nd in one market (none last year); Zenith, 2nd in 4 markets, 3rd in 5 (2nd in 3, 3rd in 3 last year); Philco, 2nd in 3, 3rd in 4 (unchanged); Admiral, 2nd in 7, 3rd in 5 (unchanged); Motorola, 3rd in one (2nd in one, 3rd in 2); GE, 2nd in 2, 3rd in 4 (2nd in 4, 3rd in 3); Hoffman, 2nd in 1 (unchanged); Packard Bell, 2nd in 1 (3rd in 2).

Median set saturation in the 19 markets for 1961 was 96.2%, compared with 96.3% in 1960 and 94.4% in 1959. For comparisons of set ratings with past CCA surveys, check your back files of Television Digest—1960 (Vol. 16:35 p11), 1959 (Vol. 15:26 p16), 1958 (Vol. 14:28 p12), 1957 (Vol. 13:40 p10).

More detailed tabulations of brand preferences in individual markets will be found in Consumer Analysis reports published by each of the CCA member newspapers. These are the participating papers, each of which will supply its own area tabulations on request: Columbus Dispatch & Citizen Journal, Denver Post, Duluth Herald & News-Tribune, Fresno Bee, Honolulu Star-Bulletin, Indianapolis Star & News, Long Beach Independent & Press Telegram, Milwaukee Journal, Modesto Bee, Omaha World-Herald, Oregon Journal (Portland), Phoenix Republic & Gazette, Providence Journal Bulletin, Sacramento Bee, Salt Lake Tribune & Deseret News, San Jose Mercury & News, Seattle Times, St. Paul Dispatch & Pioneer Press, Wichita Eagle.

Ratings are not necessarily representative of country as whole, of course, reflecting only ownership in the 19 markets surveyed.

## Television Set Ownership in 19 Markets, 1961

(See story above)

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City	% of Owners	Bought in past 12 months	RCA Victor Place %	Zenith Place %	Philco Place %	Admiral Place %	Motorola Place %	GE Place %	Westing-house Place %	Packard Bell Place %	Sylvania Place %	Magna-vox Place %	Emerson Place %	Silver-tone Place %	Hoffman Place %
Columbus	98.7	19.5	1. 20.4	5. 8.3	2. 13.4	3. 12.0	4. 8.9	6. 5.3	7. 4.5	—	9. 2.4	10. 2.3	11. 2.2	—	—
Denver	96.4	10.6	1. 16.0	3. 10.7	5. 9.2	2. 11.8	4. 10.4	6. 9.0	12. 3.7	7. 6.3	17. 2.4	15. 2.7	9. 4.3	8. 4.4	13. 3.3
Duluth-Superior	98.2	10.5	1. 22.3	5. 7.6	3. 10.1	4. 9.0	9. 5.1	2. 14.7	7. 6.2	—	21. 1.0	13. 2.1	6. 7.1	10. 3.3	—
Fresno	93.8	15.0	1. 15.4	2. 10.4	4. 9.3	10. 4.7	3. 9.4	7. 7.5	11. 4.4	9. 6.8	13. 2.2	12. 2.7	8. 7.2	5. 8.0	6. 7.8
Honolulu	90.2	21.1	2. 17.3	1. 17.9	5. 9.2	7. 7.3	6. 8.2	3. 11.4	11. 2.8	9. 4.2	8. 5.4	12. 2.2	10. 3.5	4. 10.6	14. 1.5
Indianapolis	96.0	12.6	1. 16.8	4. 9.0	3. 9.9	2. 13.6	5. 7.3	6. 6.6	8. 4.8	—	6. 6.6	11. 2.4	13. 1.8	9. 3.9	—
Long Beach	97.5	12.3	1. 18.8	5. 9.3	8. 8.1	3. 10.7	10. 5.5	4. 9.8	13. 2.0	2. 11.5	14. 1.9	9. 7.6	11. 3.0	7. 9.0	6. 9.1
Milwaukee	97.1	16.0	1. 27.1	4. 9.8	3. 10.0	2. 17.2	5. 9.7	6. 7.1	10. 3.4	—	12. 2.7	9. 3.7	11. 2.9	8. 4.7	—
Modesto	92.1	15.2	1. 13.0	5. 10.0	3. 10.9	8. 4.8	7. 7.0	6. 7.2	11. 3.4	9. 4.3	12. 3.1	15. 2.0	10. 4.1	4. 10.3	2. 12.3
Omaha	98.6	12.0	1. 21.9	3. 11.0	2. 16.2	6. 9.7	5. 10.0	4. 10.3	10. 3.6	—	16. 1.3	9. 4.3	8. 4.4	7. 4.6	20. 1.0
Phoenix	95.6	14.4	1. 12.4	5. 7.4	7. 6.1	2. 9.8	4. 7.4	3. 8.5	12. 3.4	10. 4.5	13. 3.3	11. 3.8	6. 6.4	8. 5.5	9. 4.7
Portland, Ore.	94.2	14.4	1. 16.6	2. 13.8	4. 9.2	3. 11.7	6. 8.3	5. 8.9	10. 4.0	7. 5.5	12. 2.6	11. 2.9	15. 1.9	9. 5.4	7. 5.5
Providence	97.3	12.4	1. 13.9	6. 7.5	2. 13.2	3. 10.8	5. 8.0	7. 7.4	8. 3.6	—	10. 3.2	9. 3.3	4. 10.1	12. 2.2	—
Sacramento	96.2	17.4	1. 18.7	3. 9.6	4. 9.3	8. 7.3	9. 6.2	2. 11.6	11. 4.3	6. 8.2	15. 1.8	12. 3.4	10. 4.7	5. 8.3	7. 7.4
Salt Lake City	95.5	12.5	1. 17.6	8. 5.3	4. 10.3	2. 13.3	5. 7.2	3. 12.7	6. 6.2	7. 5.9	12. 3.7	11. 4.3	14. 2.6	10. 4.4	9. 5.0
San Jose	96.3	17.9	1. 16.7	2. 10.5	6. 8.4	3. 10.0	5. 8.7	9. 5.7	12. 3.4	7. 8.3	13. 2.1	10. 5.2	10. 5.2	4. 9.3	8. 6.5
Seattle	95.2	16.2	1. 20.4	2. 10.7	8. 7.3	5. 8.5	6. 8.4	4. 8.7	11. 5.0	7. 8.1	9. 5.3	9. 5.3	13. 2.4	3. 9.5	12. 3.2
St. Paul	98.2	21.9	1. 22.2	3. 11.8	5. 9.4	2. 12.2	6. 8.9	3. 11.8	9. 3.8	—	—	12. 2.6	14. 2.1	17. 1.2	—
Wichita	95.9	8.6	1. 15.6	3. 11.0	4. 10.7	2. 14.3	6. 7.8	5. 9.5	9. 4.1	—	13. 2.2	8. 4.2	15. 1.8	7. 4.3	11. 3.4

**New Zenith Portable:** Royal 790 Super-Navigator with broadcast band, 150-400 kc band (FAA weather-navigation stations) and 2-5-mc. band (Bureau of Standards time signals, Naval & Coast Guard weather-navigation stations). It's priced at \$99.

**Clairtone Adds Braun Line:** Clairtone Sound Co., Toronto, which has been selling its Canadian-made hi fi to key accounts in the U.S., will also sell phonos & radios made in Germany by Max Braun Co. here under the Clairtone-Braun trade name.

**Music Show Exhibitors:** National Assn. of Music Merchants' Music Industry Trade Show in Chicago's Palmer House July 16-20 may well house the greatest number of consumer-electronics displays ever collected under one roof. Among the TV-radio-phono majors exhibiting at the show:

Arvin, Capehart, General Dynamics/Electronics (Stromberg-Carlson), GE, Magnavox, Motorola, Olympic, Philco, Pilot, RCA, Symphonic, Westinghouse, Zenith.

Other consumer-electronics exhibitors, including manufacturers of hi-fi sound equipment, record changers, importers, etc.: American Elite, Audio Industries, Audiotex (Textron Electronics), Bell Sound (Thompson Ramo Wooldridge), Boetsch Bros., BSR (U.S.A.) Ltd., Canadian Marconi, Clairtone Sound Corp., Consolidated Sewing Machine Corp. (Viscount radios), Continental Merchandise Co., Dean Electronics, Delmonico International, Dominion Electrohome, Dynavox, Electro-Voice, Estey Electronics, Fisher, Fujiya, General Magnetics & Electronics, Glaser-Steers, Jay Electronics, Kenwood Electronics.

Majestic International, Major Electronics Corp., Matsushita of America, North American Philips, Pentron, Petely Sales Corp. (Hi-Delity radios), Radiomaster, Real-tone Electronics, Recordio-D.A.P. Inc., Annapolis Electro-acoustic Corp. (Ravenswood), Sony of America, Spico Electronics (Spirling Products), Starlite Merchandise Co., Sterling Hi-Fidelity, Superscope (Sony recorders), Tele-tone Co. of America, Transistor World Corp. (Toshiba), Uropa International, V-M Corp., Videola-Erie, Waters Conley, Webcor, Westrex Alpine, Saba Electronics.

**New Japanese Color Tube:** Toyo Electric Industry Co., Tokyo, claims it will begin production this fall of 14-in. color sets which can sell at half the price of conventional receivers. Heart of the set is a new color tube developed by Isokichi Nagao, chief of the Nagao Research Institute, Fukuoka. First fragmentary descriptions of the tube indicate that the screen is coated with Helium, Xenon & Argon gases, each of which glow with a different color when excited by RF. The color effect is obtained by varying drive voltages between 6,000 & 50,000 volts at frequencies from 2,700 to 3,000 mc. The electron beam "punches" 750,000 holes in the gases; the holes close themselves after the color is emitted. The principle is a sophisticated application of the principle of the neon tube. Color TV engineers in the U.S. were skeptical on the basis of early descriptions of the tube, pointing out that such high drive voltages would be extremely difficult to obtain economically, particularly with a rapid switching rate, and could cause dangerous X-rays. Toyo, a manufacturer of power equipment, has not previously been in the TV business.

**RCA Color TVs to Japan?** Tokyo-based Okura Trading Co. is seeking the approval of the Japanese govt. to import 5,000 RCA color TVs, July 5 *Home Furnishings Daily* reported. Turn-about aspect of the unusual deal is that Japanese TV manufacturers reportedly are up in arms and urging the government to reject or limit the imports because of unfair competition. Their beef: Even with freight, tariff and all other import costs, the RCA 21-in. sets will come in ticketed substantially under the current \$1,000 price of low-end made-in-Japan 17-in. color TVs.

**New Westinghouse Radios & Phonos:** Being dropped into 1962 lines are 3 new clock radios at \$19.95, \$29.95 & \$39.95; a "summer special" promotional table radio at \$14.95; 7-transistor miniature at \$25.95; broadcast-marine-SW portable at \$79.95; portable stereo at \$79.95 & \$99.95.

**Decline in Electronics From Britain:** The recession and increasing imports from Japan & Germany apparently took their toll on 1960 British exports of electronic products to the U.S. They dropped 10% from their 1959 record of nearly \$22 million to a total of \$19,645,000. The U.S. Commerce Dept.'s Business & Defense Services Administration reported that shipments of record-playing mechanisms, which previously accounted for more than one half of the total exports of electronic equipment to the U.S., dropped 34% from \$12.4 million in 1959 to \$8.1 million in 1960.

Gains were shown in exports of tubes & components and commercial & industrial equipment. Here are comparative figures for 1960 (with 1959 in parentheses) on exports of electronic products from U.K. to U.S.:

Radios, \$200,000 (\$292,000); radio-phonos, \$190,000 (\$232,000); speakers & microphones, \$699,000 (\$532,000); phonos & record players, \$362,000 (\$147,000); phono parts & accessories, \$727,000 (\$1,207,000); record playing mechanisms with record changer, \$7,920,000 (\$11,739,000); without changer, \$219,000 (\$623,000); tubes, \$2,501,000 (\$2,381,000); tube parts, \$306,000 (\$97,000); components, \$1,458,000 (\$1,243,000); communications, navigation & radar equipment, \$2,813,000 (\$2,178,000); other, \$2,250,000 (\$1,303,000). Total: \$19,645,000 (\$21,974,000).

Despite the decline in shipments to U.S., British electronics exports to all countries increased to \$163 million in 1960 from \$155 million in 1959. U.S. remained the largest single market, runners-up being Canada (\$13 million), Australia (\$10 million) and the Netherlands (\$9 million).

**Matsushita becomes "Panasonic":** That's the new U.S. trade name for radios produced by Matsushita in Japan and imported by Matsushita Electric Corp. of America. Six Panasonic radios are being introduced by Matsushita, which will gradually switch to the new name.

**Foreign TV Exhibitions:** French Radio & TV Exhibition, sponsored by Radiodiffusion Television Francaise and the Federation Nationale des Industries Electroniques, Sept. 14-25, Parc des Expositions, Paris. (For information, write S.D.S.A., 23 Rue de Lubeck, Paris 16e.) • West German Radio, TV & Phono exhibition will be resumed, after an interruption of 22 years, Aug. 25-Sept. 3 at the West Berlin municipal fair grounds. Participation will be limited to German firms. (Illustrated brochure available from Trade Development Div., Bureau of Foreign Commerce, U.S. Commerce Dept., Washington 25.)

**TV Sets Which Broadcast:** Two unique features will be incorporated into some models of Westinghouse's new TV line, due to be unveiled next week at the Music Industry Trade Show in Chicago: (1) "Wireless remote speakers"—a provision for picking up the sound from the TV set on any standard AM radio. (2) "Instant start"—a feature on portable sets which accomplishes almost instantaneous start of picture & sound by eliminating the warm-up period. When the set is turned off the tubes are kept warm at half power. This feature also is said to lengthen tube life by eliminating the damaging power surge when the set is turned on. Some of Westinghouse's recent FM sets have had circuits in which tube filaments were constantly heated.

**Bankruptcy Petition Filed:** Shell Electronics Mfg. Co., Westbury, N.Y. maker of hi-fi components, citizens band radio & test equipment, has filed a petition under Chapter XI of the Bankruptcy Act. Liabilities were listed as \$491,000, assets \$390,000.

**TOP 100 DEFENSE FIRMS:** The increasing dominance of electronics in defense-contract expenditures is dramatized in the Defense Dept.'s just-released list of the 100 largest prime military contractors of 1960. The comparison with 1959 indicates an increase in dollar volume for most companies identified with electronics.

General Dynamics was the largest single prime contractor for the 2nd year in a row. In addition to the electronics firms, all other companies in the top 10 were primarily aircraft companies—most of which also are heavily in the electronics business. The aircraft companies in the top 10 not tallied below were Lockheed (2nd place), North American Aviation (3rd), Boeing (5th), United Aircraft (6th), Martin (7th). Prime contracts for aircraft, missile systems & electronics account for 61 of the top 100 firms.

From the Pentagon's top-100 list for calendar year 1960, we've compiled this summary showing standings of prominent electronics firms, compared with 1959. (Subsidiaries included; dollar figures in millions; dash indicates firm was not among top 100 in 1959.)

	1960		1959	
	Contracts	Rank	Contracts	Rank
General Dynamics .....	\$1,294.7	1	\$1,491.1	1
GE .....	964.1	4	915.7	5
AT&T .....	501.9	8	501.4	9
Hughes Aircraft .....	437.6	9	322.7	13
Raytheon .....	374.2	10	369.5	11
RCA .....	364.8	11	303.2	15
Sperry-Rand .....	318.0	15	318.7	14
IBM .....	312.1	16	262.5	17
Bendix Corp. ....	274.3	18	279.9	16
Westinghouse .....	269.5	19	220.5	18
Avco .....	193.2	23	199.6	20
ITT .....	188.3	24	156.9	24
Northrop Corp. ....	158.0	26	83.5	41
Burrroughs .....	122.7	28	117.9	30
Philco .....	101.4	33	102.1	35
Thompson Ramo Wooldridge .	100.9	34	133.0	29
Collins Radio .....	99.0	35	116.4	32
Minneapolis-Honeywell .....	84.3	37	94.8	37
Gen. Precision Equipment ...	83.0	39	77.6	44
American Bosch Arma .....	82.4	40	98.2	36
Mass. Inst. of Technology ...	80.9	41	64.7	48
Ling-Temco Electronics .....	76.9	44	—	—
General Telephone & Elec. ..	52.6	55	51.9	58
Laboratory for Electronics ..	48.9	58	32.9	78
Lear Inc. ....	43.7	62	37.9	67
Magnavox .....	43.5	63	34.9	71
Sanders Associates .....	41.9	66	—	—
Motorola .....	38.0	68	25.0	93
System Development Corp. ..	32.8	73	—	—
Gilfillan Bros. ....	28.6	84	24.0	97
Litton Industries .....	27.2	91	25.9	92
Hallcrafters .....	26.9	92	—	—
Hazeltine .....	25.0	97	54.2	56

**RCA & APEP Settle On 4-Year Pact:** An 11th hour settlement July 1 forestalled a scheduled walkout by some 2,500 members of the Assn. of Scientists & Professional Engineering Personnel at 4 RCA plants in Camden, Moorestown and Pennsauken, N.J. and Croydon, Pa. (Vol. 17:27 p21). A new 4-year contract, with a wage re-opener June, 1964, provides for an immediate 2½% wage increase and similar boosts in 1962 & 1963. Among other benefits, the maximum rate of all occupations will be raised 2% in Dec. 1962, and an additional 2% the following December.

**FTC Case Settled:** Central Electronics Inc., 1247 Belmont Ave., Chicago, has agreed to an FTC stipulation preventing it from representing—"in connection with the sale of radio transmitters"—that unavailable products are on hand for immediate purchase by the public.

**Mergers & Acquisitions:** Davega Stores and Wilcox-Gay will merge (Vol. 17:26 p19) via a share-for-share exchange of stock, subject to stockholder approval. Davega will be the survivor, but the combined company probably will be renamed. Davega operates 25 stores & discount centers in N.Y. & N.J. Wilcox-Gay is the parent of Majestic International, importer of Grundig-Majestic TVs, radios, phonos. Davega Pres. Joseph Axler and Wilcox-Gay Pres. Leonard Ashbach predicted that the combined company's first-year sales would top \$35 million.

Other merger news last week:

Westinghouse will acquire Thermo King for \$32.5 million in stock, subject to the approval of stockholders of the Minneapolis-based maker of refrigeration equipment for trucks, railway cars and missiles. The proposed amalgamation calls for the swap of 7 Westinghouse shares for each 9 of Thermo King. The latter will be operated as a wholly-owned Westinghouse subsidiary with its present management & facilities.

Ling-Temco Electronics and Chance Vought stockholders last week approved the merger of the 2 companies, effective August 31 (Vol. 17:27 p23). The combined organization will be named Ling Temco Vought Inc. Robert McCulloch, Ling-Temco chmn. & chief executive officer, will have the same titles in the new company. Ling-Temco Pres. James J. Ling will become chmn. of the exec. committee. Ling-Temco exec. vp Clyde Skeen will retain the same title. Chance Vought Pres. Gifford K. Johnson will become president of the amalgamated concern.

Ling-Temco Electronics and Pye Ltd. of Cambridge, England have jointly formed Pye-Ling Ltd. to market environmental test systems in Europe. The new concern will have its hq in Stanmore, England.

Pacific Industries will acquire in a stock exchange privately-owned Reliable Steel Supply, Los Angeles distributor of heating, ventilating and air-conditioning equipment.

Pentron Electronics, Chicago maker of tape recorders, electronic components & devices, has acquired Southern Electric, Hammond, Ind. manufacturer & distributor of motor coils. Also acquired were several affiliates. Southern will be operated as a wholly-owned subsidiary. The acquisition involved the exchange of 1,125,000 Pentron common shares for all Southern outstanding common.

**New Plants & Expansions:** Muntz TV has moved into a new \$1-million, 75,000-sq.-ft. hq plant at Wheeling, Ill. Production of TVs, radios and stereo phonos will be initiated July 17, when employees return from a 2-week vacation. Muntz's Evanston, Ill. plant will be closed as soon as all production equipment has been transferred • Collins Radio's Western operation has been consolidated in a new multi-million-dollar communication & data-processing R & D center at Newport Beach, Cal. The Information Science Center is the first of various R & D and manufacturing facilities planned for the 100-acre site.

**"Butterfly-Wing" Antenna:** Flexible printed-circuit TV antenna, the "Mite-Site," shaped like a 5-ft. butterfly, will be sold nationally at about \$3, according to B. F. Goodrich Co., which supplied the Koroseal vinyl material on which the silver circuit is deposited. The inventor, canvas manufacturer Frank Higgins, is reported to have established RF Industries to make the antenna, which can be installed in the attic, on the wall or under the rug. Somewhat similar printed-circuit antenna has been made & marketed by Jerrold Electronics for more than a year.

**Semiprofitable Semiconductors:** "Manufacturers of transistors, semiconductors and rectifiers are caught in a wave of price cutting & falling profits despite a continuing upturn in sales," reported July 6 *Wall St. Journal*, adding:

"The extent of the price cutting is clear. In 1959, the average price of a transistor was \$2.70, it's estimated. By the first quarter of 1960 the figure had dropped to \$2.44. The average was cut to \$1.93 in this year's first quarter.

"Part of the price trimming is a result of technological advances being made in the manufacture of the tiny devices. But much of the cutting can be traced to a competitive scramble for customers stemming largely from a production overcapacity which has developed in recent years. In addition, rising imports, especially from Japan, are aggravating the situation."

The *Journal* quoted U.S. Transistor Corp. Pres. Irving Ross: "We're selling germanium transistors for entertainment devices for as low as 25¢ each. That's low enough to compete with Japanese transistors but there's no profit margin at all on that particular transistor."

The newspaper report continued: "Transistor makers are hoping that growing volume generated by lower prices will compensate for lower per-unit profits. Currently, however, with competition so stiff, this isn't happening, and manufacturers are intensifying their cost-cutting efforts." Among the efforts: stepped-up mechanization of production, intensified quality control.

However, the report pointed out, manufacturers are reluctant to automate production on a grand scale, à la Philco which "has nearly fully automated several production lines." Explaining a prime reason for reluctance, Clevite vp C. B. Hoffman noted: "You've got to do some real inspired crystal-ball gazing to determine whether the type of device you're producing will be in demand long enough to amortize the capital expense involved."

The downbeat summation: "Compounding the problems facing manufacturers is the realization that it's no longer possible to develop a device, put it on the market and watch sales soar."

\* \* \*

**Raytheon Dedicates Semiconductor Plant:** New 116,500-sq.-ft. facility at Lewiston, Me. was officially opened June 19. The transistor plant has been in production since March, employs 900, expects to expand to 1,500 by fall.

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**"TV Doorman" Installation:** What may be the largest TV doorman installation has just been completed by Bell Television Inc. in a Brooklyn apartment building. A 112-unit apartment building at 415 Argyle Rd. is equipped with 132 built-in 5-in. monitors (at least one in each apartment, 2 in duplexes). When a visitor rings a tenant's bell in the lobby, the TV screen is automatically turned on and the visitor can be identified & admitted. Bell, which specializes in distribution systems and various types of apartment closed-circuit (such as installations in automatic elevators), is now experimenting with compact 8-in. Japanese TV sets (made by Nichi-Bei-Kogyo) for apartment-house lobby monitors, Pres. Martin Sugar told us.

**Emerson Sales Up:** Joining other manufacturers that are reporting pickups in orders & sales, Emerson last week announced that its June TV-radio shipments were higher than those of any other June in the last 7 years. Arnold Henderson, sales director for the Emerson Div. of Du Mont Emerson Corp. said orders placed by distributors at the company's June convention for TV were 112% greater than at last year's convention, while radio was 122% ahead.

**Trade Personals:** Dr. L. Curtis Foster, research dir. of Zenith Radio Research Corp., Menlo Park, Cal., named vp of the Zenith Radio subsidiary . . . Dr. Carl E. Barnes resigns as research vp, Minnesota Mining & Mfg. . . Rear Adm. Chester W. Nimitz Jr. (U.S.N. ret.) promoted from mgr., Texas Instruments industrial products group, apparatus div., to vp & gen. mgr., instrument div.

Neil M. Blair named pres., FXR div. of Amphenol-Borg . . . Fred H. O'Kelley, ex-Raytheon, named distributor product sales mgr., Westinghouse electronic tube div., succeeding W. F. Baker, named staff asst. to the div. mgr. Carmen E. Ramich promoted from engineering mgr., Westinghouse's Horseheads plant, to new post of industrial & military equipment sales mgr. Frederick H. Townsend, ex-Raytheon, named to new post of mgr., entertainment-equipment sales.

Charles R. Green, ex-Admiral, appointed chief engineer, General Dynamics/Electronics military products div. communications lab . . . Dr. Raymond M. Wilmotte appointed project mgr. to head RCA's development & construction of the Relay experimental communications satellite . . . Harold E. Felix named vp & engineering dir., Midwestern Instruments . . . Irwin Hecht, ex-pres., Hecht Electronics, named sales vp, Terminal-Hudson Electronics.

Murray G. Crosby named chmn. & research dir., Crosby-Teletronics, Robert Marston elected pres.; Harry M. Frey promoted from mktg. vp to exec. vp, John C. Simmons from asst. to the exec. vp to asst. to the pres., Leonard Feldman from engineering vp of Crosby Electronics Corp., a wholly owned subsidiary, to engineering dir. of the parent company; Ben Goldner named mfg. dir. . . Stanley E. Benson named mgr. of long-range planning, General Dynamics/Electronics mktg. div. . . Raymond Hamada, ex-Telecomputing, has been named sr. operations vp, Houston Fearless.

■

**Electronics Newsletter Discontinued:** *Radio-Electronics Weekly Business Letter*, published for the last 11 years by the promotion department of Gernsback Publications' *Radio-Electronics* magazine and widely circulated in the electronics manufacturing & marketing business, ceased publication with the July 5 issue. The publisher informed subscribers that "the manpower required to produce the *Weekly Business Letter* is urgently needed for new promotional activities and can no longer be spared."

**Langmuir Works Published:** *The Collected Works of Irving Langmuir*, the late GE research scientist, have been published in a 12-volume set with a biography, by Pergamon Press, N.Y. (\$150 for 12 volumes, \$15 each for Vols. 1-11, \$9 for Vol. 12).

### Obituary

Morris M. Gruber, 78, a pioneer in the fields of sound recording and facsimile transmission, died July 4 in N.Y. of a heart attack. In 1915 he founded the Presto Machine Products Corp. in Brooklyn, manufacturer of Sonora phonographs. The company later became the Presto Recording Corp. and was the first to sell home recording machines. They used acetate discs, which Gruber introduced into this country and which became extensively used for records & radio transcriptions. He retired 2 years ago from the descendant of Presto, the Bogen-Presto Co., now a division of Sieglar. Early in his career, Gruber, a mechanical engineer, developed a sound-on-film system for Dr. Lee De Forest's General Talking Picture Corp. (see p. 3). He also built Rayfoto facsimile equipment.

**Hoffman Sues 2 Textron Subsidiaries:** A piracy-of-secrets suit has been filed in Los Angeles Superior Court by Hoffman Electronics against Heliotek Corp. and parent Textron Electronics. Hoffman charged that the 2 Textron Inc. subsidiaries "hired away" 3 of its engineers last February "in order to obtain trade secrets & confidential information" about Hoffman-developed solar cells. Hoffman is seeking "undetermined" damages and a permanent injunction to prevent the engineers from disclosing its solar cell secrets.

**EIA Changes Tax Position:** The electronics manufacturers' organization last week wired House Ways & Means Committee Chmn. Mills (D-Ark.) that it "strongly supports" a tax-incentive plan for plant modernization which would provide a flat 10% credit on investment in new plant & equipment. EIA previously had maintained a position of neutrality toward investment credit as provided in a tax proposal submitted to the Committee earlier.

**Wage Floor Fixed:** Effective July 26, govt. contractors in the electronic component parts industry must pay their employes at least \$1.23 per hour. Proposed in May under the Walsh-Healey Act by the Labor Dept.'s Wage-Hour Div. (Vol. 17:21 p19), the minimum wage was set in a June 26 order by Labor Secy. Arthur Goldberg.

## Finance

**Stock Offering Suspended:** Broadcast International Inc., 3 W. 57th St., N.Y., has been slapped by SEC with an order temporarily suspending Securities Act registration exemptions for a proposed public offering of 60,000 common shares at \$5 per share. Organized in July 1960 to produce TV & radio programs for independent & foreign stations, the company applied to SEC in June for Regulation A exemptions. According to SEC, a circular describing the stock offering violated anti-fraud provisions of the law by providing "false & misleading information" to prospective buyers. In its suspension order, SEC cited: (1) "Failure to disclose that customers listed as current active accounts had ceased to deal" with Broadcast International. (2) "Failure to provide financial statements prepared in accordance with proper accounting principles." (3) "An overstatement of the number of programs which could be produced with the proceeds of the offering." (4) "A statement that Broadcast represented 150 TV stations." The SEC order also said the company "failed to disclose a material transaction with respect to the stock held by a controlling person & falsely named as an officer a person who was not an officer." SEC identified neither "person." In its SEC filing, Broadcast International named L. Nicholas Dahlman as pres. & promoter. Dahlman also was listed as founder in 1959 of the company's predecessor Broadcast Planning Corp. David Prowitt is Broadcast International vp and Ann Mannara is secy.-treasurer.

**Stock Listing Challenged:** "Accuracy & adequacy" of a 250,000-share stock registration filed by Kings Electronics Co. Inc., Tuckahoe, N.Y. (Vol. 17:10 p23), have been challenged by SEC in stop-order proceedings. The company, whose principal business is manufacture of radio frequency connectors, will be given a hearing July 19. SEC said it questioned Kings' statements involving: (1) Gifts of stock by Pres. Morton R. Weissman, 53% owner of the company. (2) "Formation, control and subsequent history" of subsidiaries Aviel Electronics Inc. and Ecco Electronics Components Corp. (3) Company earnings, "including the failure to reflect certain proceeds of the sale of scrap metal."

**Magnavox Posts First-Half Gains:** A 35-40% profit gain on a 20% sales rise was recorded by Magnavox during 1961's first half. Pres. Frank Freimann said sales rose to \$61.5 million from \$51.7 million a year ago. The year-ago profit was \$1.8 million (77¢ a share). For total 1961, Freimann forecast a sales gain to \$140-150 million from 1960's \$124.9 million—a profit rise to \$3.50-3.75 a share from \$2.76 last year. "Business this fall should be extraordinarily good for us in consumer products," he said, adding that 2nd-quarter sales of consumer products rose some 20% over a year ago. June's consumer sales alone were 40% ahead of June 1960, Freimann noted. Consumer products account for 60% of Magnavox sales; the govt. & industrial products division 40%. Freimann also reported that Magnavox would introduce in September a "comprehensive" line of about 20 new radios.

**S.O.S. Photo-Cine-Optics Inc., N.Y. firm** which makes & rents TV & movie production equipment, needs new financing for expansion of its business, it told SEC (File 2-18433) in applying for registration of a debentures-&-stock plan. Formerly called S.O.S. Cinema Supply Corp., the company plans offerings of \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares in units of \$10 of debentures & 10 shares. The SEC statement also covered 20,000 common shares underlying 5-year warrants sold to underwriter William, David & Motti Inc. and 20,000 shares underlying warrants issued to S.O.S. officers.

**Electronics Capital Corp. Offers Stock:** The San Diego-based small-business investment firm last week offered its stockholders 612,463 common shares valued at \$16,536,501. Holders may subscribe for the issue at \$27 a share in the ratio of one new share for each 3 held of record July 6. The subscription period ends July 21. Proceeds will be used for additional investments in small concerns.

**ECC Enlarges Portfolio:** Electronics Capital Corp., San Diego small-business investment firm, has added an 18th company to its portfolio with a \$600,000 investment in PM Electronics, San Diego. The investment comprises a \$350,000 long-term loan & the purchase of \$250,000 of 8%, 7-year convertible debentures (convertible into 33% of PM's total common stock). PM Electronics develops & manufactures a variety of solid-state ground-instrumentation, airborne-telemetry and audio amplifiers. ECC's commitments to its 18 portfolio companies top \$14.6 million.

**Gabriel's Electronics Div. for Sale:** Although it is now operating at a profit, compared with heavy losses in 1960, Gabriel's Electronics Div. at Millis, Mass. is up for sale. Controller & asst.-treas. Thomas A. Chervenak also reported recently that Gabriel expects to produce a profit in 1961, compared with 1960's loss of \$436,556 on sales of \$31.2 million. Diversified Gabriel's electronic products include microwave systems, radar antennas.

**York Research Corp., Stamford,** which makes specialty electronic tubes and conducts tests for radio noise & interference, plans public sale of 100,000 Class A shares to finance a new lab and buy equipment. An SEC registration statement (File 2-18397) said 75,000 of the shares would be offered through Allen & Co., 25,000 by present holders at prevailing over-the-counter prices.

**Douglas Microwave Co. Inc., Mount Vernon N.Y.** maker of microwave components, plans public sale of 100,000 common shares on an all-or-none basis through J. R. Williston and Beane & Hill, Darlington & Grimm. The company told SEC (File 2-18425) that most of the proceeds would be used to repay bank obligations.

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Belock Instrument	1961—6 mo. to Apr. 30	\$ 5,576,517	—	\$ (357,983)	—	928,533
	1960—6 mo. to Apr. 30	7,489,539	\$ 198,735	90,835	\$0.09	928,533
Corning Glass	1961—24 wks. to Jun. 18	95,886,554	19,375,963	10,671,963	1.56 <sup>1</sup>	6,775,955
	1960—24 wks. to Jun. 18	99,409,650	22,871,269	12,353,269 <sup>2</sup>	1.81 <sup>1</sup>	6,754,600
Narda Microwave	1961—year to Jun. 30	2,645,000	—	120,000	.20	—
	1960—year to Jun. 30	2,276,000	—	64,000	.11	—
National Video	1961—year to May 31	18,580,492	—	1,270,159	2.06	616,667
	1960—year to May 31	17,047,104	—	1,131,869	1.84	616,667
A. C. Nielsen	1961—9 mo. to May 31	26,561,467	3,943,091	1,860,179	1.09 <sup>3</sup>	1,710,000 <sup>3</sup>
	1960—9 mo. to May 31	22,866,094	3,701,988	1,693,586	2.97	570,000
Thompson Ramo Wooldridge	1961—5 mo. to May 31 <sup>1</sup>	164,151,654	1,540,835	777,635 <sup>2</sup>	.20 <sup>1</sup>	3,186,457
	1960—5 mo. to May 31 <sup>1</sup>	183,141,212	8,212,651	3,908,951	1.20 <sup>1</sup>	3,145,687

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Excludes non-recurring capital loss of \$2.3 million on sale of investments. <sup>3</sup>Reflects 3-for-1 split.

<sup>4</sup>From SEC report. <sup>5</sup>Reflects \$3-million inventory write-down on certain semiconductor products.

**Ampex Slims Down:** Moving toward a tighter organization (Vol. 17:25 p22), Ampex last week approved a "new organization objective," which involves the merging of Ampex Instrumentation Products Co. and Ampex Video Products Co. into a North California Operations Group under vp Robert Sackman, and the combining of all research & advanced development into a single corporate group headed by vp-research dir. Arthur H. Hausman. "The transition from today's organization to the new organization will require at least 6 months," Chmn. Alexander M. Poniatoff announced.

**Reports & Comments Available:** Sterling Television, review, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 • Paramount Pictures, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 • Four Star Television, Black & Co., U.S. National Bank Bldg., Portland 4, Ore. • Microwave Associates, report, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • CBS, review, Ross & Hirsch, 120 Broadway, N.Y. 5 • Sangamo Electric, review, Schweickart & Co., 29 Broadway, N.Y. 6 • Data Processing, offering circular, First Weber Securities Corp., 79 Wall St., N.Y. 5 • "Medicine Turning to Electronics," profile on 11 participants in medical electronics, July 5 *Financial World* • Electronic Associates, analysis, Bruno-Lenchner Inc., Bigelow Square, Pittsburgh 19 • Granco, offering circular, Midland Securities Co., 1016 Baltimore Ave., Kansas City 6, Mo. • Seaboard Electronic, prospectus, Amos Treat & Co., 79 Wall St., N.Y. 5 • Dorsett Electronics Labs, prospectus, Ira Haupt & Co., 111 Broadway, N.Y. 6.

### Recent Stock Issues

Stock	July 6, 1961		
	Offering Price	Bid	Asked
Data Processing	4	6	7½
General Resistance	3	3	3¾
Marcon Electronics	10	15½	18¾
Sony Corp.	17½	20¾	22¾
Wrather Corp.	10	8¾	9¾

### Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Avco	Q	\$0.15	Aug. 20 Jul. 28

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday July 6, 1961

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Prev. Bid	Bid	Asked	Stock	Prev. Bid	Bid	Asked
Acustica	19¾	18	19¾	Magna Th.	4	3¾	4¾
Adler Elec.	16¾	15¾	17¾	Magnetics Inc.	10	9¾	11
Aerovox	10½	10¼	11½	Maxson	20¾	22	23¾
Allied Radio	25¾	27¼	29¾	Meredith Pub.	37	35	38¾
Astron Corp.	2¼	1¾	2¾	MetroMedia	17¾	17¼	18¾
Babcock	29	28	30¾	Microdot	25¾	25¼	27½
Baird Atomic	17¼	19¾	21¾	Milgo Elec.	19½	20	23
Cannon Elec.	28½	29	32½	Narda Micro	7	6¾	7¾
Capehart	8½	8¾	9¾	Newark Elec.	13½	13½	14¾
Chicago Aer.	22½	23½	26¼	Nuclear Chi.	40	41	44¾
Control Data	95	97	103	Official	3¾	3¾	4¼
Cook Elec.	11¾	10¾	11¾	Pacific Aut.	5	5	6½
Craig	13½	14½	16	Pacific Merc.	7¾	7¾	8
Crosby Tel.	5¾	5¾	6	Philips Lamp	135½	140½	145¾
Dictaphone	35¾	37	39¾	Pyramid	1¾	2	2¾
Digitronics	26	26½	29¾	Radiation	22	23	25½
Eitel-McC.	167½	16½	17¾	Rek-O-Kut	2¾	2¾	3-5/16
Elco Corp.	12½	13¼	14¾	Research Inc.	4¾	4¾	5½
Electro Instr.	19	18	21	H. W. Sams	39½	40	42¾
Elec. Voice	10½	11	12¼	Sanders Assoc.	56	61	64½
Elec. Assoc.	28½	29	31½	Silicon	10½	10¾	12¼
Elec. Cap. Corp.	42½	40	44	H. Smith	12	12	13¾
Erie Resistor	14½	14½	15¾	Soroban	63	62	67¾
Executone	18	17½	19¾	Soundsciber	11½	11½	12¾
Farrington	12½	12¾	13¾	Speer Carbon	29¾	31	33½
Foto Video	6½	5¼	6¾	Sprague	78½	81¾	85
Four Star	22	21½	23¾	Sterling	3¾	4	4¾
Gen. Devices	12¼	11½	12¾	Syston-Don.	40½	41¼	44½
G-L Elec.	8	8	9¾	Taft Bcstr.	19	19½	21
Goodwill Sta.	10½	10½	11½	Taylor Instr.	45	45	48¾
Granco	3	3¾	3-15/16	Technology	6½	6½	7¾
Halicrafters	22½	22½	24¾	Tele-Bcstrs.	1½	1½	2¾
Hathaway	23½	22½	24¾	Telechrome	10¾	10¾	12
High Voltage	165	155	170	Telecomp.	7¾	7¾	8
Infrared	16	16¼	18	Time Inc.	82	84	88¾
Interstate Eng.	18	17¼	18¾	Tracerlab	10¾	10½	11½
Ionics	30	29½	32½	United Art.	7¾	7	8¼
Itek	48	47½	51¾	Universal	¾	¾	1-3/16
Jerrold	8	8	8¾	Vocaline	2½	2	2½
Lab for Elec.	46¾	48½	51¾	Wells-Gardner	31	31¼	33¾
Leeds & North.	34¾	34¾	37½	Wilcox Elec.	9¾	9½	10¼
Lel Inc.	8¼	8¼	9½	Wometco	24¾	24¾	26½

**Will Warner Bros. Split Stock?** The "advisability" of splitting its common stock is under consideration by Warner Bros. The film concern reported last week that it will make its recommendations on the split to the board at its next meeting, probably in September. WB has 1,527,900 common shares outstanding of 5 million authorized.

# WEEKLY **Television Digest**

JULY 10, 1961

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1961 SUPPLEMENT NO. 8

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

Full texts of

## Revised Proposed FCC Rules on Program Forms

DOCKET No. 13961

*In the Matter of Amendment of Section IV (Statement of Program Service) of Broadcast Application Forms 301, 303, 314 and 315*

## Proposed Rules on Logging Requirements

DOCKET No. 14187, RM-256

*In the Matter of Sections 3.111, 3.112, 3.114, 3.281, 3.282, 3.284, 3.581, 3.582, 3.584, 3.663(a), 3.664(a) and (c), 3.781, 3.782, and 3.784 of the Commission's Rules Governing Logging Requirements for Broadcast Stations.*

### NOTICE OF FURTHER PROPOSED RULE MAKING

1. Notice is hereby given of further proposed rule making in the above-entitled matter.

2. The proceedings herein were instituted by the Commission on February 21, 1961, upon the release of its Notice of Proposed Rule Making. Subsequently, the time for filing comments with respect to the Commission's proposals was extended to May 1, 1961 and later to June 1, 1961. Prior to the latter date, the Commission concluded that certain revisions of its proposals were desirable. Accordingly, on May 12, 1961, the above filing date was extended until further order of the Commission.

3. The Commission has reviewed the comments filed to date and has held informal conferences with industry representatives and other interested parties. The principal objective of the discussion with the industry representatives was to insure that the questions proposed by the Commission concerning an applicant's past and proposed operations could be answered on the basis of reasonable efforts and records to be kept by the applicants. It is understood that these individuals are free to support or oppose the proposals, or to offer counter-proposals.

4. The Commission's revised proposals, which include for the first time separate Sections IV for radio and television, are attached. Pursuant to applicable procedures set forth in Section 1.213 of the Commission's Rules, interested parties may file comments on or before September 7, 1961, and reply comments on or before September 18, 1961. In the absence of the most unusual circumstances, these dates will not be extended. In reaching its decision in this proceeding, the Commission will not be limited to comments of record but will take into account any relevant information obtained in any manner from informed sources.

5. In light of the fact that our existing log keeping rules are not of sufficient scope to provide the factual information required to complete the proposed revised forms, there is being issued simultaneously with the issuance of the instant Notice the Commission's proposed amendments to said rules (Docket No. 14817). In this connection, the Commission recognizes that upon the adoption of final amendments to the above-entitled forms and to the log keeping rules, provision must be made for a practicable

transition period. This matter is being studied by the Commission and appropriate procedures will be set forth in the final report which will be issued in the instant proceedings. Interested parties may submit comments with respect to such transitional procedures within the dates set forth in paragraph 4.

6. Paragraphs 3(a) and 6 of the proposed form will be included in Part II of Form 314 (Application for Assignment) and Part III of Form 315 (Application for Transfer of Control), requiring the submission of current programming information of operating stations which are the subjects of these applications. Since this information will be supplied by the assignors and transferors, the "correct information" statements of the assignor and assignee in Form 314 will be revised to read as follows:

The (assignor) (assignee), or the undersigned on the (assignor's) (assignee's) behalf, states that he has endeavored to supply full and correct information as to all matters which are relevant to this application, (including) (excluding) the information set forth for the Current Week in paragraphs 3(a) and 6 of Section IV, Part II, and that he has done so as to all matters within his knowledge.

Appropriate changes also will be made in Form 315 with respect to the statement of the transferor in Part I and of the transferee in Part III. Interested parties may submit comments with respect to these proposals within the dates set forth in paragraph 4.

7. In accordance with the provisions of Section 1.54 of the Rules, the Commission shall be furnished with an original and 14 copies of all written comments filed herein.

8. Authority for adopting the amendments proposed herein is contained in Sections 4(i), 303(j), 303(r), 307(d), 308(a) and 308(b) of the Communications Act of 1934, as amended. JUL 10 1961

FEDERAL COMMUNICATIONS COMMISSION\*  
Ben F. Waple, Acting Secretary

Adopted: July 6, 1961.

Released: July 7, 1961.

\* See page 10 for concurring statements of Comrs. Minow, Chmn., and Craven; Comr. Hyde dissenting.

BROADCAST APPLICATION(TV)  
FEDERAL COMMUNICATIONS COMMISSION

Section IV, Page 1

STATEMENT OF PROGRAM SERVICE  
OF BROADCAST APPLICANT

Name of Applicant \_\_\_\_\_

NOTICE TO ALL APPLICANTS

The applicant's attention is invited to the Commission's "Report and Statement of Policy Re: Commission *En Banc* Programming Inquiry" (FCC 60-970, 25 F.R. 7291, 20 RR 1902, released on July 29, 1960).

The replies to the questions herein which relate to future operation constitute a representation of policy with respect to programming and commercial operation upon which the Commission relies in considering the application, and against which the Commission will measure the subsequent operation of the station. Applicant shall, during the ensuing license term, supplement this information with respect to significant changes which may occur in his over-all broadcast operation.

GENERAL INSTRUCTIONS AND DEFINITIONS

1. Certain questions herein pertain to past and proposed operation. Applicants for renewal and for major changes in authorized stations as defined in Sections 1.354, 1.355 and 1.356 of the Rules shall answer questions as to both past and proposed operation. Applicants for new stations, and assignees and transferees shall answer questions relating to proposed operation only. Assignors and transferors shall file certain information in Questions 3(a) and 6 as to current operations. Where no substantial change from past operation is proposed, an applicant for renewal and for major changes may so state in lieu of supplying information on proposed operation.
2. Composite Week—An applicant for renewal shall report past performance for a Composite Week designated annually by the Commission in a public notice. This Composite Week will consist of seven different days of the week chosen generally within the year preceding the date of filing for renewal. Attach as Exhibit No. — the original program logs (to be returned) for the seven days comprising the Composite Week.
3. Applicant's Selected Week—(a) An applicant for renewal and for major changes shall also report past performance for a week within the first 12 months of the preceding license term. The seven days of the Selected Week shall be chosen by the applicant, but each day of the week shall be represented (i.e., the applicant may not select more than one Monday during the year, etc.). In no event shall the Selected Week include a day designated in the Commission's Composite Week for the year in question. The same Selected Week shall be used in responding to all questions where this information is requested.  
(b) Where the applicant for renewal and for major changes is reporting for a period of less than three years, the following shall apply:
  - (1) One-year operation—Applicant shall report for seven days (representing each day of the week) other than the days included in the Commission's Composite Week.
  - (2) More than one year but less than three years of operation—To the extent practicable the Applicant's Selected Week shall not be within 12-month period immediately preceding the expiration date of the existing license.
- (c) Assignors and transferors shall submit information for a selected week which shall be a calendar week falling within 6 months of the date of filing of the application. This week shall be used to answer Questions 3(a) and 6 and shall be submitted in the column headed "Applicant's Selected Week."

- (d) Attach as Exhibit No. — the original program logs (to be returned) for the seven days comprising the Applicant's Selected Week.
4. Proposed Typical Week—Applicants for new stations, assignees and transferees, applicants for renewal and applicants for major changes in authorized stations shall submit information as to their future broadcast plans for a Proposed Typical Week. A renewal applicant and an applicant for major changes need not file this information if they indicate in the appropriate space that their future broadcasting will be substantially similar to that reported in the Composite Week. All applicants except those to whom the preceding sentence applies shall attach as Exhibit No. — a program schedule for this Proposed Typical Week. (Showing program title, time, type and source.)
5. A program is an identifiable unit of program material which is not an announcement, as defined below (e.g. If, within a two-hour Entertainment program, a station broadcasts a one-minute news and weather report, this news and weather report shall be considered a one-minute News program).
6. A sustaining program is one which does not contain commercial matter.
7. Commercial matter includes all commercial announcements and all commercial continuity (network and non-network).
  - (a) Commercial Announcement (CA) is any announcement, including a promotional announcement, time signal, weather announcement, or station identification, for which a change is made and which is not part of the commercial continuity of a program sponsor; or any promotional announcement for a non-sustaining program; or any announcement which refers to or mentions the name of any business beyond the exact name of the station licensee; or any announcement which, by express or implied agreement between the applicant and a sponsor, assumes, in fact, the character of a commercial announcement (such as "bonus" spots, or "trade out" spots involving a barter arrangement).
  - (b) Commercial Continuity (CC) is the advertising message of a program sponsor.
8. Non-commercial Announcement (NCA) is an announcement for which the station does *not* receive consideration (including any announcement which promotes a sustaining program).
9. Program Types are defined as follows:
  - Religious (R)—Includes sermons, devotionals, religious news and drama, etc., but not music except where it is incidental to a religious program.
  - Instructive (I)—Includes programs other than those classified under Religious, Agricultural, News, or Public Affairs, involving the discussion of, or primarily designed to further an appreciation or understanding of, literature, music, fine arts, history, geography, and the natural and social sciences, and similar programs intended principally to instruct.
  - Public Affairs (PA)—Includes talks, discussions, speeches, editorials, forums, panels, round tables, and other programs primarily concerning local, national and international affairs or problems.
  - Agricultural (A)—Includes farm or market reports or other information specifically addressed to the agricultural population.
  - News (N)—Includes news reports and commentaries.
  - Sports (S)—Includes play-by-play and pre- and post-game related activities and sports news and reports.
  - Entertainment (E)—Includes all programs intended primarily as entertainment, such as music, drama, variety, comedy, quiz, etc.
10. Program Sources are defined as follows:

A live program (L) is any local program which uses live talent half the time or longer, whether originating in the station's studios or elsewhere. Programs furnished to a station by a network are classified as "network." "Disc jockey" shows shall not be classified as "live" but as "recorded," except that an identifiable unit of programming within such a show utilizing live talent shall be classified as "live" (See Instruction No. 5, above). A live program recorded or filmed for later broadcasting by the station shall be classified as "live." A recorded program (REC) is any program utilizing phonograph records, electrical transcriptions, films, tape recordings, or other means of reproduction more than half the time. News programs devoted primarily to wire copy which is read verbatim, or virtually verbatim, by the local announcer shall be classified as "recorded." A network program (NET) is any live or recorded program furnished to the station by a network (national, regional, or special). Delayed broadcasts of programs originated by networks are classified as "network."

**QUESTIONS**

**1. Service Area Description**

(a) As to the area within the applicant's Grade B contour, supply the following information:

- (1) Estimated population \_\_\_\_\_
- (2) Approximate farm population \_\_\_\_\_
- (3) Principal types of businesses and industries \_\_\_\_\_

(b) As to the community to which the station is, or is proposed to be, licensed, supply the following information:

- (1) Population \_\_\_\_\_
- (2) Any specialized or minority audience which applicant proposes to serve \_\_\_\_\_

(3) Principal types of businesses and industries \_\_\_\_\_

(4) Names of any colleges or other institutions of higher learning in the community and its immediate vicinity \_\_\_\_\_

(5) Indicate whether the community has: a museum \_\_\_\_\_; an art gallery \_\_\_\_\_; an organized music or dramatic group \_\_\_\_\_.

(6) Are there organized local sporting events available for telecasting?  
 Yes \_\_\_\_\_ No \_\_\_\_\_  
 If yes, name sports \_\_\_\_\_

(7) Names and approximate circulation of principal newspapers published in the community (indicating whether daily or weekly): \_\_\_\_\_

If none, list names of principal newspapers delivered to homes in the community \_\_\_\_\_

(8) List briefly any other facts applicant may wish to present regarding important characteristics of the community which affect its needs and/or the availability of local program resources: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(c) Is there within the service area of the station any other major community whose specialized needs and interests the applicant serves or proposes to serve, or upon whose resources he draws or proposes to draw for programming purposes?  
 Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, list name(s) and population(s) \_\_\_\_\_

NOTE: If the applicant has previously submitted the information called for above, it will be sufficient merely to identify the prior application(s) and to indicate any significant changes in, or additions to, such earlier information.

**2. Audience Needs and Interests**

Submit as Exhibit No. — a statement setting forth the following:

(a) The efforts made by the applicant to ascertain the needs and interests of the public within his community or metropolitan area. If additional efforts have been made to ascertain said needs and interests for all or a substantial portion of station's Grade B contour these should also be specified. Applicants for renewal and for major changes in authorized stations shall describe briefly their efforts to ascertain such needs and interests during the past license period; applicants for new stations, and assignees and transferees, shall describe briefly the scope and results of their efforts to determine said needs and interests. (Any records of such efforts shall be retained in the station's files for three years.)

(b) The scope of consultations by the applicant with civic leaders (public officials, educators, cultural and religious leaders, and representatives of agricultural, business, professional, labor and charitable and service organizations) in the community, metropolitan area, or any other portion of the station's Grade B contour with respect to the public service needs of their agencies, organizations or groups. If none, so state.

(c) What the applicant has done, or proposes to do, to develop and present broadcast material (including program material and non-commercial announcements) which fulfills or will fulfill the needs and interests ascertained through the consultations and other efforts described above.

(d) The procedures followed, or to be followed, for considering complaints and suggestions from the public and for acting upon them, if appropriate, giving specific examples in the case of past operations.

(e) A description of the present or proposed staff of the station, including the number of employees in each department (i.e., program, sales, technical, general and administrative, etc.).

(f) The procedures followed, or to be followed, by the applicant and its principals in providing regular supervision of the station's operations, determining adherence to established policies and providing guidance to management personnel.

3. Program Types and Sources

READ GENERAL INSTRUCTIONS BEFORE ANSWERING QUESTIONS BELOW

(a) State the amount of time (in hours and minutes) devoted to each of the following types of broadcast matter during the weeks listed below. For each week, on-the-air time shall be computed separately as to program and non-program broadcast matter (e.g., in a 60-minute program, if 45 minutes were devoted to Entertainment programming, 12 minutes to commercial announcements and continuity, and 3 minutes to non-commercial announcements, the time shall be reported as 45 minutes Entertainment, 12 minutes Commercial Matter and 3 minutes Non-commercial announcements). (The Commission recognizes that future proposals with respect to non-program material must be based on best available estimates.)

(1) Program Matter

	Composite Week			Total
	Live	Recorded (Hours and Minutes)	Network	
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Prog. Time	_____	_____	_____	_____

	Applicant's Selected Week			Total
	Live	Recorded (Hours and Minutes)	Network	
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Prog. Time	_____	_____	_____	_____

	Proposed Typical Week			Total
	Live	Recorded (Hours and Minutes)	Network	
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Prog. Time	_____	_____	_____	_____

(2) Non-Program Matter	Total
Commercial Matter (commercial announcements and commercial continuity; network and non-network) .....	_____
Non-commercial announcements .....	_____
Total Non-Program Time .....	_____
Total Broadcast Time [ (1) and (2) ] .....	_____

[Give information for Composite Week, Applicant's Selected Week and Proposed Typical Week]

(3) Show also number of non-commercial announcements during:  
 Composite Week \_\_\_\_\_  
 Selected Week \_\_\_\_\_  
 Proposed Typical Week \_\_\_\_\_

- (b) With respect to program matter analyzed in 3(a) in the categories of Religious, Instructive, Public Affairs, and Agricultural, provide the information listed below for each such program or program series. List all such individual programs under the appropriate type (i.e., list together all Religious programming, etc.) for the Composite Week and the Applicant's Selected Week. (Attach as Exhibit No. —.)
- Title and brief description.
  - Whether live, network, or recorded.
  - Number of times program broadcast during week.
  - Time of broadcast and length of program.
  - Whether prepared by, or in behalf of, or in cooperation with an educational organization.
  - Except as to Religious programs, whether program concerned with local (i.e., community, state or regional) affairs.
  - If a Religious program, whether time paid for or carried sustaining.
- (c) With respect to program matter analyzed in 3(a) in the Entertainment category, give title and brief description of each program or program series which in the opinion of applicant is of unusual or outstanding character. Attach information as Exhibit No. — for Composite Week, and Applicant's Selected Week.
- (d) State whether applicant has or proposes to have programs designed for children.

	YES	NO
Past operation	_____	_____
Proposed operation	_____	_____

If answer is yes, attach as Exhibit No. — answers to questions below (Show separately for Composite Week, Applicant's Selected Week, and Proposed Typical Week):

- Title and brief description of each program.
  - Number of times and amount of time broadcast during week.
  - Time of broadcast.
- (e) Does applicant have or propose to have news programming which regularly deals with local (i.e., community, state or regional) affairs?

	YES	NO
Past operation	_____	_____
Proposed operation	_____	_____

If answer is yes, show below approximate amount of time for local news in hours and minutes:

Composite Week \_\_\_\_\_  
 Applicant's Selected Week \_\_\_\_\_  
 Proposed Typical Week \_\_\_\_\_

Attach as Exhibit No. — information with respect to the number of full time and part time personnel employed or to be employed in developing and presenting local news, availability of mobile equipment, and arrangements with other news gathering sources in the community, state or region.

- (f) If applicant is or will be affiliated with one or more national networks, state the name or names of the networks in question and, if more than one, indicate which network is or will be the principal source of network programming of the station.
- (g) Attach as Exhibit No. — a description of the steps.

if any, taken or proposed by applicant to encourage local musical and dramatic talent for use in connection with the applicant's program service.

(h) Has the applicant established policies with respect to programming and advertising standards (whether developed by applicant or contained in a code of broadcasting standards and practices) which guide or will guide the operation of the station? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — copies of such policy statements, or summaries thereof if policies are not in written form. (It is not necessary to furnish copies of the published code of any national organization or trade association.) Has the applicant brought these policies to the attention of appropriate station personnel? YES \_\_\_\_\_ NO \_\_\_\_\_.

(i) (a) Has applicant for renewal and major changes a policy of carrying sustaining program? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the time devoted to such programming in the Composite Week and in Applicant's Selected Week, and indicate whether such programs have been used to serve significant minority interests, meet the needs of public service organizations, provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

(b) If this is an application for a new station, or for an assignment or transfer, state whether applicant will have a policy of carrying sustaining programs. YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the estimated amount of time applicant proposes to carry sustaining programs in the Proposed Typical Week and, indicate whether such programs have been used to serve significant minority interests, meet the needs of public service organizations, provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

**4. Controversial Issues of Public Importance**

(a) All applicants shall supply following:

(1) Attach as Exhibit No. a description of applicant's past and proposed practices in the presentation of opposing viewpoints on controversial issues of public importance.

(2) With respect to Proposed Typical Week, check whether applicant intends to carry any of the following types of broadcasts dealing with controversial issues: YES NO

Programs (i.e., speeches, discussions, panels, telephone interviews, letters to stations, etc.)	_____	_____
Editorials	_____	_____
Announcements	_____	_____

(b) Applicants for renewal and for major changes in authorized stations supply following:

(1) Number of broadcasts in each category below dealing with controversial issues of public importance. If none, state none.

	Pro-grams	E-di-torials	Announ-cements
Composite Week	_____	_____	_____
Applicant's Selected Week	_____	_____	_____

(2) Submit as Exhibit No. a statement setting forth illustrative examples of applicant's treatment of controversial issues of public im-

portance (including community and statewide or regional issues) presented on the station in each of the past three years (within or outside of Composite Week and Applicant's Selected Week). If presented in form of programs, specify title, length, and time of broadcast of each program.

**5. Prior Review of Broadcast Matter**

(a) Does applicant have or propose to have procedures for review of broadcast matter (i.e., programs, commercial matter, and non-commercial announcements) prior to broadcast?

	YES	NO
Past operation	_____	_____
Proposed operation	_____	_____

(b) If yes is checked above, attach as Exhibit No. a statement describing applicant's procedures with specific reference to:

- (1) Review of network broadcast matter prior to station broadcast (if affiliated with a network).
- (2) Review of non-network broadcast matter (including programs, commercial matter and non-commercial announcements) prior to station broadcast.

**6. Commercial Operation**

**READ GENERAL INSTRUCTIONS BEFORE ANSWERING THE QUESTIONS BELOW**

Show information requested below with respect to maximum amount of commercial matter, i.e., commercial announcement and/or commercial continuity during any one hour; and number of interruptions to programming. Commercial or non-commercial announcements or commercial continuity broadcast within or between programs (including station breaks) shall be counted as interruptions to programming. Consecutive commercial and/or non-commercial announcements shall be considered a single interruption.

	Com-posite Week	Appli-cant's Selected Week	Pro-posed Typical Week
(a) Maximum amount of commercial matter during any one hour (in minutes)	_____	_____	_____
(b) Total number of interruptions during week	_____	_____	_____
(1) Maximum during any one hour	_____	_____	_____
(2) Total number in excess of 60 seconds during week	_____	_____	_____
(3) Maximum number in excess of 60 sec. during any one hour	_____	_____	_____

**7. Comparison of Proposed and Actual Operation**

Applicants for renewal and for major changes in authorized stations shall attach as Exhibit No. a comparison of the information reported above in Questions 3(a) and 6 for the Composite Week with information set forth for the Proposed Typical Week in last previous application. If substantial differences exist, explain reasons for differences.

**8. Additional Information**

Attach as Exhibit No. any additional information which the applicant wishes to submit in order to reflect adequately his programming and commercial operations and plans.

**BROADCAST APPLICATION (AM) (FM)  
FEDERAL COMMUNICATIONS COMMISSION**

Section IV, Page 1

**STATEMENT OF BROADCAST  
SERVICE OF APPLICANT**

Name of Applicant \_\_\_\_\_

**1. General Policies and Practices**

(a) Submit as Exhibit No. — a statement setting forth the following:

(1) The efforts made by the applicant to ascertain the needs and interests of the public within his community or metropolitan area. If additional efforts have been made to ascertain said needs and interests for all or a substantial portion of station's primary service area, these should also be specified. (For purposes of this question, the "primary service area" of a standard broadcast station shall be the 0.5 mv/m interference-free contour, daytime pattern; of an FM broadcast station, the 1 mv/m contour). Applicants for renewal and for major changes in authorized stations shall describe briefly their efforts to ascertain such needs and interests during the past license period; applicants for new stations and assignees and transferees shall describe briefly the scope and results of their efforts to determine said needs and interests. (Any records of such efforts shall be retained in the station's files for three years.)

(2) The scope of consultations by the applicant with civic leaders (public officials, educators, cultural and religious leaders, and representatives of agricultural, business, professional, labor and charitable and service organizations) in the community, metropolitan area, or any other portion of the station's primary service area with respect to the public needs of their agencies, organizations, or groups. If none, so state.

(3) What the applicant has done, or proposes to do, to develop and present broadcast material (including program material and non-commercial announcements) which fulfills or will fulfill the needs and interests ascertained through the consultations and other efforts described above.

(4) If the applicant's past or proposed programming falls substantially into a specialized category, attach as Exhibit No. — a statement of the nature of such specialized category (viz, popular music, classical and semi-classical, country and western, foreign language, etc.) and of the specialized audience (teenage, rural, etc.). Include a statement of the specific factors which have led applicant to provide programming in this specialized category.

(b) Has the applicant established policies with respect to programming and advertising standards (whether developed by applicant or contained in any code of broadcasting standards and practices) which guide or will guide the operation of the station? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — copies of such policy statements, or summaries thereof if policies are not in written form. (It is not necessary to furnish copies of the published code of any national organization or trade association). Has the applicant brought these policies to the attention of appropriate station personnel? YES \_\_\_\_\_ NO \_\_\_\_\_.  
(c) Attach as Exhibit No. — a description of the

procedures followed, or to be followed, for considering complaints and suggestions from the public and for acting upon them if appropriate, giving specific examples in the case of past operations.

(d) Attach as Exhibit No. — a description of the present or proposed staff of the station, including the number of employees in each department (i.e. program, sales, technical, general and administrative, etc.).

(e) Attach as Exhibit No. — a description of the procedures followed or to be followed by the applicant and its principals in providing regular supervision of the station's operations, determining adherence to established policies, and providing guidance to management personnel.

**2. Program Types and Sources**

**READ GENERAL INSTRUCTIONS BEFORE  
ANSWERING QUESTIONS BELOW**

(a) State the amount of time (in hours and minutes devoted to each of the following types and sources of broadcast matter during the weeks listed below. For each week, on-the-air time shall be computed separately as to program and non-program broadcast matter (e.g. In a 60-minute program, if 45 minutes were devoted to Entertainment programming, 12 minutes to commercial announcements and continuity, and 3 minutes to non-commercial announcements, the time shall be reported as 45 minutes Entertainment, 12 minutes Commercial Matter, and 3 minutes Non-Commercial Announcements.) (The Commission recognizes that future proposals with respect to non-program material must be based on best available estimates.)

**(1) Program Matter**

	Composite Week			Total
	Live	Recorded (Hours and Minutes)	Network	
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

Applicant's Selected Week				
	Live	Recorded (Hours and Minutes)	Network	Total
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

Proposed Typical Week				
	Live	Recorded (Hours and Minutes)	Network	Total
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

if any, taken or proposed by applicant to encourage local musical and dramatic talent for use in connection with the applicant's program service.

(h) Has the applicant established policies with respect to programming and advertising standards (whether developed by applicant or contained in a code of broadcasting standards and practices) which guide or will guide the operation of the station? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — copies of such policy statements, or summaries thereof if policies are not in written form. (It is not necessary to furnish copies of the published code of any national organization or trade association.) Has the applicant brought these policies to the attention of appropriate station personnel? YES \_\_\_\_\_ NO \_\_\_\_\_.

(i) (a) Has applicant for renewal and major changes a policy of carrying sustaining program? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the time devoted to such programming in the Composite Week and in Applicant's Selected Week, and indicate whether such programs have been used to serve significant minority interests, meet the needs of public service organizations, provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

(b) If this is an application for a new station, or for an assignment or transfer, state whether applicant will have a policy of carrying sustaining programs. YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the estimated amount of time applicant proposes to carry sustaining programs in the Proposed Typical Week and, indicate whether such programs have been used to serve significant minority interests, meet the needs of public service organizations, provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

**4. Controversial Issues of Public Importance**

(a) All applicants shall supply following:

- (1) Attach as Exhibit No. a description of applicant's past and proposed practices in the presentation of opposing viewpoints on controversial issues of public importance.
- (2) With respect to Proposed Typical Week, check whether applicant intends to carry any of the following types of broadcasts dealing with controversial issues: YES NO

Programs (i.e., speeches, discussions, panels, telephone interviews, letters to stations, etc.)	_____	_____
Editorials	_____	_____
Announcements	_____	_____

(b) Applicants for renewal and for major changes in authorized stations supply following:

- (1) Number of broadcasts in each category below dealing with controversial issues of public importance. If none, state none.

	<b>Pro-</b>	<b>Edi-</b>	<b>Announ-</b>
	<b>grams</b>	<b>torials</b>	<b>cements</b>
Composite Week	_____	_____	_____
Applicant's Selected Week	_____	_____	_____

- (2) Submit as Exhibit No. a statement setting forth illustrative examples of applicant's treatment of controversial issues of public im-

portance (including community and statewide or regional issues) presented on the station in each of the past three years (within or outside of Composite Week and Applicant's Selected Week). If presented in form of programs, specify title, length, and time of broadcast of each program.

**5. Prior Review of Broadcast Matter**

(a) Does applicant have or propose to have procedures for review of broadcast matter (i.e., programs, commercial matter, and non-commercial announcements) prior to broadcast?

	YES	NO
Past operation	_____	_____
Proposed operation	_____	_____

(b) If yes is checked above, attach as Exhibit No. a statement describing applicant's procedures with specific reference to:

- (1) Review of network broadcast matter prior to station broadcast (if affiliated with a network).
- (2) Review of non-network broadcast matter (including programs, commercial matter and non-commercial announcements) prior to station broadcast.

**6. Commercial Operation**

**READ GENERAL INSTRUCTIONS BEFORE ANSWERING THE QUESTIONS BELOW**

Show information requested below with respect to maximum amount of commercial matter, i.e., commercial announcement and/or commercial continuity during any one hour; and number of interruptions to programming. Commercial or non-commercial announcements or commercial continuity broadcast within or between programs (including station breaks) shall be counted as interruptions to programming. Consecutive commercial and/or non-commercial announcements shall be considered a single interruption.

	Com- posite Week	Appli- cant's Selected Week	Pro- posed Typical Week
(a) Maximum amount of commercial matter during any one hour (in minutes)	_____	_____	_____
(b) Total number of interruptions during week	_____	_____	_____
(1) Maximum during any one hour	_____	_____	_____
(2) Total number in excess of 60 seconds during week	_____	_____	_____
(3) Maximum number in excess of 60 sec. during any one hour	_____	_____	_____

**7. Comparison of Proposed and Actual Operation**

Applicants for renewal and for major changes in authorized stations shall attach as Exhibit No. a comparison of the information reported above in Questions 3(a) and 6 for the Composite Week with information set forth for the Proposed Typical Week in last previous application. If substantial differences exist, explain reasons for differences.

**8. Additional Information**

Attach as Exhibit No. any additional information which the applicant wishes to submit in order to reflect adequately his programming and commercial operations and plans.

**BROADCAST APPLICATION(AM) (FM)  
FEDERAL COMMUNICATIONS COMMISSION**

Section IV, Page 1

**STATEMENT OF BROADCAST  
SERVICE OF APPLICANT**

Name of Applicant \_\_\_\_\_

**1. General Policies and Practices**

(a) Submit as Exhibit No. — a statement setting forth the following:

(1) The efforts made by the applicant to ascertain the needs and interests of the public within his community or metropolitan area. If additional efforts have been made to ascertain said needs and interests for all or a substantial portion of station's primary service area, these should also be specified. (For purposes of this question, the "primary service area" of a standard broadcast station shall be the 0.5 mv/m interference-free contour, daytime pattern; of an FM broadcast station, the 1 mv/m contour). Applicants for renewal and for major changes in authorized stations shall describe briefly their efforts to ascertain such needs and interests during the past license period; applicants for new stations and assignees and transferees shall describe briefly the scope and results of their efforts to determine said needs and interests. (Any records of such efforts shall be retained in the station's files for three years.)

(2) The scope of consultations by the applicant with civic leaders (public officials, educators, cultural and religious leaders, and representatives of agricultural, business, professional, labor and charitable and service organizations) in the community, metropolitan area, or any other portion of the station's primary service area with respect to the public needs of their agencies, organizations, or groups. If none, so state.

(3) What the applicant has done, or proposes to do, to develop and present broadcast material (including program material and non-commercial announcements) which fulfills or will fulfill the needs and interests ascertained through the consultations and other efforts described above.

(4) If the applicant's past or proposed programming falls substantially into a specialized category, attach as Exhibit No. — a statement of the nature of such specialized category (viz, popular music, classical and semi-classical, country and western, foreign language, etc.) and of the specialized audience (teenage, rural, etc.). Include a statement of the specific factors which have led applicant to provide programming in this specialized category.

(b) Has the applicant established policies with respect to programming and advertising standards (whether developed by applicant or contained in any code of broadcasting standards and practices) which guide or will guide the operation of the station? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — copies of such policy statements, or summaries thereof if policies are not in written form. (It is not necessary to furnish copies of the published code of any national organization or trade association). Has the applicant brought these policies to the attention of appropriate station personnel? YES \_\_\_\_\_ NO \_\_\_\_.

(c) Attach as Exhibit No. — a description of the

procedures followed, or to be followed, for considering complaints and suggestions from the public and for acting upon them if appropriate, giving specific examples in the case of past operations.

(d) Attach as Exhibit No. — a description of the present or proposed staff of the station, including the number of employees in each department (i.e. program, sales, technical, general and administrative, etc.).

(e) Attach as Exhibit No. — a description of the procedures followed or to be followed by the applicant and its principals in providing regular supervision of the station's operations, determining adherence to established policies, and providing guidance to management personnel.

**2. Program Types and Sources**

**READ GENERAL INSTRUCTIONS BEFORE  
ANSWERING QUESTIONS BELOW**

(a) State the amount of time (in hours and minutes devoted to each of the following types and sources of broadcast matter during the weeks listed below. For each week, on-the-air time shall be computed separately as to program and non-program broadcast matter (e.g. In a 60-minute program, if 45 minutes were devoted to Entertainment programming, 12 minutes to commercial announcements and continuity, and 3 minutes to non-commercial announcements, the time shall be reported as 45 minutes Entertainment, 12 minutes Commercial Matter, and 3 minutes Non-Commercial Announcements.) (The Commission recognizes that future proposals with respect to non-program material must be based on best available estimates.)

**(1) Program Matter**

	Live	Composite Week		Total
		Recorded (Hours and Minutes)	Network	
Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

**Applicant's Selected Week**

Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

**Proposed Typical Week**

Religious	_____	_____	_____	_____
Instructive	_____	_____	_____	_____
Public Affairs	_____	_____	_____	_____
Agricultural	_____	_____	_____	_____
News	_____	_____	_____	_____
Sports	_____	_____	_____	_____
Entertainment	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____
Total Program Time	_____	_____	_____	_____

(2) Non-Program Matter	Total	
Commercial Matter (commercial announcements and commercial continuity, network and non-network) .....	_____	
Non-commercial announcements .....	_____	
Total Non-Program Time .....	_____	
Total Broadcast Time [ (1) and (2) ] .....	_____	

(3) Show also number of non-commercial announcements during:  
 [Give information for Composite Week, Applicant's Selected Week and Proposed Typical Week]  
 Composite Week \_\_\_\_\_  
 Applicant's Selected Week \_\_\_\_\_  
 Proposed Typical Week \_\_\_\_\_

(b) Does applicant have or propose to have news programming which regularly deals with local (i.e. community, state, or regional) affairs?

	YES	NO
Past Operation	_____	_____
Proposed Operation	_____	_____

If answer is yes, show below approximate amount of time for local news (in hours and minutes):

Composite Week	_____
Applicant's Selected Week	_____
Proposed Typical Week	_____

Attach as Exhibit No. — information as to the station's staff and technical facilities for providing such local news service.

- (c) All applicants supply following:
- (1) Attach as Exhibit No. — a description of applicant's past and proposed practices in the presentation of opposing viewpoints on controversial issues of public importance.
  - (2) With respect to Proposed Typical Week, check whether applicant intends to carry any of the following types of broadcasts dealing with controversial issues:

	YES	NO
Programs (i.e. speeches, discussions, panels, telephone interviews, letters to stations, etc.)	_____	_____
Editorials	_____	_____
Announcements	_____	_____

(d) Applicants for renewal and for major changes in authorized stations supply following:

- (1) Number of broadcasts in each category below dealing with controversial issues of public importance. If none, state none.

	Pro-grams	E-di-torials	Announ-cements
Composite Week	_____	_____	_____
Applicant's Selected Week	_____	_____	_____

- (2) Submit as Exhibit No. — a statement setting forth illustrative examples of applicant's treatment of controversial issues of public importance (including community and state-wide or regional issues) presented on the station in each of the past three years (within or outside of Composite Week and Applicant's Selected Week). If presented in form of programs, specify title, length, and time of broadcast of each program.

(e) With respect to the most recent primary or general election in community in which the station is located, indicate whether applicant for renewal or for major change:

	YES	NO
Sold program time	_____	_____
Sold announcements	_____	_____
Made broadcast time available without charge	_____	_____

(f) (a) Has applicant for renewal and major changes a policy of carrying sustaining programs? YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the time devoted to such programming in the Composite Week and in the Applicant's Selected Week, and indicate whether such programs have been used to serve significant minority interests, to meet the needs of public service organizations, to provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

(f) (b) If this is an application for a new station, or for an assignment or transfer, state whether applicant will have a policy of carrying sustaining programs. YES \_\_\_\_\_ NO \_\_\_\_\_. If yes, attach as Exhibit No. — a statement of the estimated amount of time applicant proposes to carry sustaining programs in the Proposed Typical Week and indicate whether such programs will be used to serve significant minority interests, to meet the needs of public service organizations, to provide flexibility for experimentation with new types of programming, or to serve other similar objectives.

### 3. Commercial Operation

#### READ GENERAL INSTRUCTIONS BEFORE ANSWERING QUESTIONS BELOW

Show information requested below with respect to:

- Maximum amount of Commercial Matter (i.e., commercial announcements and/or commercial continuity) during any one hour,
- Number of interruptions to programming, and
- Number of hours containing 12 or more interruptions to programming.

Commercial or non-commercial announcements or commercial continuity broadcast within or between programs (including station breaks) shall be counted as interruptions to programming. Consecutive commercial and/or non-commercial announcements shall be considered a single interruption.

	Com- posite Week	Appli- cant's Selected Week	Pro- posed Typical Week
(a) Maximum amount of commercial matter during any one hour (in minutes)	_____	_____	_____
(b) Total number of interruptions during week	_____	_____	_____
(1) Maximum number in any one hour	_____	_____	_____
(2) Total number in excess of 60 seconds during week	_____	_____	_____
(3) Maximum number in excess of 60 seconds during any one hour	_____	_____	_____
(c) Number of hours with specified number of interruptions per hour:			
12 - 15	_____	_____	_____
16 - 20	_____	_____	_____
Over 20	_____	_____	_____

### 4. Prior Review of Broadcast Matter

(a) Does applicant have or propose to have procedures for review of broadcast matter (i.e. programs, commercial matter, and non-commercial announcements) prior to broadcast.

Past Operation  
Proposed Operation

YES NO  
\_\_\_\_\_  
\_\_\_\_\_

(b) If yes is checked above, attach as Exhibit No. — a statement describing applicant's procedures with specific reference to:

- (1) Review of network broadcast matter prior to station broadcast (if affiliated with a network).
- (2) Review of non-network broadcast matter (including programs, commercial matter, and non-commercial announcements) prior to station broadcast.

#### 5. Comparison of Proposed and Actual Operation

Applicants for renewal and for major changes in authorized stations shall attach as Exhibit No. — a comparison of the information reported above in Questions 2 (a) and 3 for the Composite Week with information set forth for the Proposed Typical Week in last previous application. If substantial differences exist, explain reasons for differences.

#### 6. Additional Information

Attach as Exhibit No. — any additional information which the applicant wishes to submit in order to reflect adequately his programming and commercial operations and plans.

### NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of proposed rule making in the above-captioned matter.

2. The Commission has instituted a rule making proceeding (Docket No. 13961) designed to amend Section IV (Statement of Program Service) of Broadcast Application Forms 301, 303, 314, and 315. It appears desirable, concurrently therewith, to revise the rules relating to program logs so that such logs will contain information sufficient to permit the preparation of the revised application forms.

3. The revisions proposed herein refer specifically to Sections 3.663(a), and 3.664(a) and (c) which pertain to television. Comparable revisions of the AM and FM rules and those pertaining to international broadcast stations (Sections 3.111, 3.112, 3.114, 3.281, 3.282, 3.284, 3.581, 3.582, 3.584, 3.781, 3.782, and 3.784) would also appear desirable. Comments and reply comments filed herein may, therefore, take note of any special problems or consequences of such changes with respect to the other broadcast services. Comments should be restricted to matters pertaining to logging requirements. Comments as to whether certain information should be included in Forms 301, 303, 314, and 315 should be submitted in Docket No. 13961. In like manner, comments pertaining to the proposed new Section 3.663(a) (4) should not deal with the substance or merits of that item (which may be the subject of comment in Docket No. 14119) but should consider only the requirement that such information, if required to be announced, be included in the program log.

4. On April 27, 1961, the Broadcasting and Film Commission of the National Council of Churches of Christ in the United States of America filed with the Commission a petition to institute rule making looking toward the adoption of uniform program logs "so that the Commission will be provided with full and accurate information in order that it may evaluate and assess the performance of broadcast station operators." It is believed that the proposed rule making herein will provide such information in a meaningful form and with substantial uniformity in such matters as abbreviations. The Commission's needs, however, do not require a uniform format for log keeping and some flexibility in this regard will be retained.

5. Accordingly, comments are invited with respect to the proposed Rules pertaining to television as set forth in the attached Appendix and with respect to the adoption of similar rules for the other broadcast services.

6. Authority for the adoption of the amendments proposed herein is contained in Sections 4(i) and (j), 303 and 307(d) of the Communications Act of 1934, as amended.

7. Pursuant to applicable procedures set out in Section 1.213 of the Commission's Rules, interested persons may file comments on or before Sept. 7, 1961, and reply comments on or before Sept. 18, 1961. In reaching its decision herein, the Commission will not be limited to consideration of comments of record, but will take into account all relevant information obtained in any manner from informed sources.

8. In accordance with the provisions of Section 1.54 of the Rules, an original and 14 copies of all written comments and statements shall be furnished to the Commission.

9. Accordingly, IT IS ORDERED, This sixth day of July, 1961, that the petition of the National Council of Churches of Christ IS GRANTED insofar as it requests the type of rule making proposed herein, but IS DENIED insofar as it may be construed as requesting a Rule establishing a uniform format for program logs.

### FEDERAL COMMUNICATIONS COMMISSION

Ben F. Waple, Acting Secretary

Released: July 7, 1961.

### APPENDIX

1. Section 3.663(a) of the Commission's Rules is amended to read as follows:

§ 3.663 Logs.

The licensee or permittee of each television station shall maintain program and operating logs in which the following entries shall be made:

(a) In the program logs:

1. An entry showing time of commencement and conclusion of each station identification announcement (call letters and location).

2. An entry identifying:

(i) All commercial matter as either commercial announcements (CA) or commercial continuity (CC); and

(ii) All non-commercial announcements (NCA); and showing time of commencement and conclusion of all such material broadcast. The following definitions should be used:

**Commercial Matter** includes all commercial announcements and all commercial continuity (network and non-network).

**A Commercial Announcement (CA)** is any announcement, including a promotional announcement, time signal, weather announcement, or station identification, for which a charge is made and which is not part of the commercial continuity of a program sponsor; or any promotional announcement for a non-sustaining program; or any announcement which refers to or mentions the name of any business beyond the exact name of the station licensee; or any announcement which, by express or implied agreement between the applicant and a sponsor assumes, in fact, the character of a commercial announcement (such as "bonus" spots, or "trade out" spots involving a barter arrangement).

**Commercial Continuity (CC)** is the advertising message of a program sponsor.

**A Non-Commercial announcement (NCA)** is an announcement for which the station does *not* receive consideration (including

any announcement which promotes a sustaining program).

3. An entry identifying the sponsor or those furnishing the items set forth in Section 3.654 of Part 3 of this Chapter and showing the beginning and ending of each announcement required by that Section. Additionally, if a speech is made by a political candidate, the name and political affiliation of such speaker shall be entered.
4. An entry showing the time and on whose behalf each announcement is made that a licensee; network; officer, director, or employee of licensee or network; person directly or indirectly holding an ownership interest of 10% or more in the licensee or network; or person appearing on the program during which promotional matter is broadcast, has a financial interest in a service or commodity receiving such broadcast promotion. (This requirement will be included only if the rule making proposal of Docket No. 14119 is adopted.)
5. An entry of the time each program begins and ends, and if it is a network program, the identity of the network.
6. An entry identifying each program by name or title.
7. An entry classifying each program broadcast as either Religious (R), Instructive (I), Public Affairs (PA), Agricultural (A), News (N), Sports (S), Entertainment (E), or other (specifying). For purposes of this entry, the following definitions of program types shall be used:

Religious (R) includes sermons, devotionals, religious news and drama, etc., but not music except where it is incidental to a religious program.

Instructive (I) includes programs other than those classified under Religious, Agricultural, News or Public Affairs, involving the discussion of, or primarily designed to further an appreciation of understanding of, literature, music, fine arts, history, geography, and the natural and social sciences, and similar programs intended principally to instruct.

Public Affairs (PA) includes talks discussions, speeches, editorials, forums, panels, round tables, and other programs primarily concerning local, national and international affairs or problems.

Agricultural (A) includes farm or market reports or other information specifically addressed to the agricultural population.

News (N) includes news reports and commentaries.

Sports (S) includes play-by-play and pre- and post-game related activities and sports news and reports.

Entertainment (E) includes all programs intended primarily as entertainment, such as music, drama, variety, comedy, quiz, etc.

NOTE: A program constituting a single entity or unit shall be logged under the appropriate type. If a program consists of varied segments which include two or more of the types listed in this Section the segments should be separately listed and identified as to type and duration.

8. With respect to each program (including edi-

torials) or announcement dealing with a controversial issue of public importance, an entry inserting the letters "CI" after the proper abbreviation for the program type and in case the program matter was an editorial the further notation "Edit".

9. Where any program is designed primarily for children, insert "Ch" after the entry of program type.
10. As to each Instructive, Public Affairs, or Agricultural program dealing with local affairs (i.e., community, state, or regional), the program type entry shall include "LA".
11. As to each Religious, Instructive, Public Affairs, or Agricultural program prepared by, or in behalf of, or in cooperation with an educational organization, the program type entry shall include the designation "ED".
12. Each entry of a Religious program shall be entered as Sustaining (R-S) or Commercial (R-C) as appropriate.
13. Each entry of a news program containing local news shall indicate the approximate amount of time devoted to such local news.
14. An entry showing the source of each program as one of the following:

A live program (L) is any local program which uses live talent half the time or longer, whether originating in the station's studio's or elsewhere. Programs furnished to a station by a network are classified as "network." "Disc jockey" shows shall not be classified as "live" but as "recorded," except that an identifiable unit of programming within such a show utilizing live talent shall be classified as "live." A live program recorded or filmed for later broadcasting by the station shall be classified as "live."

A recorded program (REC) is any program utilizing phonograph records, electrical transcriptions, films, tape recordings, or other means of reproduction more than half the time. A news program devoted primarily to wire copy which is read verbatim, or virtually verbatim, by the local announcer shall be classified as recorded.

A network program (NET) is any live or recorded program furnished to the station by a network (national, regional, or special). Delayed broadcasts of programs originated by networks are classified as "network."

15. An entry showing the time a mechanical reproduction is announced as such, as required by Section 3.653 of this Chapter.
16. An entry identifying the announcer on duty and the time during which such announcer was on duty.
17. Signature of each person responsible for logging information and the time during which each such person maintained the log.

II. Sections 3.664 (a) and (c) are amended to read as follows:

§ 3.664 Logs, Retention of, etc.

- (a) Logs, retention of. Logs of television broadcast stations shall be retained by the licensee or permittee for a period of three years and thereafter until any application based thereon has been finally acted upon by the Commission: *Provided, however,* That logs involving communications incident to a disaster or which include communications incident to or involved

in an investigation by the Commission and concerning which the licensee or permittee has been notified, shall be retained by the licensee or permittee until he is specifically authorized in writing by the Commission to destroy them: *Provided further*, That logs incident to or involved in any claim or complaint of which the licensee or permittee has notice shall be retained by the licensee or permittee until such claim or complaint has been fully satisfied or until the same has been barred by statute limiting the time for the filing of suits upon such claims.

(b) \* \* \*

(c) Log form. The log shall be kept in an orderly manner, in suitable form, and in such detail that the data required for the particular class of station are readily available. All entries required by subparagraphs 1, 2, 3, 4, 5, 13, 15, 16, and 17 of Section 3.663 (a) shall be made at the time of broadcast. Entries required by other subparagraphs of that Section may be made prior to air time but the person responsible for maintaining the log must, concurrently with broadcast, correct any entries necessary to reflect accurately what is actually broadcast. Key letters or abbreviations, in addition to those set forth in Section 3.663, may be used if proper meaning or explanation is contained elsewhere in the log. The logging day shall be considered as beginning at 12:00:01 AM.

#### CONCURRING STATEMENT OF CHAIRMAN NEWTON N. MINOW:

Programming forms are public documents on which broadcasters periodically report their programming practices, and tell the public what they will do in the future. These forms are the tools of our trade.

The specific question is the adoption of a proposed form, upon which the broadcasting industry—and the public—are now invited to comment.

I join my colleagues in their choice of questions for these revised forms—as far as they go. But I do not believe they ask enough—and I think it is our duty to ask for more.

On the basis of the information which these forms provide—in no small part—valuable licenses are awarded and sometimes selections are made from among 2 or more applicants. Licenses are transferred or modified in the same way—and renewals are also granted on this basis.

We search out much information in this way & make such information public. We do this because Congress has given us the job of protecting the public interest.

But we cannot act on half the facts. It is not enough to know what services the public is receiving when a license is granted or renewed. In the critical areas, the public should also know what they *could* be receiving—and what is sometimes denied them by their licensees.

The clearance of network public-affairs programs by network affiliates requires special concern. The presentation of public-affairs programs is one of the licensee's highest responsibilities. And, in television, networks are the most significant source of national public-affairs pro-

grams. Yet we all know that some licensees consistently air network entertainment programs and fail to air network public-affairs programs.

The Supreme Court once observed that "there comes a time when this Court should not be ignorant as judges of what we know as men." We cannot be ignorant as Commissioners of what we know as viewers. If an applicant who is a network affiliate has demonstrated a repeated & consistent pattern of rejecting the opportunities which his network makes available to him in public-affairs programming, the public should know about it. After all, the valuable grant to use a scarce public channel should go to those who provide more public service in preference to those who choose to provide less.

The form proposed today does seek information as to the network programs which the licensee carries in each program category. But this is only half the story. In the critical area of national public affairs there should be a public spotlight on what the licensee might have done & what he failed to do. Therefore, I propose another specific question, which I would add to the form for television.

This proposal is not concerned in any way with specific programs. The question calls only for the number of hours a station might have broadcast and the general type & source of programs which it did broadcast. Nor am I concerned with political broadcasts. My proposal is aimed at the over-all pattern of the licensee's actions in the broader field of national public affairs.

Through this additional question, each network-affiliated television licensee would make public how much network public-affairs programming he failed to carry—and what types & category of programs he broadcast instead. Did he instead carry public-affairs programming from non-network sources? Did he provide his own local public-affairs programs in place of the network programs that he might have carried? There may be good reason for his failure to air the network programs. But the public should know which licensees consistently reject network public-affairs programs and whether they were rejected for these reasons or for other reasons having to do with ratings and dollars.

Proposed question for television form:

If this is an application for renewal of license, state:

(A) The number of hours of programming offered by applicant's principal network (in the composite week & in the applicant's selected week) in the public-affairs category;

(B) The number of hours of such programming which were broadcast (in the composite week and in the applicant's selected week) at the time offered;

(C) The number of hours of such programming which were broadcast on a delayed basis (whether or not broadcast in the composite week or the applicant's selected week); and

(D) The type (by program category) and source (network, recorded or live) of the programs (in the composite week and in the applicant's selected week) which were carried in place of the network public-affairs programs offered but not broadcast.

#### CONCURRING STATEMENT OF COMMISSIONER T. A. M. CRAVEN:

I am for the Notice of Further Proposed Rule Making but I have some reservations with respect to the matter which I can resolve after the comments are in.

# WEEKLY **Television Digest**

JULY 17, 1961

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VOL. 17: No. 29

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

## SUMMARY-INDEX OF WEEK'S NEWS

### **FCC**

**KORD OFF HOOK.** All stations warned about promises and told to come up with good reasons for change in formats—or else (p. 1). Dept. (p. 14).

### **Stations**

**STATION PROFITS HOLD UP, NAB REPORTS** in roundup of 1960 TV & radio finances. "Typical" TV earnings went up slightly above 1959, radio declined fractionally (p. 2).

**COURT HITS STATION PROFIT EMPHASIS:** sends WOOD-TV case back to FCC for better analysis of service gains & losses (p. 3).

**NAB FAVORS PROGRAM FORM** as proposed by FCC in revised version. Pres. Collins tells members it's an "improvement" over old form despite extra paperwork (p. 5).

**TWO NEW OUTLETS:** WBNW-TV (Ch. 10) Charlotte Amalie, V. I. begins July 22, and CHHC-TV-1 (Ch. 4) Saddle Mt., B. C., is operating as the first Canadian satellite of a U. S. station (p. 6).

### **Film & Tape**

**100 PILOTS ALREADY PROJECTED FOR 1962-63.** Figure likely to hit 175-200 by year's end. Networks say, "Minimize violence." Live TV may make comeback (pp. 3 & 7).

### **Networks**

**NETWORK SPONSORSHIP IN ALL SIZES, ALL SHAPES** this fall—ranging from full sponsorship (21.5% of all prime-time shows) to a modest participation (p. 4).

**O&O POLICIES ON 40-SEC. BREAKS:** CBS and NBC favor paired 20-sec. announcements; ABC likes the 30-10 pattern (p. 11).

### **Consumer Electronics**

**FM STEREO:** 6 stations now broadcasting in 5 markets, as multiplex service becomes available in 3 more cities. Several other outlets poised to begin (p. 15).

**MICROMODULES REACH PRODUCTION** stage, culminating \$15-million program and resulting in new "format" for electronic circuits of future (p. 16).

**TV-RADIO-PHONO SALES** at retail counters were sharply ahead of 1960 in May, but cumulative 5-month sales of TVs & phonos still lag behind last year (p. 17).

**STEREO ADAPTER BATTLE-LINES** drawn as RCA takes "option extra" approach to FM stereo in phono units with adapter at \$29.95 (p. 17).

**LAWRENCE TUBE** back in "almost ready" stage; no manufacturers signed (p. 18).

**HOFFMAN TV DESIGNS,** dies, tools and blueprints acquired by Symphonic, which will incorporate Hoffman features into its 1962 line (p. 18).

### **Finance**

**MAGNAVOX HAS RECORD HALF** as earnings climb 38% on a 20% sales rise. Stockholders vote 3-for-1 split, and directors boost dividend rate 50% (p. 19).

### **Other Departments**

**PROGRAMMING** (p. 8). **ADVERTISING** (p. 10). **AUXILIARY SERVICES** (p. 12). **EDUCATIONAL TV** (p. 12). **CONGRESS** (p. 13). **PERSONALS** (p. 14).

**NAB LIBRARY**

**KORD OFF HOOK; ALL STATIONS WARNED ABOUT PROMISES:** FCC decided not to make a horrible example of little radio KORD Pasco, Wash., and force it through a hearing on failure to live up to program promises (Vol. 17:13 p2)—but it warned everyone to watch out from now on.

Basically, Commission thought it would be unfair to catch KORD in a policy-change squeeze. To emphasize that it's serious, however, FCC took most unusual action of sending copy of KORD decision to all broadcasters and of putting out tough-worded public notice calling attention to case. Notice said, in part:

"By this opinion, [broadcasters] are put on notice that 'proposals vs. actual operation' is of vital concern to the Commission, that a licensee is not entitled to one or any license period where he does not make a good faith effort to deliver on his public-service proposals, and that if they have not been endeavoring in good faith to discharge their representations, they should take immediate steps to do so. If they do not, they cannot validly claim that the Commission has lain 'in ambush' for them."

In its original application, KORD had said it would program 6% local live, 84% entertainment, .5% religious, 2% agriculture, .5% education, 6% news, 0% discussion, 5% talks, 2% miscellaneous. But when it filed 1960 renewal application, it showed no local live, education, talks or miscellaneous—and 1,631 commercial spots weekly instead of 700 originally proposed.

After FCC asked "how come the difference?" KORD gave 3 reasons: (1) Staff had failed to log "very short public-service offerings" in categories such as local live, education, etc. (2) There weren't dependable sources for educational & agricultural programs. (3) Improvement in local economy accounted for increase in spots.

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In last week's decision, FCC rejected these explanations as inadequate. However, it noted that KORD had done much to fulfill its original program plans since FCC sent its query and "earnestly asserts that it will continue this improvement." Commission decided to let station off hook but gave it only a one-year license.

Significance of case is this: In past, when stations were questioned on "promise vs. performance" discrepancies, they rushed in with assurances they'd improve—and FCC took their word, gave them full renewals. In KORD's case, FCC wasn't satisfied, by 4-3 vote designated it for hearing. KORD begged for reconsideration, and Commission relented with last week's "we-aren't-kidding-from-now-on" decision.

Only time will tell whether Commission is kidding. Many stations, if not most, have assumed FCC has been serious for some time—particularly since issuance of last July's program-policy statement. In practice, many have been telling Commission why performance has varied from promise.

Next question, of course, is: What will Commission do if performance meets promise—but promise includes little or nothing that FCC presumably considers "good"? Program-policy statement spelled out 14 apparently "good" things, such as "opportunity for local self-expression," "development & use of local talent," "programs for children," etc. Only time will tell on that one, too. It should be noted, however, that courts have never slapped Commission down whenever it spoke up on programming. On other hand, there's fear in industry that FCC is aiming far beyond anything it has done before in "program guidance."

Commission made it clear in KORD decision, as it did in policy statement, that program promises aren't "binding." It said: "We hope & expect the licensee to be responsive to the changing needs of the community." However, it added:

"It is one thing for a licensee to decide that its community has greater need for religious or educational programs than particular agriculture or talk or entertainment programs—or, indeed, for an essentially new format; this is a judgment peculiarly within the licensee's competence. But it is quite another thing for the applicant to drastically curtail his proposed public-service programming in education, religion, agriculture, discussion, local live, etc., and increase his advertising content and 'music-news' without an appropriate & adequate finding of a change in the programming needs of his area. Nor can such an applicant mechanically recite, 'changing needs of the community'; he has a burden of demonstrating just why his community has less need for such public-service programming than when he originally proposed it."

Six Commissioners voted (Ford absent—his first son being born, see p. 14). Hyde was listed as "concurring in the result." Cross concurred with statement in which Craven joined. Hyde, Cross & Craven had dissented from ordering a hearing originally. Last week, Cross & Craven said they "agree with the general notification to broadcast licensees" in the KORD decision. Policy of both may be put this way: We don't want FCC telling anyone how to program—but we don't want anyone lying to us.

Washington attorneys were agreed on one point last week: Stations will give more & more care to what they tell the Commission.

**STATION PROFITS HOLD UP:** Over-all profit margins of TV & radio stations last year were maintained close to 1959 levels (Vol. 16:27 p2), NAB will report this week in its annual roundup of statistics gathered from all classes of broadcasters.

The "typical" TV station lifted its earnings from the 14.3% before-taxes margin of 1959 to 15.4% in 1960. The "typical" radio station held almost even with its previous margin—7.6% in 1960 vs. 7.7% in 1959.

Revenues of the composite TV operator showed 4.5% increase last year while expenses went up 3%. NAB's personnel & economics dept. mgr. James H. Hulbert notes that TV stations in biggest & smallest markets showed profit decreases while those in all other market sizes reported gains.

Radio's revenue climbed 5.6%; expense rose 6% in 1960. Big-market radio profits were down, smaller-markets showed slight gains.

Biggest share of "typical" TV station's 1960 revenue—42.9% of \$904,000—came from national & regional advertisers, 31% from local advertisers, 26.1% from networks. Before-taxes profit of \$139,200 was figured after \$765,300 expenses, pro-rated this way: programs, 36.7%; general & administrative, 34.3%; technical, 16.2%; promotion, selling, agency & rep commissions, 12.8%.

Radio stations took in average of about \$110,000 in 1960, paid out \$102,000 in expenses for a profit margin of about 8¢ on every sales dollar. Local advertisers accounted for 85.6% of radio time sales, national & regional advertisers for 14.4%, networks for less than 1¢ of every sales dollar.

TV returns for 1960 were based on 57.6% sample of 481 commercial stations which operated for full year. They included number of non-NAB members. Not released by NAB for public inspection are breakdowns of statistics by market size & revenue range, but they're being sent to NAB member-operators who'll be able to figure out comparisons of how they did last year.

Stations are bullish about 1961. Asked by NAB for estimates of operating revenues this year, TV stations said they expected revenues to go up about 4.5% on average. Radio stations anticipated 2% increase.

**COURT HITS STATION PROFIT EMPHASIS:** "It sounds as if the Court of Appeals has been reading Minow's speeches." That was the quip by an FCC staff member, commenting on Court's ruling last week ordering Commission to take another look at its decision which granted WOOD-TV Grand Rapids authority to move site to cover more people.

After concluding that Commission hadn't justified its ruling, Judges Washington, Miller & Bazelon, in decision written by Washington, threw in this windup paragraph:

"A further comment may be noted. All too often in cases like the present the broadcasters involved appear to be chiefly interested in the revenues to be derived from operating their stations in the most profitable manner. It seems clear in the present case that WOOD-TV will make more money in its new location than in the old: It is moving to a more prosperous & more highly populated area, and its advertising revenues will no doubt increase. But such considerations, though legitimate, cannot be controlling. Television & radio are affected with a public interest: The nation allows its air waves to be used as a matter of privilege rather than of right. The interests which today are profiting so handsomely from radio & television may in the end find it in their own best interest to treat their businesses primarily as a public trust."

Case had arisen when WOOD-TV was granted move from 10 miles northeast of Grand Rapids to 20 miles southeast. WILX-TV Lansing-Onondaga protested, was given a hearing, denied. Comrs. Bartley & King dissented, latter saying that "it is not in the public interest to eliminate altogether any service to some 900 people, to reduce from 2 to 1 the services available to 42,000 people, and to downgrade the only service available to the 85,000 residents of the Muskegon urbanized area."

Court concluded that Commission didn't adequately analyze gains & losses of service and said: "The statutory duty of this court to review the action of the Commission cannot be performed without a fuller statement of its reasons for its conclusion." Court did admit, however: "We are not saying that the Commission may not in the end be able to justify the result it has reached. We think, however, that it has not so far done so." Pending another FCC look at situation, Court said, FCC may let WOOD-TV operate at either old or new site.

**100 PILOTS NOW IN WORKS FOR 1962-63:** A minimum of 100 pilots are already in preparation for the season after next—a record for this early date. Prospects are that 175-200 pilots will be produced for the selling season of spring 1962. Network executives are guarded in commenting about this programming, rarely going beyond a "minimize violence" generalization to describe what they have in mind.

Theorized one executive: "They're being noncommittal until they see what happens with the FCC & Senate hearings on TV. They want to know if the criticism will blow over before they commit themselves." Said another: "I get the impression that the networks are disposed to find something away from the action, blood-and-thunder formula."

One network executive predicted an increase in live TV, most likely in dramatic anthology, admitted that instructions to producers are vague, said "We are trying for better balance." Failure of CBS-TV's "Playhouse 90" was due to newness at that time of magazine concept with multiple sponsors, he said. (For details of pilot projects, see p. 7.)

**NBC'S BILLINGS LEAD:** "The world's largest single advertising medium before the end of 1961"—that was NBC-TV exec. vp Walter Scott's prediction at NBC's pre-NAB affiliates meeting (Vol. 17:19 p1). Last week, it began to appear that Scott's prediction would be fulfilled. TV gross billings figures estimated by LNA/BAR for the first half of this year showed that NBC, for the 3rd consecutive month, was leading CBS-TV and ABC-TV. NBC also outpaced the other networks in total hours of sponsored TV & radio network time.

The NBC lead was caused for the most part by gains in daytime TV billings while daytime billings at CBS dropped. (In April, for example, NBC's daytime total was up \$2.1 million while that of CBS was off \$204,000.) Before the start of the 1960-61 season, NBC pointed out CBS led in billings every month for 7 years.

**NETWORK SPONSORSHIP—ALL SIZES, ALL SHAPES:** Fall buying patterns in network TV reveal considerable flexibility. Gone are radio-heyday schedules, when big sponsors shuddered at anything less than full sponsorship of agency-selected shows. Today, advertisers are making a bewildering variety of basic purchases in prime-time (7:30-11 p.m.) hours, and program sales are being tailored to meet advertiser demand of all types:

(1) "Participation carriers" take the biggest slice—30.5%—of all network prime hours. Such shows include "Hawaiian Eye," "Ben Casey" and "Bus Stop" on ABC-TV, "Frontier Circus" and "Rawhide" on CBS-TV, "Dr. Kildare," "Cain's Hundred" and the Saturday Night Movies on NBC-TV. The standard buy is akin to magazine insertion: a 60-sec. participation with little (if any) audience identification between sponsor & program. Most participation shows are of the 60-minute variety.

(2) But full-program sponsorship is far from dead in fall season. Better than one out of every 5 hours in prime time—21.5% of the total—is filled with a single-sponsor show. Admittedly, it is now sometimes hard to tell such full-sponsorship shows from participation carriers, since most (P&G, Kraft, General Foods, et al.) advertise a number of different product lines on their shows.

(3) Equal splitting of the program tab between 2 clients forms a category that accounts for exactly the same amount of prime hours each week—21.5%. The general pattern is the so-called "major-minor" buy (an alternating arrangement for 2/3 of the commercials one week, 1/3 the next), although a few clients elect a straight alternate-week or co-sponsorship arrangement. Nearly all such buys are for 30-minute shows, generally comedies.

(4) By combining participations & major sponsorships, networks have concocted a number of sales hybrids. In such a deal, part of a show is sold off as a large buy (such as a half-sponsorship) and the rest is sold as minute participations. Examples: ABC's "Follow the Sun" (Kaiser has 2/3 one week, 5/6 the next, while L&M has 1/3 the first week, then a minute participation—the remaining 1/6th—the next). NBC's "Thriller" (American Tobacco has 1/3 each week; the rest is minute participations for various clients). A related hybrid in this area combines a major buy with a pair of lesser buys, as in CBS's "Ed Sullivan Show" in which Colgate has full sponsorship one week, Revlon and P. Lorillard a co-sponsorship split the next week. Altogether, such hybrids occupy 19.5% of prime time.

(5) Shows sold in small segments but not participations and without any full-sponsorships or co-sponsorships occupy the remaining 7% of prime time. These include NBC's "Wells Fargo" (sold on the basis of 1/3 weekly sponsorship but with no sponsors buying more or less than that) and CBS's "Garry Moore Show" (sold as half-sponsorship in alternate weeks).

## Stations

**WMGM Deal Dropped:** The proposed \$11-million sale of Loew's radio WMGM N.Y. to Crowell-Collier was called off July 12—a week after FCC had challenged Crowell-Collier's radio operations in St. Paul, Oakland and Los Angeles (Vol. 17:28 p10). Cancellation of the deal, in which Crowell-Collier had put up \$1 million in escrow as part of a contract which set a July 10 sales deadline, was announced in a joint statement by the principals' parents—Loew's Theatres Inc. & Crowell-Collier Publishing Co. Loew's said it would continue to operate WMGM. Crowell-Collier said it was "confident" that FCC would find in further proceedings that it had been operating its radios—KDWB, KEWB and KFWB—in a manner "consistent with the public interest." There was no change meanwhile in Storer's plans to take over Gotham's radio WINS N.Y., which has been threatened with an FCC renewal hearing on payola charges. Storer renewed its \$10-million contract for the station.

**Washington CP Sale:** An application for the sale of the CP for WOOK-TV (Ch. 14) Washington from Richard Eaton to Automated Electronics Inc. for \$30,000 has been filed with FCC. Automated is also an applicant for Ch. 29, Dallas.

**Rise of a Communications Dynasty:** Fourteen years ago Gerald Bartell was a well-respected, low-paid faculty member of the U. of Wis. speech dept. In that year—1947—tiring of his low pay, Bartell, his father, 3 brothers and a sister "scraped together \$50,000 and bought WEXT, a 1,000-watt daytime station in Milwaukee," reports the latest *Newsweek* (July 17). Today, Gerald Bartell, complete with ulcer, "heads up a \$6-million chain of 4 radio stations (WADO N.Y., WOKY Milwaukee, KCBQ San Diego and KYA San Francisco). The group is also principal owner of Tele-Haiti (Ch. 5) Port-au-Prince. Its recent acquisition of Macfadden Publications was a logical extension into print media of the Bartell philosophy of serving, in broadcasting, the blue-collar, dinner-pail mass audience.

**Wometco Buys Another Vending Firm:** Diversified Wometco Enterprises (TV-radio stations, vending operations, amusement centers) last week acquired Lillienfeld Vending Co. of Miami. The acquisition will be operated by Wometco Vending of South Florida. Earlier this month, Wometco bought L & H Vending of Orlando (Vol. 17:27).

**WDSU-TV Automates:** The New Orleans station has completed installation of a Visual Electronics 6000 TV automation system, which uses punched paper tape to control a full day's programming.

**NAB FAVORS PROGRAM FORM:** FCC's proposed new program forms (Vol. 17:28 p1 & Special Supplement No. 8) are "a net improvement" over the old, and all stations should be able to cope with required extra paperwork without much trouble, NAB Pres. LeRoy Collins said last week.

Pointing out that the new & refined proposals were products of FCC staff conferences with NAB & Federal Communications Bar Assn., Collins said his staff is working up suggestions for "possible improvements" to be filed by the Commission's Sept. 7 deadline for comments.

But all in all, Collins said in a memorandum sent to NAB members, broadcasters should be able to live with the forms as proposed. His memorandum was accompanied by copies of FCC's documents.

"The proposed form of the FCC represents a refinement & extension of the program forms that have been utilized by the Commission for the past 30 years," Collins said. "On balance, it is our opinion that the new form represents a net improvement over the old form.

"True, more detailed information is being requested of licensees & applicants. The form itself, however, does not represent any basic change in the philosophy of the regulation of the industry by the FCC.

"In our judgment, there exists no substantial question of legality. If the Commission has the basic authority to require applicants for broadcasting facilities to file any information as to program plans—and this has been accepted in practice since the advent of radio regulation—the amount of such information required is a matter of sound official discretion.

"Against this backdrop, the proposed form has the advantage of reflecting more accurately past & proposed operations of the licensee. It has the disadvantage of imposing a greater administrative burden upon licensees, and this burden will be more onerous on those stations with small staffs. "However, our NAB staff believes that it is possible for any licensee to complete this form without outside special assistance."

**Kansas Supreme Court Bans TV-Radio Trial Coverage:** In a July 8 opinion, the Kansas Supreme Court took issue with the Geary County District Court for allowing the taping for broadcast of the early stages of a kidnaping trial. The proceedings had been taped last year by radio KJCK Junction City, Kan. In its opinion, the Court noted: "The defendant strenuously objected to such tape recording and at every possible stage of the trial renewed the objection on the ground that it violated No. 35 of the Canons of Judicial Ethics. These objections were all over-ruled by the trial court. While this court is not holding these rulings to be reversible error, such proceedings are not approved or sanctioned by this court, and they are not to be allowed in a courtroom or are they to be participated in & indulged in by a court." Said the Kansas Assn. of Radio Bestrs. (through Pres. Thad M. Sandstrom): The Supreme Court decision "which bans radio & TV coverage of trials is not in the public interest. The public is the loser if recordings are forever banned."

**Add Payola Settlements:** FTC hearing examiner William L. Pack has recommended dismissal of payola charges against Roulette Records Inc. and Bigtop Records Inc. (along with its affiliated Bigtop Record Distributors Inc.), both N.Y. His initial orders carried on FTC's steady withdrawal from payola prosecutions, which now are FCC's responsibility under Harris-Pastore Act (Vol. 17:27 p16).

**WCKT's "Responsibility":** The Miami Ch. 7 station has issued a handsomely-printed brochure entitled *Responsibility*, for distribution to community & other "leaders" in the hope that they will "take time to examine it carefully, then offer suggestions or criticisms for our consideration in the programming of WCKT." Station mgr. Charles Kelly, who signed the Biscayne Television Corp. buckslip accompanying the brochure, said also that: "WCKT has retained First Research Corp. to conduct an independent inquiry in South Florida to ascertain the views of responsible citizens on the subjects of community needs & TV programming." The brochure, among other things, describes major documentaries put on by the station and "other notable program events and achievements of 1960." One page is devoted to a list of some 200 institutions which benefitted from the station's free public-service announcements in 1960. (Meanwhile [Vol. 17:12 p1], FCC has instructed its staff to draft a decision taking Ch. 7 and giving it to Sunbeam TV Corp. Final decision has not been issued yet.)

**"In the Public Interest":** WSJS-TV & WSJS Winston-Salem, N.C., have described their public-service activities in a 22-page illustrated booklet by that name, which depicts, among other things, an adult learn-to-read series and a career program for young people. The pamphlet points out that the public-service dept., established in 1957, makes a daily check of community-affairs organizations to offer broadcast assistance in publicizing their activities. WSJS-TV also has presented brochures containing clippings, pictures and promotional material used in its 1960 *Salute to the Cities* series to heads of the chambers of commerce in each of the 16 cities cited.

**ASCAP Pact Analyzed:** Getting ready for ASCAP negotiations, the All-Industry TV Station Music License Negotiating Committee received a section-by-section analysis of the expiring TV contract (Vol. 17:28 p5) at a N.Y. meeting June 11. The report was made by Time-Life Bestg. Co. business mgr. Andrew J. Murtha, who heads the group's accounting procedures subcommittee. At the same time committee Chmn. Hamilton Shea (WSVA-TV Harrisonburg, Va.) designated NAB staffer Dan W. Shields as secretary. Shea replaces ex-NAB TV vp Charles H. Tower, now administrative vp of the Corinthian Bestg. Corp., who remains a committee member.

**RFE Promotion Winners:** Two TV & 2 radio stations (KCMO-TV Kansas City, Mo. & KPIX San Francisco; WBZ Boston & WEJL Scranton, Pa.) have won a nationwide competition in broadcast promotion for Radio Free Europe's 1961 fund-raising campaign. Spot announcements, documentary films, interviews and programs featuring the work of RFE comprised the winning promotion campaigns, which netted for representatives of each station a trip to Europe including an inspection tour of RFE facilities in West Germany & Portugal.

**NAB Out of Voice of Democracy?** It's understood that NAB plans to pull out of sponsorship of the 14-year-old Voice of Democracy script contest for high school students. NAB has been contributing \$10,000 annually, EIA \$10,000 and VFW \$2,500. NAB is thinking about putting the funds into what are considered more urgent projects. It's uncertain whether EIA, VFW or other organizations would continue the contest.

**Finding Young Writers:** WABC-TV N.Y., in an effort to encourage young writing talent, has added to its summer staff 2 N.Y.-area high school students, winners of the station's script contest: Susan Brown and David Gingold.

**NEW & UPCOMING STATIONS:** This week's report on new starters has a U.S. station beginning operation in the Virgin Islands and a Canadian satellite already in operation as the first Canadian satellite of a U.S. station. (In Canada they're called rebroadcasting stations.)

V.I.'s WBNB-TV (Ch. 10) Charlotte Amalie got FCC program-test authorization July 11 for start on July 22 with programs from all 3 U.S. networks. This changes the U.S. operating total to 587 (91 uhf). The Canadian automatic, unattended satellite is CHHC-TV-1 (Ch. 4) Saddle Mt., B.C., which is repeating KXLY-TV (Ch. 4) Spokane. It's Canada's 92nd outlet to get on the air.

WBNB-TV has a 500-watt Gates transmitter and a 200-ft. Utility tower with a Jampro antenna on 1,300-ft. Mountain Top Estates, St. Thomas. Station owners are Pres. gen. mgr. & program dir. Robert Moss (ex-ABC and NBC and former Martin Block producer) and sales mgr. Robert E. Noble Jr. (ex-ABC station relations and a nephew of the late Ed Noble, one-time chief owner of ABC). George Beers is chief engineer. These 3 men are in charge of all operations while local residents are being trained for station jobs. Base hourly rate is \$60. Rep is Caribbean Networks.

CHHC-TV-1, with its transmitter on Saddle Mt., provides service for the community of Nakusp, B.C. The owner is Horace M. Card, Box 5, Robson, B.C. He doesn't say what equipment is used, stating only that it is low voltage. His application specified 3.3 milliwatts transmitter power, using a directional antenna. No rate card.

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

KNDU (Ch. 25) Richland, Wash. has set a July 20 target for its debut as a semi-satellite of parent KNDO (Ch. 23) Yakima, an ABC-TV affiliate, reports Hugh E. Davis, KNDO pres. & gen. mgr. It has installed a 1-kw RCA transmitter and a 100-ft. Stainless tower on a 2,200-ft. hill S of Kennewick, Wash., where the studios were to be ready by July 15. KNDU will be sold in combination with KNDO at a \$400 base hourly rate. Reps will be Weed, Day-Wellington (Seattle) and H. S. Jacobson (Portland).

KPOB-TV (Ch. 15) Poplar Bluff, Mo. has a mid-Aug. target for starting as a satellite of parent WSIL-TV (Ch. 3) Harrisburg, Ill., an ABC-TV affiliate, according to WSIL-TV gen. mgr. O. L. Turner. A GE transmitter purchased from defunct WBLN (Ch. 15) Bloomington, Ill., has been installed, and wiring will be completed by July 19. The 4-bay GE helical antenna has been installed on a 500-ft. Utility tower. The station will be sold in conjunction with WSIL-TV, which has a \$350 hourly rate, "but will not be considered as a bonus to the parent station." The owners anticipate originating some local programs on KPOB-TV 12 months after it begins operation. WSIL-TV rep is Meeker.

KGIN-TV (Ch. 11) Grand Island, Neb. has a Sept. 15 target for its start as a satellite of parent KOLN-TV (Ch. 10) Lincoln, Neb., a CBS-TV affiliate, reports A. James Ebel, KOLN-TV vp & gen. mgr. It has ordered a Standard Electronics transmitter for shipment within the month and it will use a 1,000-ft. Ideco tower with an RCA traveling-wave antenna. Construction has begun on the building at Heartwell, Neb., which will house the transmitter and vidicon equipment for slide origination. It will get its programming by way of an off-air pickup at Harvard, Neb., approx. 40 mi. from the KOLN-TV transmitter. It will then be forwarded by a 2-hop microwave relay using Adler

equipment. KGIN-TV will be sold as a bonus to KOLN-TV, which has a \$550 base hour. Rep is Avery-Knodel.

WETA-TV (Ch. 26, educational) Washington, D.C., has a Sept. 1 test pattern target, and plans Oct. 2 programming, says gen. mgr. George A. Baker, ex-radio WALY Herkimer, N.Y. and before that with WRC-TV Washington. A 12-kw GE transmitter has been ordered and studio construction has begun in Yorktown High School, Arlington. It will use WTTG's former 425-ft. self-supporting Blaw-Knox tower with a new helical antenna, about a mile away from the school. Charles A. Prohaska, ex-KVTV Sioux City, Ia. and WHTN-TV Huntington, W. Va., is chief engineer.

KATU (Ch. 2) Portland, Ore., formerly KOXO, plans Oct. test patterns, but hasn't set a programming target yet, writes vp & gen. mgr. W. J. Hubbach. Work on the transmitter house & tower began last April and a GE unit has been ordered. Studio construction work has also begun and RCA equipment has been ordered. Rep not chosen.

KUSU-TV (Ch. 12) Logan, Utah, formerly KVNU-TV, dropped its tentative Oct. target, according to Burrell F. Hansen, chairman of TV-radio of the Utah State U., which acquired the CP from Cache Valley Bestg. (KVNU) last fall. The school's request for funds to the legislature was trimmed to eliminate money for the purchase of a transmitter. All work is being held up until school officials find a new source of funds.

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**TvB Backs Canadian Counterpart:** TV Bureau of Advertising Ltd., recommended by the Canadian Assn. of Broadcasters last year, will begin operations August 1. It will be headed by William R. Seth Jr., ex-Lennen & Newell exec. in charge of the Colgate-Palmolive TV unit. The announcement was made jointly by U.S. TvB Pres. Norman E. Cash and Ralph Snelgrove (pres. & gen. mgr., CKVR-TV Barrie), chmn. of the new company's executive committee. "In its early years, Canadian TvB will be given the full support of TvB (U.S.), drawing on its facilities & information," Cash said. "We are indebted to TvB (U.S.) for its support & assistance in making this new organization possible," added Snelgrove. The extent of the American organization's "support"—in dollars & cents—was not disclosed, and emphasis was placed on the independent status of the new company. Seth will make his hq in TvB's N.Y. office until Toronto office space is located . . . The Canadian Assn. of Bestrs. has established a Radio Sales Bureau to sell advertisers on the merits of the medium. Onetime business consultant Charles C. Hoffman has been named pres. of the new bureau. Its first-year budget: \$200,000.

**Pay Exemptions Defined:** Suggestions for administering small-market TV & radio station exemptions from new minimum-wage legislation (Vol. 17:19 p17) have been filed with wage-hour administrator Clarence T. Lundquist by NAB's Personnel & Economics Dept. mgr. James H. Hulbert. He proposed these definitions for station employees who need not be paid for overtime: Announcers—employees "engaged in routine announcing work." News editors—those who gather, edit, rewrite or broadcast news, or those whose work combines such activities. Chief engineers—all chief engineers, since they often are the only technical employees of small-market stations.

**TV Station Plugs Rivals:** WMT-TV Cedar Rapids runs regularly scheduled spot announcements rounding up the best TV fare offered by area stations. Explained Pres. W. B. Quarton: "We think there's enough good TV to go around and we don't mind pointing out where it is."

## Film & Tape

### More about

**1962-63's 100 PILOTS:** Lacking specific guidances from the networks regarding the 1962-63 programming (p. 3), Hollywood TV-film executives were preparing a melange of entertainment potential in their new crop of pilots. It included comedies, drama, adventure and action. ("The networks want *action* shows without *violence!*" complained one baffled producer.)

Accent was heavy on 60-min. series, at least 20 of the first 100 pilots being of that length. The thinking in Hollywood appeared to be to turn out "better quality" shows, but there was no indication of any ventures into cultural fields.

Our check—necessarily incomplete because some companies haven't formulated all plans and others are keeping theirs secret for competitive reasons—shaped up as follows:

**CBS-TV:** *The Dragon & St. George*, 60-min. drama. *Me, Myself & I*, comedy. *Darryl & His Friends*, comedy. *Yankee Clipper*, 60-min. sea saga.

**Desilu Productions:** Program vp Jerry Thorpe plans 6-8 projects, including 3-4 comedies, one a 60-min. show; two 60-min. mysteries; a 60-min. fictional show "in the public-service area."

**Filmaster Productions:** Three 60-min. series—*Man at the Cape*, *Our Town* and a newspaperman drama. Also a half-hour comedy.

**Four Star Television:** Some 20 projects.

**Arthur Gardner-Arnold Laven-Jules Levy:** *Attorney General*, a 60-min. show based on files of Cal. atty. gen.

**Marterto Productions:** Has 4-5 pilots in works, including *My 15 Blocks*, comedy.

**MGM-TV:** Vp Robert Weitman is blueprinting 11 hour & 11 half-hour shows (see next column).

**Revue Studios:** Preparing a number of projects, including 60-min. *Breakdown*, dealing with psychiatry.

**Hubbell Robinson Productions:** Has a number of projects, some not requiring pilots, says Robinson.

**Screen Gems:** *Panhandle*, 60-min. action-adventure about oil fields. *Safari*, 60-min. action-adventure. Also comedies, anthologies and a documentary on psychiatry.

**Selmur Productions:** *Mobile 7*, about TV newsmen.

**Television Services Productions:** *Latitude Zero*, 60-min. science-adventure. Also two 60-min. adventure series—one modern, one a period project.

**20th Century-Fox TV:** Minimum of 5-7 (30 & 60) pilots.

**WardSon Productions:** *Rodeo*, action.

**Warner Bros.:** *The Force*, *Black Gold*, *Sweet 16*, *House of Wax*, *Battle Zone*, *Trouble Marshal*, *One Night Stand*, *Killer Diller*, *Advance Man*, *Eastside-Westside*.

**Collier Young Associates:** *1600 Penn. Ave.*, drama.

**Ziv-UA:** *Aeres & Pains*, (comedy) and *Laura* (drama).

CBS-TV Stations Div. has added Japan to the list of countries contributing to its international program exchange (Vol. 17:24 p8). NHK (Nippon Hoso Kyokai), the Japanese govt. network, has offered *Japan in Music*, a 60-min. show with the NHK symphony orchestra and a group of children's songs & games.

**Slightly Fewer TV jobs in June:** Last month saw a dip of 200 in employment in the TV & movie industries, according to the Cal. Dept. of Employment statistics. The May total had been 35,900, and June estimates were given at 35,700 by the dept.

## HOLLYWOOD ROUNDUP

**MGM-TV Tells Its 1962-63 Plans:** TV versions of such movie hits as *Boom Town* and *The Human Comedy* and the TV debut of a veteran movie producer, Joe Pasternak, highlight the 1962-63 MGM-TV production program now being prepared by Robert Weitman (Vol. 17:25 p15).

The production vp told us that the studio plans 60-min. pilots for *Boom Town* and *The Human Comedy*.

Other 60-min. projects include *333 Montgomery Street* (action); *The New Man* (drama); *The Fairest Lady of Them All* (drama). Half-hour projects include *Boon Bay Harbor* (situation comedy) starring Russell Nye and *Sabrina & the Beauty Salon* (comedy). Blake Edwards is preparing two 30-min. shows and a 60-min. situation comedy called *All That Jazz*. And another MGM-TV series, *Zero One*, will be produced in N.Y.

Joe Pasternak makes his TV debut as exec. producer on *The Fairest Lady of Them All*. Weitman is currently conferring with network executives regarding the 1962-63 projects.

Four Star Television partners Dick Powell, David Niven & Charles Boyer will star in an anthology segment of *The Dick Powell Show*, to be filmed in Europe. Powell tells us that in addition, 2 segments starring Niven, 2 starring Boyer and one with Curt Jurgens in the lead will be produced abroad. Movie commitments by the stars prevent their appearing before cameras in Hollywood.

Producer-writer John Champion of *Laramie*: "We're definitely trying to minimize violence on our series for next season. In some instances this has proved better for the show. It has forced the producers, writers and directors to use their imagination."

Goodson-Todman Productions has signed Leonard Stern to create series for the production company . . . Dorothy Malone has signed to guest star in "The Heat of Passion," a *Cheekmate* episode being filmed at Revue.

Four Star Television has signed Milton Berle to star in "Doyle Against the House," a segment of the *Dick Powell Show*, produced by Ralph Nelson.

Mikki Jamison, the daughter of Northwest Electronics Pres. James P. McGoldrick, has been signed to an acting contract by Warner Bros. TV.

ABC-TV Films moved its *Straightaway* series (formerly titled *The Racers*) from Republic Studios to Desilu Gower. Producer is Joseph Shaftel.

David (*Bonanza*) Dortort, NBC-TV producer, is negotiating for Craig Stevens to star in a 60-min. series.

15 writers are preparing teleplays for Revue Studio's *The Investigators*.

Desilu Productions will hold its annual meeting of shareholders at Desilu Gower studios this week (July 18).

People: Producer-writer Leo Davis has been signed by producer Herbert B. Leonard as executive in charge of production of *Naked City* . . . Barney W. Broiles, ex-Ziv TV, CNP has been named southern sales dir. for Filmaster Inc., with hq in Dallas . . . Berle Adams, in charge of MCA's international TV dept., has returned from a 6 weeks trek in South America . . . David Hall named associate producer on 20th Century-Fox TV's *Bus Stop*.

## NEW YORK ROUNDUP

J-F Productions is the latest N.Y. production firm to grace the Madison Ave. area. Geared to handle special creative assignments for small ad agencies on a per-assignment basis, the new company will also act as consultant & negotiator for TV-radio time. Gene Foster, long-time BBDO exec., will head J-F Productions. "Our aim is to permit the smaller agency which can't afford the extremely high costs of maintaining diverse specialists on its staff to have at its beck & call those very same specialists," said Foster.

Add syndication sales: Sterling TV has sold its off-CBC, 78-episode *Adventure Theatre* in 16 markets, the latest being WPIX-TV N.Y. . . . The "A-Okay's from UAA," the recent UA 32-feature package, was picked-up by 20 stations in its first 20 days of release . . . Seven Arts has scored 28 sales for its 2nd group of Warner Brothers post-1950 features, with the latest sale to WGN-TV Chicago . . . Ziv-UA sold *Ripcord* to WNBC-TV N.Y.

Le Roy McGuirk, former World's Junior Heavyweight Champion and producer of *Championship Wrestling*, has scored 8 station sales for his 60-min. video-taped series. The show features current U.S. junior heavyweights and all tapes are less than 8 weeks old. Sales have been made to WKY-TV Oklahoma City, KOTV Tulsa, KYTV Springfield, KARK-TV Little Rock, WWL-TV New Orleans, KNOE-TV Monroe, WAFB-TV Baton Rouge, KSYD-TV Wichita Falls.

American Business Briefing Co. is producing Screen Gems' *American Business Briefing*, a taped 60-min. day-timer for ABC-TV next season. ABB was formed by Hendrik Booraem Jr., ex-vp, Ogilvy, Benson & Mather; Sidney W. Dean, ex-vp, Interpublic; and Adrian Samish, ex-vp, Dancer-Fitzgerald-Sample. Samish is exec. producer, and the news-gathering operation will be headed by Fendall Yerxa, ex-vp-exec. editor, *N.Y. Herald-Tribune*.

Ziv-UA has signed producer David ("Race for Space") Wolper to do a 38-episode, 30-min. series titled *The Story Of . . .* and ranging in subject from a football coach to an astronaut. Inspired by Wolper's "Biography of a Rookie," the series—tagged by Ziv-UA as "documatics"—will have a \$2-million budget, and a cast comprising actual people in real-life relationships to the lead."

Taynad Productions Inc. has been formed by Sherrill Taylor & Jory Nordland, the team which will produce *Kuklapolitans* for NBC-TV in the fall. N.Y. hq will begin operating in September, with Chicago and Los Angeles branches also slated.

Official Films grossed over \$1 million in first-week sales of its recently-acquired *Peter Gunn*, *Mr. Lucky* and *Yancy Derringer* rerun packages. Ten stations bought the series, but 3 markets accounted for most of the million: WNEW-TV N.Y., KTLA Los Angeles, WGN-TV Chicago.

Mickey Rooney has been signed to guest star in Revue Studios' *The Investigators* episode, "I Thee Kill."

People: Larry Lowenstein, ex-NTA PR dir., has been named General Artists Corp. vp & dir. of public relations, publicity and advertising . . . John Louis Koushouris, ex-CBS Labs dir. of marketing, has joined the recently-formed N.Y. film company VHF Inc. as operations vp.

## Programming

**PAT WEAVER RETURNS TO TV:** Although advertising agencies no longer blueprint network program schedules, the admen still are a factor in deciding what goes on the air. Last week, one of the biggest agencies in the business—McCann-Erickson—got a new TV-radio boss whose name is already something of an industry legend and whose influence on future network programming is likely to be considerable—Sylvester L. Weaver Jr. Pat was named pres. of M-E Productions, TV-radio div. of Interpublic Inc., which in turn is the parent firm to McCann-Erickson. Weaver will continue as chmn. of McCann-Erickson (International), Interpublic's overseas arm.

Weaver, chmn. & pres. of NBC during much of TV's so-called "golden age" and the creator of many TV innovations (*Today*, *Tonight*, network spectaculars, participation sponsors) will have an impressive financial backstop for his program philosophies. M-E Productions, by the agency's own estimate, is responsible for the annual expenditure "of \$100 million in broadcast billings." Such a figure automatically gives Weaver's opinions real weight in network program circles, to put it mildly.

Weaver in effect replaced C. Terence (Terry) Clyne, M-E Productions chmn., who has resigned, confirming rumors of such a move. Also resigning was Jack L. Van Volkenburg, onetime CBS-TV pres., who had held the post of pres. of M-E Productions, which official title Weaver now receives. Weaver's No. 2 man will be Harold Graham Jr., named exec. vp. Graham joined McCann-Erickson in 1946 as a trainee, later served as a program executive in CBS's Hollywood office, rejoining McCann-Erickson in 1959.

Clyne did not announce future plans. Van Volkenburg announced that he planned to retire to a Florida home. Weaver has not recently been active in TV (other than to co-ordinate the TV activity of McCann-Erickson's overseas offices), but he was one of several key witnesses at FCC's recent program hearings in N.Y. (Vol. 17:26 p5). On the witness stand, Weaver defended the basic system of sponsored TV, but criticized networks for relinquishing the bulk of nighttime programming to Hollywood.

Sarnoff's SEP Article: A worthy companion piece for the "vast wasteland" speech by FCC Chmn. Newton N. Minow was "What Do You Want From TV?" by NBC Chmn. Robert W. Sarnoff in the July 1 *SatEvePost*. Although written before the Minow speech, it is a comprehensive "pro" for pairing with the govt. official's "con" on programming. Also noteworthy: In publishing the article, the *Post* has probably printed the most understanding & sympathetic consideration of TV programming that has thus far been presented by the usually antagonistic print media. If you make talks to community organizations on TV, you'll find the Sarnoff article good source material.

Award for Public Service: KHOU-TV Houston has won the journalism award of the Texas State Bar Assn. for its documentary program, "So You're Going to Have an Accident." The show had been presented in prime time by the Corinthian station. Prepared by staffer Bob Levy, it outlined the rights of citizens involved in traffic accidents, covered police & court rights, ambulance & hospital obligations and insurance matters.

**Movies Aid KTVU's Rating Climb:** There was further evidence (Vol. 17:27 p12, 28 p8) last week that well-promoted prime-time showings of post-1948 feature films enable an independent station to give network affiliates a fast run in the ratings race. This time the scene was San Francisco. The station was KTVU, which began scheduling features from its "Films of the 50's" (post-1948 Warner Bros. movies from 7 Arts) in late January. The station has been using a "double exposure," unreeling its 2-hour features first on Sundays at 7 p.m., followed with a repeat show on Mondays at 7:30 p.m.

Although KTVU followed the usual station habit of launching the package with a showing of the glossiest feature in the group ("The High & the Mighty"), the station scored its victory over a period of 6 months, using nearly half of the entire package. Results, against KGO-TV (ABC), KPIX (CBS) and KRON-TV (NBC): The Monday-night audience share for KTVU rose (according to ARB) from 4% in December to 11% in June. Sunday-night share jumped from 2% to 24%. The 3 competing outlets, carrying (for the most part) regular network fare, each dropped from 3% to 7% in audience share.

KTVU didn't emerge as an electronic Cinderella by becoming San Francisco's top-rated station during the movie time periods. That honor still belonged to KPIX, which maintained a 35% share of the audience during KTVU's Sunday movies during the 6-month, Jan.-June period. Runner-up was KGO-TV, with a 27% average Sunday share. But KTVU's 6-month Sunday-night average of 21% share topped that of NBC affiliate KRON-TV (17%). On Mondays, KTVU's 6-month average of 12% was below that of all 3 competitors.

**Collins Urges Farm News:** Too many TV & radio stations pay too little attention to agricultural problems, NAB Pres. LeRoy Collins said last week. Addressing a dinner meeting of the National Assn. of Radio & TV Farm Directors at its summer sessions in Washington, he said he regretted that more stations weren't represented in its membership. Collins told the 220 delegates that no broadcasters have closer ties with "the total cross-section of your communities." Other speakers at the 4-day sessions included Secy. of Agriculture Orville Freeman, who scored "an abysmal lack of understanding" of farm problems on the part of the public generally.

**Crash Coverage:** WOW-TV & WOW Omaha believe that they scooped even the wire services in learning of the United Airlines jet crash in Denver on July 11. Former station executive Lyle DeMoss & his wife had boarded the plane in Omaha. DeMoss is now with the Omaha ad agency of Allen and Reynolds but, still a broadcaster at heart, his eye-witness report went out over WOW-TV & WOW at 1:12 p.m.—just 36 minutes after the crash. The stations sent staffers for further on-the-spot coverage, and at 7:30 that evening they put on a half-hour documentary simulcast entitled "Flight 859."

**Kaye on Kids:** There's "an element of violence" in all children, and if they can't find expressions of it on TV they'll get it from books or movies, according to comedian Danny Kaye. "As long as there are children and there is violence in the world, it's going to appeal to all kinds of children," he said at a Washington press conference called by the United Nations International Children's Emergency Fund. Kaye had just returned from Japan on one of his UNICEF tours which have brought him world recognition as humanitarian as well as entertainer.

**One Sponsor's Opinion:** "The trouble is, too many sponsors underrate the audience's intelligence & appreciation of culture when it is done well. They forget that the rising level of education has brought a corresponding improvement in public taste. I see it in my business in the selection of colors & designs. Fine-art cards are selling better all the time although they're not distinctly greeting cards . . . I've gotten more for my money than any other sponsor in TV. My business has tripled in the 10 years the show has been on the air. I could've spent a lot more and obtained less desirable results from far larger audiences. I don't have a philanthropic attitude towards culture. The simple truth is that good TV is good business." —Joyce Hall, pres., Hallmark Cards (sponsor of prize-winning *Hallmark Hall of Fame*) in July 22 *TV Guide*.

**How MBS Gains Audience:** Network daytime radio listening hasn't changed much in terms of total audience volume, but there's been "a complete redistribution of this audience," reported MBS Pres. Robert F. Hurleigh last week. Citing Nielsen studies for the first 5 months of 1961, Hurleigh said that Mutual had made "a 23% gain in its over-all per-broadcast average audiences," at the expense of competing networks & stations. How was MBS's radio service making headway against its radio rivals and TV? According to Hurleigh, it was the increased emphasis by Mutual on "informational features" & short name-personality shows (featuring Leo Durocher, Arlene Francis, Bess Myerson, *et al.*). This formula, said Hurleigh, "permits integration of network service into local programming in such a way as to enhance a station's local image."

**Sec. 315 Plot Seen:** A reply by the Socialist Labor Party to a KCBS San Francisco editorial calling for Congressional suspension of the Communications Act's equal-time requirements has been broadcast dutifully by the CBS radio outlet. In it the SLP's Mrs. Jean Steiner charged that "a sinister attempt is being made to shut off free competition in the market place of ideas." She said broadcasters "exploit the publicly-owned airwaves" and seek Sec. 315 suspension to win "dangerous powers."

**"Television in the Public Interest":** This guide for the layman who wishes to present his public-service projects on TV was written by A. William Bluem, dir., TV programming, Syracuse U. TV-Radio Center; John F. Cox, TV-coordinator, National Education Assn.; Gene McPherson, production dir., WBNS-TV Columbus, Ohio. The book explains the operations of a typical TV station, and tells the non-professional how to obtain & make the best use of air time. (Hastings House, 192 pp., \$6.95.)

**John Chancellor Takes Over "Today":** NBC's Moscow correspondent replaces Dave Garroway as permanent host of the network's early morning (7-9 a.m.) show, effective this week (July 17). Others considered for the job had been ex-ABC vp John Daly and newsman Edwin Newman. Chancellor, while subbing for Garroway June 19-23, "revealed a diversity of interests that includes jazz, baseball, contemporary art and the study of animals" and which, obviously, impressed NBC program heads. Frank Blair, who has been *Today's* newscaster, will take over as Chancellor's right-hand man. Newman will replace Blair. With the exception of certain pre-taped guest interviews, the show will go live again. Last week Chancellor was quoted in the press as follows: "I want to try & start a kind of new wave of U.S. television. When they called me back to cover election night last fall, I got a chance after 2 years away to see U.S. television again. It needs some changes."

## Advertising

**Ayer View of the Hearings:** With tongue in cheek—but with eye on ball—N. W. Ayer's TV-radio dept. has issued an estimate of recent governmental procedures. Some excerpts:

"Both in hearings on program practices before FCC and before the Senate Juvenile Delinquency [Subcommittee], producers, writers, and network executives have gone on record during recent weeks with an interesting (and frequently entertaining) assortment of peevish & panaceas . . . The most frequent complaint was directed against the ratings system. Here, incidentally, the most colorful spokesman was not a writer but an eminent statistician named George Jessel. The opponents of ratings fall into 2 groups—those (like Jessel) who simply do not believe that they have any validity, and those who accept their validity but rebel against them anyway. With this latter group the prevalent argument seemed to be that if it were not for the ratings, TV would present better programs. The indictment, then, was more of public taste than of the systems that measure it. No practical or constructive suggestions were offered as to how the television industry would support itself if the circulation characteristics of less popular programming made competing media more desirable to advertisers.

"Another frequently expressed opinion was that TV's indifference to fine drama had driven the best writers out of the medium . . . On the record is the fact that within the past 4 months one network has contacted 29 writers with a request to submit material, at top TV prices, to an ambitiously conceived dramatic series. Only 8 showed any interest. The rest were too busy with other things . . .

"On the question of unnecessary violence in programming [one network] spokesman defensively counted the number of murders in a Shakespearian play. The opposition was quick to point out that this kind of comparison, if carried to its logical absurdity, would ultimately put D. H. Lawrence and Polly Adler in the same literary league . . .

"Despite the fact that the hearings themselves have not accomplished much, there is general agreement that some changes in network programming lie ahead. At the very least, there will be more balanced programming voluntarily undertaken by the networks. Beyond that, there is the possibility of actual licensing of networks. (Presently only the stations are licensed.) At the extreme end of the scale is the possibility of the emergence of a 4th major network devoted to cultural & informative programming. This could come about either through the expansion, with partial government aid, of the current privately supported network of 49 educational stations, or through the formation of a network programming service entirely financed by public funds.

"Whatever develops, it will not happen immediately. At the earliest, some changes will be evident starting with the 1962-63 season, more than a year hence."

3 Brands Join Top Network List: Metrecal, Swan Liquid Detergent and Du Pont Paints made the April list of the top 15 brands in network TV, TvB reported. Metrecal, with \$739,047 in gross time billings, placed 2nd. Swan Liquid Detergent (\$554,704) was 5th, and Du Pont Paint (\$475,324) was 9th. Top brand was Anacin with billings of \$814,432, and Procter & Gamble's billings topped \$4 million to make it the month's leading company in network TV. Grand total for April—\$60 million.

**Why TV Polished Off Most of One Ad Budget:** S. C. Johnson's recent decision to put 85% of the ad budget for its new self-applicator shoe polish into national spot TV is paying off, according to *Printers' Ink*. A 60-market test campaign in Ohio (launched February 1960) was so successful "that in the thousands of stores that had stocked the new polishes, Johnson's had racked up a sales-dollar volume equal to all other shoe-polish brands combined within just 2 months," said *PI*. National sales are following the test-market yardstick "closely." Why has TV proved such an effective selling tool? "We felt polishing shoes was widely regarded as a personal-care chore," said ad mgr. L. R. Peterson, and "we wanted to tell people 'here's how you can handle an old task in a completely new way.'" The idea would be most effectively put over, S. C. Johnson decided, when demonstrated via live-action commercials that showed people using the applicator.

**Magazine Bows Out:** *Coronet's* Oct. issue will be its 25th anniversary issue—and its last. With 3,120,000 circulation, the magazine called it quits—because of "a drop in advertising revenue." But A. L. Blinder, pres. of Esquire Inc., which owns *Coronet*, emphasized that the company's other properties were still in the black. (In broadcasting, Esquire owns WQXI Atlanta.)

**And in the Newspaper Field:** "In the last 10 years, while daily newspaper circulation rose 6,000,000 nationally, in New York it fell 358,000, and Sunday circulation slippage was far worse: 1,819,000. In the same decade, only one New York paper, the *Times*, logged any significant gain, rising 220,000 to 744,763. New York's newspaper competition is not merely savage; it is mortal. Two of New York's 4 morning papers and all 3 of its evening papers are fighting for their lives."—*Time*.

**Newspaper Circulation Gains & Loses:** The average total circulation in the U.S. & Canada climbed to 64,397,118 during the 6 months ending March 31, 1961. This was a gain of 862,567 copies over the year-ago period. But Sunday average circulation dropped 337,946 from a year ago to 50,089,218. The ABC study of 1,830 dailies & 564 Sunday newspapers also unearthed these facts: Daily evening newspapers outcirculated morning dailies 38,609,403 vs. 25,447,880; number of newspapers declined to 2,394 (1,491 p.m., 331 a.m., 564 Sunday, 8 all-day) from 2,419. The U.S. totals included 1,726 dailies, 559 Sundays.

**Media, Agencies Cautioned:** "The advent of TV has opened an avenue of attack by those who practice deception that is rather alarming to contemplate," FTC Comr. Sigurd Anderson told a teachers' summer-school convocation at Bloomsburg (Pa.) State College. Anderson stressed TV's advertising role in a speech in which he warned: "The press, radio and TV, as well as the advertising agencies, carry heavy obligations in protecting the public. I do not believe they can escape these obligations under the guise that freedom of the press must be widely observed. With freedom to speak & to print there also goes the obligation of not lending one's services to the machinations & schemes of those who deceive."

**Ad People:** Leonard Goldberg, ex-NBC-TV & ABC-TV, named co-ordinator of best. media & planning, BBDO . . . Allen Ducovny, TV-radio dir., D'Arcy Advertising, and Newt Stammer, account exec. for RKO General, named vps . . . David Wham and John Stack named vps, Dancer-Fitzgerald-Sample.

## Networks

**O&O POLICIES ON 40-SEC. STATION BREAKS:** Analysis of proposed station-break sales policies of the 3 groups of o&o's indicates that in all cases, the revised rate structures provide for 10, 30, and 40-sec. announcements priced in terms of the basic, existing 20-sec. rate (50%, 150% and 200% respectively). The triple-spotting taboo is also unanimous.

CBS-NBC's o&o policies are almost identical. In both cases, these networks encourage the use of two 20-sec. commercials rather than a 30-10 combination or a full-break 40. Specific regulations toward this end: (1) 20-sec. announcements pre-empt 10's, but current 10-sec. sponsors will get first option on new 20-sec. availabilities. (2) A pair of 20's will alternate weekly in first & 2nd position. (3) No 20-sec. commercials are pre-emptible (by 30's). Other regulations: (1) When used with a 10, 30-sec. announcements always take first position. (2) The 7:30 p.m. break and breaks within 60-min. network shows will not be available for full 40-sec. announcements.

WABC-TV N.Y., whose policy the other 4 ABC o&o's will probably adopt, is more than a little ironic in its conservatism. Although parent ABC-TV fathered the longer breaks, the flagship station will offer no availabilities for full 40-sec. announcements between programs and will retain the present 30-sec. break within 60-min. network shows. (The protection of minute-participation network business is undoubtedly the motivation.) WABC-TV is encouraging the 30-10 pattern between programs, which will probably result in less local-station revenue than the CBS-NBC policy (because 10-sec. announcements will be offered at pre-emptible discounts). Specific regulations toward this end: (1) 16 prime-time availabilities for 10-sec. advertisers have been set aside. (2) Although 10's are pre-emptible by 20-sec. announcements, two 20's will not alternate first and 2nd position. (3) Option on 30-sec. availabilities will be given to current 20-sec. sponsors.

**NBC Shifts Policy on Tune-in Ads:** Although NBC-TV plans a sizable print campaign to promote next fall's shows, the emphasis will be on brightening the network's general image and in making viewers familiar with the network's shows & personalities rather than on specific "tune-in" information. Furthermore, NBC told some 100 promotion managers of its affiliates gathered last week for regional meetings in New York, New Orleans, Chicago and Los Angeles, there will be no co-op budgets for 1961-62 newspaper tune-in ads.

The reason for the move, NBC told the station promotion men (some of whom were not happy about the decision), was a network study which showed that only about 30% of readers of newspaper TV pages notice tune-in ads. NBC's share of co-op costs for these ads has, in past seasons, involved as much as \$1 million annually.

The best medium for promoting the launching of the new fall shows, the meetings were told, was TV itself. NBC, however, will continue to supply art & copy for affiliates who wish to buy their own newspaper tune-in advertising. And it will continue to split (with advertisers or program packagers) ad schedules in *TV Guide*, which, NBC told promotion executives, was more effective than newspaper ads in building program audiences through advance promotion. For 60-min. programs, the split will run to a full page in *TV Guide*; to a half page for 30-min.

## NETWORK SALES ACTIVITY

### ABC-TV

- Bus Stop, Sun. 9-10 p.m., part. eff. Jan. 14.  
*Johnson & Johnson* (Young & Rubicam)
- Ben Casey, Mon. 10-11 p.m., part. eff. Oct. 2  
*Bristol-Myer* (Ogilvy, Benson & Mather)
- American Bandstand, Mon. & Tue. 4-5:30 p.m., part. eff. July, Aug., Sept., & Oct.  
*Whitehall Pharmacal* (L. C. Gumbinner)  
*Scripto* (McCann-Erickson)  
*Mars* (Needham, Louis & Brorby)  
*Vick Chemical* (Morse International)  
*Golden Grain Macaroni* (McCann-Erickson)
- Daytime programming, Mon.-Fri., part. eff. Oct. & Nov.  
*Hartz Mountain* (George H. Hartman)  
*Peter Paul* (Dancer-Fitzgerald-Sample)  
*Singer Sewing Machine* (Young & Rubicam)

### CBS-TV

- Tournament of Roses parade & pageant, Mon., Jan. 1, 11:45-1:45 p.m., full-sponsorship.  
*Quaker Oats* (Lynn Baker)
- Person to Person, Fri. 10:30-11 p.m.; Gunslinger, Thu. 9-10 p.m., part. eff. July.  
*P. Lorillard* (Lennen & Newell)
- Daytime programming, Mon.-Fri., part. eff. July.  
*Union Underwear* (Grey)  
*Hartz Mountain* (George H. Hartman)

### NBC-TV

- Thriller, Mon. 10-11 p.m.; Robert Taylor—the Detectives, Fri. 8:30-9:30 p.m.; part. eff. fall.  
*Max Factor* (Kenyon & Eckhardt)  
*International Latex* (Reach McClinton)  
*Pillsbury* (Campbell-Mithun)
- Cain's 100, Tue. 10-11 p.m.; 87th Precinct, Mon. 9-10 p.m., part. eff. fall.  
*International Latex* (Reach McClinton)
- Outlaws, Thu. 7:30-8:30 p.m., part. eff. fall.  
*International Latex* (Reach McClinton)  
*Pillsbury* (Campbell-Mithun)  
*Bulova* (SSC&B)
- Dick Powell Theater, Tue. 9-10 p.m.; part. eff. fall.  
*Pillsbury* (Campbell-Mithun)  
*Max Factor* (Kenyon & Eckhardt)  
*Bulova* (SSC&B)
- Michael Shayne, Fri. 10-11 p.m., part. eff. July & fall resp.  
*P. Lorillard* (Grey)  
*P. Lorillard* (Lennen & Newell)
- Laramie, Tue. 7:30-8:30 p.m., part. eff. fall.  
*Max Factor* (Kenyon & Eckhardt)  
*Pillsbury* (Campbell-Mithun)  
*Bulova* (SSC&B)
- National Velvet, Mon. 8-8:30 p.m., part. eff. July.  
*Bulova* (SSC&B)  
*P. Lorillard* (Grey)
- International Showtime, Fri. 7:30-8:30 p.m., part. eff. fall.  
*Bulova* (SSC&B)
- Saturday Night at the Movies, Sat. 9-11 p.m., part. eff. fall.  
*Bulova* (SSC&B)  
*International Latex* (Reach McClinton)
- This Is Your Life, Sun. 10:30-11 p.m., part. eff. July.  
*P. Lorillard* (Grey)  
*Clairol* (Foote, Cone & Belding)
- Daytime programming, Mon.-Fri., part. eff. fall.  
*Procter & Gamble* (Benton & Bowles)  
*Max Factor* (Kenyon & Eckhardt)
- Whispering Smith, Mon. 9-9:30 p.m.; Barbara Stanwyck show, Mon. 10-10:30 p.m., part. eff. July.  
*P. Lorillard* (Grey)

## Auxiliary Services

**Pay TV Has Repeat Shows, Too:** Telemeter is currently borrowing one of network TV's standard programming practices—summertime reruns of film shows—in its Toronto test area. Under the title of *Summer Theatre in the Home*, Telemeter began, on July 16, repeats of movies already seen on the closed-circuit system. They are fed to viewers' sets on "Channel 5C," the system's 3rd available channel. Cost to viewers: 50¢ for single films, 75¢ for double features and 25¢ for children's matinees. That's about half the going Telemeter rate for first-run movies.

Telemeter is carrying the similarity to network reruns one step further. The rerun movies are "programmed" so that a particular film star is featured on a fixed night of the week—i.e., James Stewart on Mondays, Marilyn Monroe on Thursdays, Frank Sinatra on Saturdays etc.—during the month-long promotion. For the moppet trade, a Jerry Lewis comedy and 2 cartoons are being featured as week-end matinees. On its 2nd channel (5B), Telemeter also offers double-feature comedies on Thursday nights in addition to first-run features on channels 5A & 5B.

**Vhf Translator Starts:** K $\phi$ 2AL & K10AV Telluride, Colo. started July 9 repeating KREX-TV Grand Junction

- K12AD & K $\phi$ 7BF Valentine, Neb. began June 24 with KPLO-TV Reliance, S.D. & KDUH-TV Hay Springs, Neb.
- K $\phi$ 8AO, K10AL & K12AQ Milford, Utah started June 10 with KUTV, KCPX-TV & KSL-TV Salt Lake City
- K10AH Paradise Valley, Miner Basin & Emigrant, Mont. began July 9 with KXLF-TV Butte.

**No Unlicensed Vhf Boosters:** FCC has told Mid-American Relay Systems, vhf booster manufacturer, that .1-watt boosters can't be permitted without Commission licenses and compliance with rules. MARS had thought that a simple \$200 unit might get by. Commission said no.

## Technology

**Satellite Target Set:** U.S. viewers may be able to see the first experimental telecasts from Europe around mid-1962, NASA administrator James E. Webb told the House Science & Astronautics Committee. Testifying at a hearing at which Rep. Fulton (R-Pa.) said that Vice President Johnson's Federal Space Council (Vol. 17:27 p17) "hasn't got off the ground," Webb insisted that plans were moving ahead. He said that NASA hopes to launch its first communications satellite by the middle of next year. He added that AT&T may be able to put one up at about the same time, capable of carrying 100 telephone conversations or one TV program. USIA dir. Edward R. Murrow said any commercial operators of satellite systems should provide special cut-rate service for govt. agencies, and that the U.S. should open its satellites for use by all nations, including Russia & Communist China. Another witness was Comr. Craven, who reviewed the Commission's space proceedings. Meanwhile, the House Commerce Committee began getting into the space act. Chmn. Harris (D-Ark.) set aside July 25-27 for exploratory hearings on space satellite problems.

**New TV Weather Satellite:** Tiros III, successfully launched July 19, is nearly identical to Tiros II, except that it carries 2 wide-angle TV cameras in place of one wide-angle & one narrow-angle. Constructed by RCA's Astro-Electronics Div., Tiros uses the 2 half-inch vidicon cameras to photograph cloud patterns.

## Educational Television

**3 ETV Pots Boil in N.Y.:** There will be educational television in New York City this winter even if plans to convert WNTA-TV to a non-commercial outlet (Vol. 17:27 p4 *et seq.*) are stalled. The city's Board of Estimate has approved the spending of \$348,440 as N.Y.'s slice of the operating costs of FCC's uhf (Ch. 31) test. The federal govt. share will be about \$2 million. Target date for the start of telecasting, which will be under the jurisdiction of city-owned radio WNYC: Oct. 15.

In addition to ETV programming by the Board of Education, the station will also be used for police & fire dept. telecasts & training programs. Abraham D. Beame, city budget dir., estimated that "about 66,000" uhf sets were already in the N.Y. area, and that 400,000 sets were already hooked up to master antennas which could use master uhf converters.

In another area there was also a promise of a new season of ETV programming on one of the city's regular commercial TV channels, WPIX. Starting Oct. 2, WPIX will televise a 10 a.m.-3:30 p.m. schedule of ETV shows staged by the N.Y. State Regents ETV project. The WPIX telecasts will mark the 4th successive season of the Regents ETV programs. The WPIX programs have no commercial sponsors, since the time for the ETV series is sold as a block to the Regents project and paid for from state funds. Some public-service announcements are used between Regents programs. Regular commercial announcements are permitted only between the start and finish of the program block and adjacent WPIX commercial shows. Under the present Regents contract, the shows will be on WPIX at least until the end of December, but can be shifted by the Regents to WNTA-TV thereafter if the latter station becomes an ETV channel.

WNTA-TV's sale to Educational TV for the Metropolitan Area (ETMA) was still the subject of public discussion. Rep. Emanuel Celler (D-N.Y.), frequent critic of commercial TV, hailed Ch. 13's proposed conversion to ETV as "a cool breeze in the heat of summer," and urged that FCC "should as expeditiously as possible approve . . . the objections of Governor Robert Meyner notwithstanding." Under new ETV management, said Celler, viewers in the N.Y.-Conn.-N.J. area would benefit and "the interests of N.J. from the public standpoint will be far better served than ever before."

Assemblyman Nelson F. Stamler (R-N.J.) added his amen. "At this stage of a historic breakthrough in TV history for the metropolitan area, one would expect the governor to be in the forefront of those seeking to guarantee the success of this new & remarkable venture," said Stamler last week. Remarking that the ETV group plans to maintain a studio in Newark or New Brunswick, he termed Meyner's efforts to block the sale "incomprehensible."

At FCC, there's considerable off-the-record view that Meyner has no legal leg to stand on, will be given very short shrift. The general opinion in Washington is that Meyner is playing a purely political game.

**ETV Centers Proposed:** Establishment of national & regional non-profit centers for wider distribution of TV films & tapes suitable for educational purposes is recommended in a research report by 2 U. of Neb. specialists to the U.S. Office of Education. Gen. mgr. Jack McBride of the University's KUON-TV (Ch. 12) Lincoln & Asst. Dean Dr. Wesley C. Meierhenry of its Teachers College had no specific proposals for public financing of the centers.

## Congress

**Jail for Broadcasters:** Operators of TV & radio networks & stations could be jailed for "undue exploitation" of sex, crime, horror and violence under terms of a bill (HR-8109) tossed into the House hopper by Rep. McDowell (D-Del.). The measure would amend the U.S. Code to set up \$10,000 fines and/or 2-year prison terms for misuse of the airways for such purposes. "The new legislation is necessary to arm the FCC & the Justice Dept. with laws that will enable them to deal with undue exploitation of these subjects," McDowell explained. His bill was referred in routine to the Judiciary Committee headed by Rep. Celler (D-N.Y.).

**FCC Bill Called Up:** Chmn. Magnuson (D-Wash.) has called the Senate Commerce Committee into executive session July 18 to take up the FCC reorganization proposed in a Commission-drafted bill (S-2034) approved by the Communications Subcommittee (Vol. 17:28 p10). No opposition by Committee members to the measure sponsored by Sen. Pastore (D-R.I.) was reported last week, and the bill may be reported to the Senate floor by this week's end. A nearly-identical House bill (HR-7856) by Rep. Harris (D-Ark.) has already been cleared by his Commerce Committee. He is expected to submit it on the House floor this week. Meanwhile 2 more of President Kennedy's agency reorganization plans survived initial attacks in Congress, which killed his proposals for FCC & SEC. The House Govt. Operations Committee cleared White House proposals for the Federal Home Loan Bank Board & Federal Maritime Board.

**"Defense" Ads Defended:** House-approved legislation (HR-7851) forbidding use of govt. funds to pay for advertising by defense contractors could lead to federal measures to control all advertising, witnesses at Senate hearings warned. Moreover, defense-company help-wanted appeals in trade journals and ads searching for scarce materials are part of the legitimate cost of govt. business, a Senate Appropriations Subcommittee was told. Witnesses opposing the House bill included spokesmen for such groups as the EIA, Advertising Federation of America, Assn. of National Advertisers, National Business Publications Inc., Aerospace Industries Assn., American Rocket Society. Supporting the bill, Sen. Cannon (D-Nev.) said that the ad ban would plug a "loophole for profiteers" which he estimated was costing the govt. \$500 million in extra contract costs annually. Probable outcome of the Senate hearings: Approval by Congress of a compromise law forbidding "institutional" ads (such as 4-color spreads by companies whose only business is with the govt.) at Defense Dept. expense, but permitting firms to charge off costs of ads for personnel, materials, etc.

**Daytimers' Bills Up:** House Commerce Committee Chmn. Harris (D-Ark.) has scheduled July 18-20 hearings on a half-dozen measures to extend radio daytime stations' operating hours from sunrise to sunset to 6 a.m.-6 p.m. FCC Chmn. Minow probably will be the lead-off witness, followed by House sponsors of the bills and representatives of pro-&-con industry groups.

**Vhf-Uhf Bill Reaches House:** FCC-sponsored legislation requiring that all TV sets that are shipped in interstate commerce or imported be equipped to receive all channels has been introduced by House Commerce Committee Chmn. Harris (D-Ark.) His measure (HR-8031) is same as Senate bill (S-2109) filed earlier (Vol. 17:26 p14).

**Dodd Hearings Delayed:** Resumption of TV hearings by the Senate Judiciary Juvenile Delinquency Subcommittee, tentatively set for this week (Vol. 17:27 p7), have been postponed for another 2 weeks. Chmn. Dodd (D-Conn.) had no witness list ready last week, but a Subcommittee source told us network spokesmen probably would be recalled for more testimony on charges that TV programming is full of crime & violence. Representatives of veterans & religious groups also may be heard. "We'll be tying up loose ends left over from the earlier hearings," the source said, indicating that the new sessions will run several days. In Hollywood we were told that those asked to appear before the committee include Four Star Television's Pres. Dick Powell, exec. vp Tom McDermott and first-vp George Elber. Desilu hasn't yet decided whether Pres. Desi Arnaz or another executive will attend.

**Sponsor Pressure Endorsed:** Senate Commerce Committee member McGee (D-Wyo.) has hailed as "extremely encouraging" an editorial in *Food Field Reporter* calling on food-products sponsors to help lift the level of TV programming. In a Senate speech, McGee again defended witnesses at FCC's N.Y. network hearings (Vol. 17:28 p11), urged the industry itself to undertake "a great deal of housecleaning," and quoted the trade-publication's editorial: "Business owes the people a responsibility in addition to raising its material standards. Sponsors should attempt different, even controversial shows, in an effort to bring some culture to viewers." At the same time, McGee revived a 1951 proposal in the *Saturday Review* by then-Sen. Benton (D-Conn.) for establishment of a National Citizens Advisory Board on Radio & TV. He ended his speech "on a more hopeful & better note" by quoting a column by Dick Kleiner in McGee's home-town *Laramie Boomerang*. It praised educational TV, said "it isn't fair to castigate a magnificent tool because some misuse it."

**"Conflict" Laws Updated:** The House Judiciary Anti-trust Subcommittee has given unanimous endorsement to legislation overhauling govt. conflict-of-interest regulations—some of which have been in the law books, virtually unchanged, for a century. Supported by the Kennedy administration and based on identical bills (HR-3411 & 3412) introduced in January (Vol. 17:5 p8) by Subcommittee Chmn. Celler (D-N.Y.) & Rep. McCulloch (R-O.), the recommended legislation would: (1) Bar former federal agency officials forever—not for just 2 years—from representing private parties in cases which they handled while in the govt.'s employ. (2) Bar full-time federal workers from helping private parties get licenses (such as FCC TV & radio grants) or other awards from agencies. (3) Impose criminal penalties on private parties who pay govt. employes for help in cases before agencies. (4) Prevent a govt. employe who has interests in an outside company from active participation in any govt. case involving the company—unless he gets written advance permission from the head of his agency.

**ETV Bill Snagged:** The House Commerce Committee met in 3-day executive sessions on pending legislation last week, but once again failed to do anything about federal aid to educational TV (Vol. 17:27 p16). Chmn. Harris (D-Ark.) kept a \$25-million matching-grant bill (HR-132) by Rep. Roberts (D-Ala.) on his agenda, but didn't call it up for a vote. Backed by the Kennedy administration, the Roberts measure was approved in June by the Commerce Communications Subcommittee (Vol. 17:25 p22) as an alternative to a Senate-passed bill (S-205) by Sen. Magnuson (D-Wash.) providing outright \$51-million ETV grants.



# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**FM STEREO—6 STATIONS, 5 MARKETS:** Three new FM-stereo markets have opened up since our last issue—making 5 in all, with several more stations poised to start. What got the cork out of the bottleneck was FCC's type-approval of RCA stereo equipment Mon. July 10. Prototype RCA stereo equipment has been delivered to 7 stations. Here are the new FM stereo markets and an idea of the stereocasters' plans:

Seattle, where KLSN began stereocasting July 11. The station plans to broadcast 9 hours of stereo daily—"all kinds of music."

Dallas, where KIXL-FM threw the switch July 12. It has scheduled daily stereocasts 2-3 p.m. & 8-9 p.m.

Detroit, where WDTM was due to begin Sun. June 16. It plans to stereocast such special features as hi-fi delayed broadcasts of the U. of Michigan May Music Festival featuring the Philadelphia Orchestra.

Add these 3 markets to Chicago & Schenectady, where stereocasts have been going on since June 1, and it's obvious that there's plenty of opportunity to sell stereo receiving gear—for those manufacturers who have it ready. Several more stereo starts may be imminent, including WSPA-FM Spartanburg, S.C., now testing its RCA stereo equipment and planning to begin regular stereo programming Aug. 1; KMLA Los Angeles, testing with Calbest equipment, which has yet to be type-accepted; WDHA-FM Dover, N.J., also testing non-accepted equipment. The latter 2 will require type-acceptance before they can program stereo.

Next major stereo markets may be Boston & Houston, where stations now have RCA stereo equipment (Vol. 17:26 p16, 27 p18). WQXR N.Y. also has RCA stereo gear, but station officials indicate that they're going to take their time on tests & measurements before beginning any programming (Vol. 17:27 p18).

More sources of stereo broadcast equipment are gradually opening up. Dynamics Corp. of America (Standard Electronics) says production has started on its stereo generators and the first unit has been shipped to KPEN San Francisco. DCA's equipment is not yet type-accepted, however.

Against this background of a spreading new broadcast service, this week's Music Industry Trade Show at Chicago's Palmer House will see greatest attention centered on FM stereo, as dealers (and others) get first opportunity to see many competitive makes of FM-stereo receivers in action.

Manufacturers exhibiting at Music Show may find themselves in something of a dilemma about program sources for FM stereo. Two stations are broadcasting stereo in Chicago, but exhibitors run the risk of spreading plugs for their competitors if they tune to them. WKFM will be broadcasting daily special stereo programs sponsored by Fisher Radio. Zenith's WEFM, which normally broadcasts only 30 minutes of stereo daily, plans a vastly expanded schedule of stereo that will span the duration of the Music Show—including Zenith commercials. At least one manufacturer—Pilot—will set up own closed-circuit stereo station at show.

By year's end, it's our guess that there'll be 30-40 stereo stations on air, although some others have predicted as many as 100. A good way to keep track of all stereo markets as soon as they open up is to add our AM-FM Addenda service to your present Digest subscription—if you don't already get it. Direct from FCC sources, all stereocasting starts are reported weekly in the Addenda.

**TV-RADIO PRODUCTION:** EIA statistics for week ended July 7 (27th week of 1961):

	July 1-7	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	78,142	132,326	51,637	2,878,959	3,014,837
Total radio .....	181,889	324,846	173,906	7,711,892	8,699,636
auto radio .....	65,286	93,187	75,310	2,459,904	3,398,579

**MICRO-CIRCUITS REACH PRODUCTION STAGE:** A \$15-million program to develop a new shape & size for electronic circuits of the future officially came out of the lab stage last week. Its impact will be felt first in military equipment, later in industrial electronics, and possibly in consumer equipment in about 5 years.

Signal Corps & RCA last week jointly called together top executives of 55 component manufacturers engaged in the 4-year micromodule program, and, in effect, said: "Micromodules have been proven. This is it. Get ready to roll." Micromodule concept uses building-block methods and miniature components to make entire circuits half the size of a sugar-lump.

Micromodule design is compilation of many previously developed industry ideas. A micromodule is basically composed of as many as 12 flat ceramic wafers 3/10-in. square, each containing one or more subminiature components, including semiconductors. These component wafers are connected by 12 pins or leads, and entire micromodule is encapsulated in plastic. They are then mounted on printed-circuit boards to form end equipment.

Beauty of micromodule concept is that it is "evolutionary, not revolutionary," as RCA group exec. vp W. Walter Watts expressed it at kick-off symposium last week in Somerville, N.Y. It uses conventional-type components (although vastly reduced in size), but same tiny configuration can accommodate any new component development, such as molecular electronics (Vol. 17:26 p15), "integrated circuits," thin-film circuits, etc. Basically a new format for electronic circuits, micromodule is a "bridge between conventional techniques and all emerging new forms."

Already developed for military are such items as extremely compact computer (using 1,600 modules in 2.5-cu-ft. space), helmet radios, etc. Advantages already proven in lab are weight & size reduction, reduction of power requirements, increased reliability. Cost is still high, but studies show that micromodules should be competitive with conventional printed-board military circuits when micromodule production reaches annual rate of 5 million.

Micromodule component wafers are made by regular component & semiconductor manufacturers, are then stacked & sealed into complete circuit. Although RCA has piloted the project, concept isn't proprietary, and both Signal Corps & RCA are eager to get all component & end-equipment manufacturers thinking in terms of micromodules. RCA notes that the potential market for components which could be micromodularized in military, industrial & consumer electronics will total \$750 million a year by 1965.

So convinced is Signal Corps that tiny micromodule is circuit format of the future that procurement & distribution chief Gen. H. L. Scofield told last week's symposium that the Corps is now reviewing many of its major electronics systems with an eye to conversion to micromodules, and that all equipment now in research & development is being "reviewed actively" with this in mind.

One of purposes of symposium was pep-talk to components makers to bend every effort to bring costs down. Already micromodules are more than competitive with other components in terms of size, weight, power drain, reliability. Remaining significant barrier is price—which RCA believes will come down rapidly as production increases.

Can micromodules be adapted to consumer goods? Definitely, says RCA. But "cheap & dirty" versions won't come until military & industrial production have been in high gear for some time. What can micromodules do for consumer goods? Today's tiniest transistor radio can be halved in size, at least. Power drain can be cut. And micromodule concept can almost end the problem of complicated radio & TV repairs. For example, a 6-transistor radio would contain no more than 6 micromodules (measuring less than 2-ins. square altogether), plus speaker & tuning capacitor—nothing else. In case of trouble, find faulty module & replace it.

Canadian TV Sales to Dealers: May sales of TVs slipped to 15,326 units from May 1960's 16,455, EIA of Canada reported last week. The 1961 figures, however, do not include the sales of a former member, resigned April 30. Total sales for 1961's first 5 months were 109,172 TVs—compared with 117,033 for Jan.-May 1960. The 5-month breakdown (1960 figures in parentheses): Portables, 23,431 (23,941); table models, 18,793 (23,337); consoles, 60,046 (64,575); combinations, 6,902 (5,180). For May (vs. May 1960): Portables, 4,390 (4,414); table models, 1,946 (3,765); consoles, 7,876 (7,630); combinations, 1,114 (646).

Company-Paid Junkets May Be Taxable: Dealers & salesmen who make their quotas and win expense-paid trips to posh conventions may hereafter find the junkets taxing more than their strength. A Federal District Court has ruled that an allowance for attending a company convention is fully taxable income—on grounds that the junket is primarily intended as a holiday. The ruling was made against an insurance salesman who, with his wife, received a 6-day expense-paid trip from Dallas to N.Y.—a half-day of which was devoted to a formal business meeting. The ruling was upheld by the Fifth Circuit Court of Appeals.

**TV-RADIO-PHONO SALES UP:** It comes as no surprise that official EIA figures for May, released last week, show substantial improvement in retail sales of TVs, radios & phonos compared with May 1960. Only in the radio category, however, are retail sales for the first 5 months cumulatively ahead of last year. In all of the 3 products, cumulative production is down sharply from 1960, indicating a careful weather eye on inventories.

In TV, May 1961 saw 17% more sets sold to consumers than in May 1960, the biggest year-to-year gain so far in 1961 and the 3rd month in a row to show a gain from the same 1960 month. The May improvement helped to whittle this lag in cumulative retail sales to less than 6% below 1960.

Radio retail sales for May were a hefty 36% greater than May 1960, running ahead of 1960 for the 4th month this year (all except January). For the first 5 months of the year, unit sales of radios led the comparable 1960 figure by 9%.

Phono retail sales, which had been relatively sluggish until April, forged ahead in May—a full 42% more than May 1960—but cumulative sales still lagged behind the 1960 mark by 11%.

The official EIA production & retail sales figures, with 1960 comparisons:

TELEVISION						
Month	Total Production		Uhf Production		Retail Sales	
	1961	1960	1961	1960	1961	1960
January .....	367,935	526,494	25,270	50,119	399,791	590,867
February .....	444,418	503,453	24,514	43,537	452,282	507,673
March .....	497,458	549,500	21,450	45,411	530,105	501,829
April .....	405,808	422,551	19,095	39,240	378,275	351,214
May .....	470,399	442,176	22,782	32,295	391,467	334,283
<b>TOTAL .....</b>	<b>2,186,018</b>	<b>2,444,174</b>	<b>113,191</b>	<b>210,602</b>	<b>2,151,920</b>	<b>2,285,866</b>

RADIO						
Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1961	1960	1961	1960	1961	1960
January ....	1,090,073	1,355,788	387,136	632,461	580,680	803,388
February ....	1,115,029	1,442,368	307,973	596,872	666,228	611,479
March .....	1,384,052	1,667,550	384,227	633,761	853,821	664,441
April .....	1,124,924	1,230,323	375,570	399,963	603,489	547,339
May .....	1,196,949	1,277,040	408,875	463,165	745,818	548,322
<b>TOTAL ..</b>	<b>5,911,027</b>	<b>6,973,069</b>	<b>1,863,781</b>	<b>2,726,222</b>	<b>3,449,834</b>	<b>3,175,469</b>

FM radio production (1960 figures in parentheses): Jan. 50,421 (33,816); Feb. 41,357 (56,515), March 75,044 (83,127), April 51,260 (68,196), May 49,705 (65,438). Five-month total: 267,787 (339,516).

PHONO FACTORY SALES						
Month	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	80,366	211,383	291,749	118,400	341,329	459,729
February .....	50,710	204,638	255,348	92,649	324,666	417,315
March .....	62,398	227,469	289,865	63,264	242,523	305,787
April .....	53,074	152,974	206,048	30,962	142,409	173,371
May .....	53,887	142,450	196,337	36,793	146,176	182,962
<b>TOTAL .....</b>	<b>300,433</b>	<b>938,914</b>	<b>1,239,347</b>	<b>342,068</b>	<b>1,197,103</b>	<b>1,539,171</b>

PHONO RETAIL SALES						
Month	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	105,753	271,124	376,877	150,688	368,964	519,652
February .....	61,646	255,722	287,368	102,063	347,860	448,128
March .....	64,138	237,537	301,675	61,249	249,497	310,746
April .....	56,312	182,773	239,085	41,503	152,141	193,644
May .....	62,328	194,891	257,319	39,734	141,080	180,814
<b>TOTAL .....</b>	<b>350,177</b>	<b>1,112,047</b>	<b>1,462,224</b>	<b>396,362</b>	<b>1,258,417</b>	<b>1,654,778</b>

**Philco Enters Ionizer Field:** The "Ionitron 5000," an air ionizer, is being sold through drugstores at \$100. Distribution is being made through Smith, Kline & French and McKesson & Robbins, with a 90-day parts & labor warranty honored by franchised Philco TV-radio service dealers. Ionitron has been test-marketed in 9 states and "distribution will be expanded as our production of units [in Sandusky, O. plant] is increased," Philco said.

**RCA Offers Stereo Adapters:** RCA Victor has cast in its lot with those who see FM stereo as an "optional extra." At this week's Music Show it will premiere a stereo adapter, for FM-AM tuners in its stereo phono combinations, carrying a retail guide price of \$29.95. The plug-in adapter fits all radio-phono combinations in RCA's current line and "most stereo phonographs produced [by RCA] in the last few years," RCA announced.

There thus are 3 schools of thought among manufacturers: (1) The "no-adapter" school, as exemplified by Zenith. (2) The "FM-stereo-optional" or "100% adapter" school, now led by RCA. (3) The "adapter-&-built-in" school, whose adherents offer adapters for some past and present models, but also offer, or plan to offer, radio-phono units with stereo-FM built in.

Zenith has been strong in its anti-adapter position. "In most cases the customer is only asking for trouble when he tries to make an instrument designed for one kind of performance do something that is completely new," said Zenith in a recent stereo-FM brochure. Zenith has already announced that it won't make or market adapters, but will offer complete drop-in stereo-FM tuners for its past stereo phonos.

RCA's rebuttal: "Rather than concentrate exclusively on FM-stereo radio products that attempt to obsolete relatively new phonographs, we prefer to satisfy our customers of the past as well as of the future," said RCA Sales Co. mktg. vp Raymond Saxon. "The industry should realize that a good stereo-FM radio system can be produced in more than one way."

**RCA Pricing Scored:** In a special report to Congress, the General Accounting Office has accused RCA of misleading the Air Force to jack up the price of 442 long-range radio sets in a \$5.3-million contract for pressurized airborne-communication equipment. The govt. auditors said that RCA charged the Air Force \$822 per unit for sub-contracted hermetically sealed component cases, whereas one RCA supplier had offered to make the cases for \$525 per unit. The GAO reported that Air Force negotiators questioned the higher price, but that RCA said it represented the "best competitive bid." RCA denied that it had misled the Air Force, but said it would be willing to discuss a possible refund.

**Sylvania Expands Semiconductor Facilities:** To meet "unprecedented product demand," Sylvania is expanding by 40% the manufacturing facilities of its semiconductor operations. Divisional vp & gen. mgr. Dr. William J. Pietenpol said the semiconductor divisions would add 81,000 sq. ft. of manufacturing space by next spring.

**Sylvania Is Closing Oklahoma Tube Plant:** The reduced demand for receiving tubes, resulting from the increasing use of semiconductors, has decided Sylvania to close its Shawnee, Okla. receiving tube plant. Operations there will be discontinued over the next 6 months.

**Packard Bell Sales Up:** Distributor sales of TV sets introduced in June are running 57% ahead of last year. PB Sales Corp. Pres. Richard D. Sharp reported that the week ended June 30 was the best in 1961, topped by only one week in all of 1960.

**Motorola Color Demonstration:** Compact color sets with 90-degree 23-in. rectangular shadow-mask tube developed by Motorola (Vol. 17:27) will be demonstrated for the first time the week of July 24 in N.Y.

**Westinghouse's Innovations:** Three engineering features, even more emphasis on furniture styling, and the reliability theme are being stressed in the 1962 Westinghouse line, due for premiere showing at this week's Music Industry Trade Show in Chicago's Palmer House.

Two interesting features, reported here briefly last week (Vol. 17:28), will be found on selected TV models:

(1) "Instant-On." This feature provides instantaneous picture & sound when the set is turned on. It uses the principle of standby power—some circuits remaining on at reduced power even when the set is turned off. This technique is said also to preserve tube & component life by eliminating power surges and humidity condensation.

(2) "Mobil-Sound" is featured on a remote-control receiver, permitting the viewer to listen to the TV sound through a conventional AM radio. The remote on-off volume control has 3 positions—low sound, higher sound and remote—the latter causing the TV sound to be transmitted by wireless to any nearby radio tuned to a pre-selected frequency.

Also included in Westinghouse TV sets is a new control circuit for picture scanning to improve picture linearity.

The TV line again features "Curio Chest" high-styled furniture bases for 19-in. portables. The 38-model TV line begins at \$189.95 for a 19-in. set, with "Mobil-Sound" remote 19-in. at \$279.95. Curio Chest base-&-19-in.-TV units start at \$349.95. The line features 7 portables, 6 compacts, eight 23-in. table models and 17 consoles.

Westinghouse's stereo line comprises 14 instruments, available in 4 furniture design styles starting at \$199.95 (including AM-FM). FM multiplex will be available as a plug-in for the 4 stereo units with AM-FM, and a new series with built-in multiplex will be available in September. Westinghouse also introduced 2 children's phonos in furniture cabinets—maple desk at \$99.95, cobbler's bench at \$69.95.

**Lawrence Tube Still 'Almost Ready':** Paramount's Lawrence tube and associated receiver circuitry was back in the "almost ready" stage last week, just a month after Paramount stockholders had seen a demonstration of the "perfected, production-ready" color receiver (Vol. 17:24 p15).

"We're still making improvements; it's not ready yet," Paramount vp-secy. Paul Raibourn told us. "We're doing some more work on the reproduction of b-&-w pictures. Within a matter of a few days we will be able to demonstrate a set better in b-&-w than a b-&-w set." He said several receiver manufacturers have recently appraised the tube & set, but nobody has yet agreed to produce it. For one manufacturer, he said, Paramount is modifying a b-&-w set to show how easily color can be added.

**Motorola Orders Up, Too:** Motorola joined the nearly-unanimous chorus of manufacturers reporting heavy orders at their recent conventions. Mktg. vp. S. R. Herkes said last week that TV & stereo orders placed at the June 29 convention for July-Aug. delivery hit an all-time high, with TV volume up 64% over July-Aug. 1960 orders, stereo up 84%, and "orders for new radio models . . . exceeded by more than 92% the projection made at the factory prior to the convention." Motorola's advertising plans for its 1962 line include a return to TV-broadcast advertising for the first time since 1954. The company will sponsor 3 one-hour TV specials, one featuring Bing Crosby, another with Jack Benny.

**Symphonic Buys Hoffman Dies:** Expanding its TV plans, Symphonic Electronic Corp., which re-entered the TV field last year, has acquired tools, dies and blueprints of Hoffman's recently discontinued TV line. Symphonic Pres. Max Zimmer announced at week's end that his company had taken over "all Hoffman Electronics Corp. tools & dies of their newest 19- & 23-in. models" as well as "engineering prints and manufacturing & testing techniques."

"The addition of these Hoffman developments will aid us materially," said Pres. Zimmer. "We have already made arrangements to ship the equipment from Los Angeles to our Lowell, Mass. plant and we will begin utilizing the Hoffman developments just as soon as they can be incorporated into our production facilities. Our new 1962 line will include the deluxe Hoffman chassis."

Included in the transaction were "drawing-board" plans for future models, some of which Symphonic is expected to develop; it may also continue some past Hoffman designs.

"Although we will show some samples of these lines at our exhibit at the Music Show [this week in Chicago], it is our intention to have a full-line showing of the Symphonic TV line some time in the future," said Zimmer. "We believe very strongly that there continues to be a growing demand for TV receivers and that Symphonic can substantially add to its volume under our own brand and private-label contracts."

The transaction included neither any inventory or any rights to Hoffman proprietary trade names.

**Trade Personals:** Larry L. Malin resigns as commercial electronics div. vp, Admiral Sales Corp., to become exec. vp, Ascon Management Corp., Los Angeles management service agency . . . Don L. Blackman, ex-Vancouver branch mgr., named to new post of sales promotion & mktg. mgr., Canadian Admiral Corp.

Jules Beuret appointed Magnavox ad & sales promotion dir. . . . J. V. Holdam, ex-Lab for Electronics, elected vp in charge of electronics activities, Dresser Industries . . . Jack T. Gentry named vp-gen. mgr., U.S. Engineering Co., div. of Litton Industries . . . Leo Kagan promoted from sales vp to new post of mktg. vp, Elco Corp. (components).

Arthur K. Weber named staff mfg. vp, RCA mfg. services, promoted from mfg. dir.; John H. Sidebottom appointed div. vp, defense mktg., RCA defense electronic products . . . M. D. Schuster, ex-vp-gen. mgr. of Capitol Records Distributing Corp. home instrument div., named to new post of mktg. mgr., Packard Bell industrial TV division.

Thomas E. Drumm Jr. promoted to administrator, BDSA, Commerce Dept.; he's been acting administrator of the soon-to-be-expanded agency . . . Gail E. Boggs promoted to research & development dir., Page Communications Engineers.

**TV-Radio Technical Meeting:** The 33rd annual Radio Fall Meeting, the only national engineering conference for the electronic entertainment-equipment industry, has been scheduled for Oct. 30-Nov. 1 at Syracuse (Hotel Syracuse). It's co-sponsored by EIA & IRE.

### Obituary

Lillian Jacobs, 62, wife of Howard A. Jacobs, secy-treas. of Symphonic Electronic Corp., died of a heart ailment July 12 at her home in Brooklyn, N.Y. She is survived by her husband, 2 children and 3 grandchildren.

**Finance**

**Magnavox Has Record Half:** Buoyed by a rising 2nd quarter which saw profits rise 92% on a 28% sales gain, Magnavox wound up 1961's first half with peak earnings & sales (see financial table). For the 6 months to June 30, profits climbed about 38% to \$2.5 million from \$1.8 million in 1960's first half. Sales gained some 20% to \$61.8 million from \$51.8 million.

Pres. Frank Freimann told stockholders who met at Fort Wayne last week that the outlook for 1961's 2nd half is even more favorable. He emphasized that Magnavox historically garners 70% of its profits & 60% of its sales in the last half of the year.

There was additional good news for Magnavox shareholders: The directors authorized a 50% increase in the dividend rate. The new rate was authorized after stockholders had approved both a 3-for-1 split of the common stock and an increase in the number of shares to 10 million from 3.5 million. The new dividend rate, effective Sept. 15 to holders of record Aug. 25, will be 12½¢ quarterly, or equal to \$1.50 a share annually on the basis of the 3-for-1 split. Previously, the dividend has been 25¢ quarterly or \$1 annually.

**Reports & Comments Available:** Electronics Capital Corp., prospectus, Bear, Stearns & Co., One Wall St., N.Y. 5 • ITT, analysis, Green, Ellis & Anderson, 61 Broadway, N.Y. 6 • Microwave Associates, comments, Schirmer, Atherton & Co., 50 Congress St., Boston 9 • MGM, review, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Standard Kollsman, study, Hemphill, Noyes & Co., 15 Broad St., N.Y.

**TelePrompter Plans Expansion:** TelePrompter Corp. will set up a \$3-million kitty for purchase & construction of additional CATV systems under plans reported to SEC (File 2-18471) for a public offering of \$5 million of convertible subordinated debentures due 1976. Bear, Stearns & Co. is the underwriter of the issue, whose price was unreported. The SEC registration statement also covered: (1) 15,000 common shares underlying 5-year options to be sold to the underwriter at 10¢ per share. (2) 26,000 shares to be issued in exchange for Pacific Telescription System stock. (3) 43,324 outstanding shares which may be put up for public sale by present holders. TelePrompter said its plans for future expansion in the CATV field hadn't yet jelled, but that \$400,000 of the \$3 million would be earmarked for Kaiser-TelePrompter of Hawaii Inc. The company also listed \$500,000 of proceeds from the debenture sale for payment of bank loans—\$400,000 in connection with acquisition of the Eugene, Ore. CATV system, \$100,000 for working capital. Of the balance of the debenture proceeds, \$750,000 would be devoted to development & testing of TelePrompter's pay-TV system Key TV and other "new products." Management officials, headed by Pres.-Chmn. Irving B. Kahn, own 22% of 693,695 outstanding TelePrompter shares. Western Union holds 13%.

**Westinghouse Sees 2nd-Half Pickup:** Westinghouse profits fell sharply in 1961's first half from \$1.14 a share a year earlier, but the company expects earnings will be "close to" its 60¢ dividend rate. First-quarter earnings were down 5¢ from the quarterly dividend requirements of 30¢ and down from 55¢ in first-quarter 1960. Earnings for all of 1961, Pres. Mark. W. Cresap Jr. said last week, "ought to be better than our dividend requirements" of \$1.20 a share. He said Westinghouse had "good billings in June and it looks like by far the best month of the year." He believes that total 1961 sales will top 1960's \$1.955 billion and might "come pretty close" to \$2 billion "if what the economists say about the economy is correct." Cresap said that consumer-products business, which accounts for 25% of total sales, was profitable in the first half.

**Muntz TV Offers Stock for Notes:** Holders of the Chicago TV maker's promissory notes last week were offered common stock in exchange for the securities, in the ratio of one common share for each \$6 of notes. The transaction involves 383,993 shares of common and will become effective if accepted by August 10 by holders of at least 50% of the \$2,303,957 outstanding notes. The notes were issued in 1957 to Muntz creditors and represented 75% of the claims against the company (the remaining 25% received preferred stock). They were issued under a federal court reorganization plan which called for retirement of the notes over a 5-year period beginning in 1962. Muntz had 1,182,376 common and 767,383 preferred shares outstanding June 30.

**Emerson Forecasts 1961 Gains:** Increasing sales of consumer products in the 2nd half of Emerson's 1961 fiscal year (ending October 31) should push profits ahead of the \$1.7 million earned on \$63.7 million sales in the preceding year. Pres. Benjamin Abrams painted this bright picture last week despite a slicing of first-half earnings to \$667,646 from \$1.1 million in fiscal 1960's first half (Vol. 17:17 p22). Basis for Abrams' optimism: Emerson TV sales rose 4% in 1961's first 5 months from the same 1960 period. Radio sales, he added, climbed 10%, air conditioners nearly 12%. Also, 2nd quarter earnings were up slightly over Feb.-Apr. 1960, and "we expect our 3rd & 4th quarters to be ahead of last year."

**OVER-THE-COUNTER  
COMMON STOCK QUOTATIONS**  
Thursday, July 13, 1961

Stock	Prev.			Stock	Prev.		
	Bid	Bid	Asked		Bid	Bid	Asked
Acoustica	18	18	19%	Magna Th.	37½	37½	43½
Adler Elec.	15¾	16	17%	Magnetics Inc.	9¾	9½	10¾
Aerovox	10¾	11¾	13½	Maxson	22	22½	24%
Allied Radio	27¼	29½	32	Meredithe Pub.	35	33	36½
Astron Corp.	17½	2	2½	MetroMedia	17¼	17¼	19½
Babcock	28	27¾	30½	Microdot	25¼	28¼	30%
Baird Atomic	19%	21¼	23¼	Milgo Elec.	20	20	23
Cannon Elec.	29	23	26¼	Narda Micro	6¾	6¾	7%
Capehart	8%	8½	9¾	Newark Elec.	13½	13½	157½
Chicago Aer.	23½	27	29%	Nuclear Chi.	41	41	44½
Control Data	97	92	97	Official	3¾	3½	4-1/16
Cook Elec.	10%	107½	11%	Pacific Aut.	5¾	5¾	6%
Craig	14½	14¼	15¾	Pacific Mrcr.	7¼	7	7¾
Crosby Tel.	5%	5%	6%	Phillips Lamp	140½	136½	141¼
Dictaphone	37	34½	37¼	Pyramid	2	1¾	2¾
Digitronics	26½	26	29%	Radiation	23	21½	23%
Eitel-McC.	16½	15¼	16½	Rek-C-Kut	2¾	2¼	3-1/16
Elco Corp.	13¼	13	14%	Research Inc.	4¾	4¾	5½
Electro Instr.	18	17	19%	H. W. Sams	40	42	45%
Elcc. Voice	11	11¼	12%	Sanders Assoc.	61	56	60
Elec. Assoc.	29	32¾	34%	Silicon	10¾	12	13%
Elec. Cap. Corp.	40	34	36¾	H. Smith	12	11½	12%
Erie Resistor	14½	14¼	15%	Soroban	62	61	66¾
Executone	17½	18½	20%	Soundscribe	11½	11	12%
Farrington	12¾	13¾	147½	Speer Carbon	31	31	33½
Foto Video	5¼	6¼	7%	Sprague	81¼	85	88¾
Four Star	21½	20½	22½	Sterling	4	3¾	4¾
Gen. Devices	11½	11¼	12%	Systron-Don.	41¼	39	42
G-L Elec.	8	8¼	9½	Taft Bcstg.	19½	19¼	21
Goodwill Sta.	10½	10½	11½	Taylor Instr.	45	46¼	49½
Granco	3¾	3¼	3-13/16	Technology	6½	6½	7%
Gross Tel.	21	21	23	Tele-Bcstrs.	1½	1¾	2%
Hallicrafters	22½	20	21%	Telechrome	10¾	10½	11¾
Hathaway	22½	22	24%	Timecomp.	7¼	6%	7½
High Voltage	155	162	177	Time Inc.	84	88	92¾
Infrared	16¼	16¼	18	Tracerlab	10½	10¼	11½
Interstate Eng.	17¼	17	18%	United Art.	7	6¾	7%
Ionics	29½	27	29%	Universal	5%	¾	1-3/16
Itek	47½	43½	47%	Vitro	26½	26¼	28¼
Jerrold	8	8¾	9%	Vocaline	2	2	2½
Lab for Elec.	48½	46½	49%	Wells-Gardner	31¼	32¼	34¾
Leeds & North.	34¾	34½	37¼	Wilcox Elec.	9½	9½	10%
Lel Inc.	8¼	8	9%	Wometco	24¼	24	26¼

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
America Corp.	1961—6 mo. to Jun. 30	\$16,536,133 <sup>1</sup>	—	\$ 798,129 <sup>1</sup>	\$0.21	3,183,229
	1960—6 mo. to Jun. 30	15,640,499	—	673,711	.16	3,100,907
AT&T	1961—year to May 31	8,113,340,000	—	1,279,172,000 <sup>1-2</sup>	5.52	224,767,000 <sup>u</sup>
	1960—year to May 31	7,618,508,000	—	1,185,743,000 <sup>1</sup>	5.36	214,513,000 <sup>u</sup>
	1961—3 mo. to May 31	2,083,511,000	—	325,999,000 <sup>5</sup>	1.37	231,346,000 <sup>3</sup>
	1960—3 mo. to May 31	1,971,317,000	—	311,848,000 <sup>5</sup>	1.41	215,110,000 <sup>3</sup>
Davega Stores	1961—48 wks. to Jan. 28 <sup>12</sup>	20,127,184	—	(1,133,634)	—	369,600
	1960—year to Feb. 29	18,112,266	—	12,739 <sup>13</sup>	—	369,600
Electronic Instrument	1961—8 mo. to May 31 <sup>10</sup>	5,696,324	—	195,966	.40	489,143
	1960—8 mo. to May 31 <sup>10</sup>	5,687,970	—	197,018	.40	489,143
GE	1961—6 mo. to Jun. 30	2,074,425,000	—	93,478,000	1.05	88,860,183 <sup>3</sup>
	1960—6 mo. to Jun. 30	2,022,699,000	—	111,429,000	1.26	88,332,778 <sup>3</sup>
	1961—qtr. to Jun. 30	1,081,803,000	—	51,002,000	.57	88,860,183 <sup>3</sup>
	1960—qtr. to Jun. 30	1,065,266,000	—	58,815,000	.66	88,332,778 <sup>3</sup>
General Instrument	1961—qtr. to May 31	19,220,342 <sup>1</sup>	—	663,076	.27	2,488,700
	1960—qtr. to May 31	16,983,282	—	642,727	.26	2,435,863
International Resistance	1961—25 wks. to Jun. 25	10,946,738 <sup>1</sup>	—	929,468	.67	1,387,598
	1960—25 wks. to Jun. 25	10,354,177	—	1,045,972	.75	1,382,998
	1961—10 wks. to Jun. 10 <sup>14</sup>	4,451,188	—	362,468	.26	1,387,598
	1960—10 wks. to Jun. 10 <sup>14</sup>	4,162,784	—	368,574	.26	1,382,998
Lear	1961—6 mo. to Jun. 30 <sup>15</sup>	48,000,000	—	1,400,000	.50	—
	1960—6 mo. to Jun. 30	45,600,000	—	1,235,000	.46	—
Magnavox	1961—6 mo. to Jun. 30 <sup>7</sup>	61,793,000 <sup>1</sup>	\$5,218,000	2,540,000 <sup>1</sup>	1.07	2,372,889
	1960—6 mo. to Jun. 30	51,764,000	3,807,000	1,844,000	.78	2,360,000
	1961—qtr. to Jun. 30 <sup>7</sup>	29,500,000	—	1,110,000	.47	2,372,889
	1960—qtr. to Jun. 30	23,000,000	—	578,000	.24	2,360,000
P. R. Mallory	1961—6 mo. to Jun. 30	41,360,943	3,863,514	1,839,973	1.18 <sup>11</sup>	1,472,812
	1960—6 mo. to Jun. 30	43,707,226	4,297,961	2,010,806	1.30 <sup>11</sup>	1,443,739
MGM	1961—40 wks. to Jun. 8	110,112,000	—	9,442,000	3.74	2,524,829
	1960—40 wks. to Jun. 8	97,137,000	—	7,317,000	2.92	2,505,100
	1961—qtr. to Jun. 8	—	—	2,758,000	1.09	2,524,829
	1960—qtr. to Jun. 8	—	—	3,578,000	1.45	2,505,100
Newark Electronics	1961—9 mo. to May 31	9,727,068	—	189,777	.29	—
	1960—9 mo. to May 31	8,743,195	—	145,089	.24	—
	1961—qtr. to May 31	3,035,546	—	56,565	.09	—
	1960—qtr. to May 31	3,078,656	—	57,313	.10	—
Stanley Warner	1961—39 wks. to May 27	99,796,652	6,160,477	3,285,477 <sup>3</sup>	1.62	2,026,374
	1960—39 wks. to May 27	95,320,896	4,935,260	2,530,260 <sup>3</sup>	1.25	2,025,374
	1961—13 wks. to May 27	34,928,939	1,708,650	938,650 <sup>3</sup>	.46	2,026,374
	1960—13 wks. to May 27	31,799,378	984,347	454,347 <sup>3</sup>	.22	2,025,374
Vornado Inc.	1961—9 mo. to May 31	78,307,078	—	2,004,605	1.64	1,222,271
	1960—9 mo. to May 31	74,547,409	—	1,394,908	1.14	1,222,271
	1961—qtr. to May 31	24,633,780	—	626,761	.51	1,222,271
	1960—qtr. to May 31	23,174,841	—	355,713	.29	1,222,271
Wometco Enterprises	1961—24 wks. to Jun. 17	6,813,603	—	592,010	.59	—
	1960—24 wks. to Jun. 17	5,526,953	—	490,235	.51	—
	1961—12 wks. to Jun. 17	3,379,150	513,719	290,717	—	—
	1960—12 wks. to Jun. 17	3,180,003	476,927	289,914	—	—

Notes: <sup>1</sup>Record. <sup>2</sup>Includes \$189,825,000 in "other income" (including proportionate interest in earnings of Western Electric & other subsidiaries not consolidated). <sup>3</sup>Average. <sup>4</sup>Includes \$160,046,000 in other income. <sup>5</sup>Includes \$47,218,000 in other income. <sup>6</sup>Includes \$50,152,000 in other income. <sup>7</sup>Preliminary. <sup>8</sup>After special charges in lieu of taxes of \$365,000 in 1961 & \$5,000 in 1960. <sup>9</sup>After special charges in lieu of taxes of

\$100,000 in 1961 & \$20,000 in 1960. <sup>10</sup>From SEC report. <sup>11</sup>After preferred dividends and based on 1,472,812 shares outstanding June 30, 1961. <sup>12</sup>1961 fiscal year shortened because of change in accounting period. <sup>13</sup>After \$523,783 gain on properties sold under sale & lease-back arrangement. <sup>14</sup>Indicated. <sup>15</sup>Estimated.

## Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio	Q	\$0.08	Aug. 22	Aug. 8
Intl. Resistance	Q	.07½	Sep. 1	Aug. 15
Magnavox	Stk.	300%	Aug. 3	Jul. 20
Magnavox	Q	.12½	Sep. 15	Aug. 25
Movielab Film Labs-A	Q	.10	Aug. 1	Jul. 25
Taft Bestg.	Q	.10	Sep. 14	Aug. 15
Wurlitzer	Q	.20	Sep. 1	Aug. 14

Screen Gems Goes on ASE: The Columbia Pictures TV subsidiary has been listed for trading on the American Stock Exchange. Symbol: SGE.

## Recent Stock Issues

Stock	Offering Price	July 13, 1961	
		Bid	Asked
Data Processing	4	5¾	6¾
Sony Corp.	17½	20¾	22¾

# WEEKLY **Television Digest**

JULY 24, 1961

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VOL. 17: No. 30

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

## SUMMARY-INDEX OF WEEK'S NEWS

JUL 24 1961

### **FCC**

**ALLOCATIONS UP AGAIN.** Deintermixture analysis to be offered by FCC staff at Commission's direction, with 15 markets under study (pp. 1 & 4).

**FAA RELAXES TOWER RULES** in parley with FCC delegation. Regulations on advance notices, antenna farms, tower exemptions modified. Jurisdiction will be clarified (p. 3).

**HYDE "EHORTS" BROADCASTERS** to fight moves affecting programming & business practices (p. 5).

**LEE, ON TV ALLOCATIONS,** says "vacillation" is at an end, sees moves to strengthen uhf (p. 6).

### **Advertising**

**TV TOOK 53.5% OF THE TOP 100** ad budgets in 1960 (pp. 2 & 12). Dept. (p. 11).

### **ETV**

**ETV AID BILL PERILED** by House Rules Committee votes killing Administration's major school programs, dimming any hope for action of \$25-million equipment grants (p. 2).

### **Congress**

**FCC BILLS ARE SET FOR VOTES IN CONGRESS.** Senate's reorganization measure may be called up this week for probable passage. Similar House bill readied for action (p. 2). Dept. (p. 14).

### **Networks**

**CBS CAN'T PLAY BALL** in 2-year contract with National Football League, rules district court judge. Decision leaves CBS holding bag with several major sponsors (p. 3). Dept. (p. 8).

### **Stations**

**WON'T RETREAT, SAYS COLLINS** in speech to station executives at NAB's Harvard seminar, calling on TV & radio to abandon "status quo" and "push forward" (p. 7).

### **Consumer Electronics**

**MUSIC SHOW HIGHLIGHTS:** Mixed reaction to FM stereo; continued good business; more TV imports; concern over \$99 TV; tape optimism; agitation for "electronics show" (pp. 16 & 20).

**"DON'T KILL THE GOOSE,"** warns Comr. Lee as FM stereo is launched. Lee & NAB's Meagher paint bright picture, with qualifications. EIA issues "anti-confusion" book (p. 18).

**PLANS FOR STEREO RADIOS & adapters** vary widely among manufacturers, but most prefer outboard to inboard approach. Table shows plans of 24 manufacturers (p. 19).

### **Programs**

**NESS BUMPED OFF CLEVELAND'S WEWS** after decision by the station that "The Untouchables" was too violent. Viewer reaction to the loss has been almost evenly divided (p. 9).

### **Film & Tape**

**"DOUBLE FEATURES" FOR FALL** will be commonplace in NBC-TV markets; most stations to have their local film shows following the network's "Saturday Night Movies" (p. 9).

**\$50-MILLION FOREIGN MARKET** is predicted for next year for U.S. export telefilms by John G. McCarthy (p. 10).

### **Finance**

**FORTUNE'S "500":** The 1960 performances of the nation's top industrials—including 43 in electronics & related fields—are charted in the magazine's 7th annual business survey (p. 23).

**WESTINGHOUSE SLUMPS** in first half as profits tumble 51.6% on a 3.5% sales slide (p. 24).

**RCA PROFIT LAGS** at halftime despite record sales in the June quarter and a 10% gain in earnings over April-June 1960 (p. 24).

### **Other Departments**

**AUX. SERVICES** (p. 6). **PERSONALS** (p. 15). **TECHNOLOGY** (p. 15).

**ALLOCATIONS UP AGAIN; DEINTERMIXTURE ANALYSIS:** FCC plans to come to grips—again—with whole TV allocations problem in special meeting July 27 (Vol. 17:29 p14). You can get bets both ways, at Commission, on whether any policy breakthrough will be achieved in the one-day session before August recess.

There's still strong FCC support for at least some of the principles favored at beginning of year (Vol. 17:5 p1): (1) All-channel-set legislation. (2) Promotion of uhf. (3) Reservation of uhf channels for vhf operators who'd be encouraged to operate in both bands. (4) Reservation of uhf for educators. (5) Limited number of short-spaced vhf drop-ins. (6) Opening of unreserved uhf channels to newcomers on first-come first-served basis. (7) Relaxation of uhf technical standards. (8) More deintermixture.

FCC asked staff to come up with new analysis of deintermixture-to-uhf. Because deintermixture is strongest kind of medicine under consideration, we've managed to obtain a few details of analysis—which is scheduled to be expanded upon by staff at July 27 meeting. You'll find them on p. 4.

Comr. Lee, for one, remains strong for uhf, for all-channel-set legislation, for deintermixture and for pay TV, which he believes will stimulate uhf. He repeated these views in EIA-sponsored FM stereo symposium at Music Show in Chicago last week (for details, see p. 6). For his remarks about FM & stereo, see p. 18.

**TV TOOK 53.5 % OF THE TOP 100 BUDGETS:** The 100 biggest advertisers spent 5.6% more in 1960 than they did in 1959. Television's share increased a slightly better percentage than that—6.6%. But percentage gains looked better in 2 other categories—business publications (22.5%) and general magazines (15.3%). Outdoor advertising, although managing to show a gain, ran below the 6.6% average with a 2.8%. And 2 categories showed losses: Newspapers got 6.4% less in 1960 than they did in 1959 and farm magazines dropped 3.9%. This information was distributed last week by TvB on the basis of a compilation by Advertising Age (see p. 12).

The percentages tell only part of the story, for, pointed out TvB, the 1960 figures show that the top 100 spent more money for TV time (even with production costs excluded) than for all the other media combined—a fat 53.5% of their total 1960 advertising outlay of \$1.7 billion (which was up \$90 million from 1959). Also, proudly pointed out TvB, a majority share of the 5.6% increase in total budget—60%—was spent by these advertisers on their TV efforts.

From the standpoint of the television industry, the top 100 advertiser list is obviously gratifying. Of the 100 companies, 98 used TV—and the 2 that didn't were non-invited liquor companies. 71 used TV as their basic medium, spending more in it than in any other medium.

Of the 100 advertisers, 51 devoted more than half of their entire ad budgets to TV; 33 gave it more than two-thirds; 19 used four-fifths of their budget; and 9 spent more than 90% in TV.

Among the 100, 26 spent more than \$10 million apiece in TV. In this select group, newspapers and magazines had only 5 each.

Within television, the 1960-1959 dollar comparison showed networks up 8.5% vs. spot's 3.6% gain. (For the list of the 100 top television advertisers see Vol. 17:25 p10.)

But hard-selling TvB, after throwing its hat in the air, could still see plenty of market left to sell, pointing out that although the 100 advertisers had total budgets of anywhere from \$122 million down to \$5 million, there were nevertheless 7 of them who had spent less than \$1 million on TV in 1960.

**HOPES DASHED FOR ETV BILL:** President Kennedy's "must" program of general federal aid to schools was killed last week by House Rules Committee—and chances of any House floor action this session on govt. subsidies for educational TV probably died with it.

Crushing blow to ETV aid plans was delivered by 8-7 Democratic-Republican coalition votes which tabled 3 major administration bills to provide \$2.5 billion for school construction, to assist colleges, and to expand the National Defense Education Act. White House strategy had been to push these measures through House before attempting passage of \$25-million ETV bill (HR-132), which has been held up by Commerce Committee (Vol. 17:29 p13).

Hostile Rules Committee knifed ETV legislation in last session (Vol. 16:20 p5). Legislation-routing unit was expanded from 12 to 15 members at outset of this session in move to give administration supporters control and insure clearance of Democratic measures—including revived ETV proposals (Vol. 17:6 p14). In first big test on school issues, it didn't work out that way.

Likelihood now is that no school-aid program will be enacted at this session—except for continuation of help to federally-impacted areas. Senate approved \$51-million ETV bill by Sen. Magnuson (D.-Wash.) in March despite opposition by HEW Secy. Abraham Ribicoff, who figured it might endanger legislative prospects for over-all education program (Vol. 17:13 p2). At his urging, House Commerce Communications Subcommittee endorsed more modest measure which was tacked on to major administration program (Vol. 17:25 p22). Supporters had hoped major bills would gather enough House momentum to carry ETV aid.

**FCC BILLS SET FOR VOTES:** Ending several weeks of inaction on FCC's own legislative plans for streamlining its administrative procedures (Vol. 17:29 p13), Senate & House Commerce Committee began moving again last week to bring them into position for floor votes—and probable passage.

Senate may vote this week on FCC-drafted bill (S-2034) by Communications Subcommittee Chmn. Pastore (D-R.I.), which substitutes for rejected White House reorganization proposals permitting Commission to deputize staffers for case work. Full Commerce Committee voted July 18 to clear measure to floor. Pastore carried it there 2 days later, along with report (No. 576). Bill was placed promptly on Senate's action calendar, ready to be called up.

No House action on companion bill (HR-7856) was scheduled immediately, but it, too, was pushed

along. Commerce Committee Chmn. Harris (D-Ark.) brought it & report (No. 723) to floor July 17. There was no quick clearance by Rules Committee, however, and majority leader McCormick (D-Mass.) didn't put measure on his legislative priority list.

Some Republican opposition to the nearly-identical reorganization bills can be expected in both Senate & House when measures are called up for votes. But bipartisan Committee backing for measures is assured, and neither Pastore nor Harris anticipated much trouble in winning floor approval.

Another White House reorganization plan was defeated meanwhile. Coalition of Republicans & Southern Democrats combined 231-179 to kill President Kennedy's proposals to reshuffle National Labor Relations Board functions. It was 3rd White House regulatory-agency blueprint to be torn up in Congress, SEC plan in addition to FCC plan having been junked earlier.

**FAA RELAXES TOWER RULES:** Following jurisdictional negotiations with FCC Comrs. Bartley, Ford and Lee, FAA administrator Najeeb E. Halaby last week climbed down—at least part way—from the tall-tower-regulation positions which his agency took over the protests of the Commission & broadcasters (Vol. 17:29 p14).

FCC-FAA agreements on revisions of FAA regulations which went into effect July 15 included these: (1) Tower-application processes will be coordinated so that broadcasters need not give separate 30-day advance notices to FAA, thereby eliminating delays. (2) Antenna structures no higher than 20 feet will be exempted from FAA air-hazard requirements. (3) FAA will establish no antenna farm area "which would interfere with the statutory responsibility of the Commission." (4) FAA will write statement into its regulations "clarifying the point that FAA hearings would not affect the jurisdiction of the FCC."

"It's a step forward," said one communications lawyer who has been active in broadcasters' case vs. FAA. "But it's by no means everything." He pointed out that FCC-FAA agreement left unsettled such jurisdictional questions as these: (1) Will broadcasters still have to go through FAA hearing processes to get challenged towers approved? (2) If they are turned down by FAA on tower applications, is that word final?

**AFTERMATH OF CBS-FOOTBALL COURT RULING:** Antitrust roadblock slapped across CBS-TV's 2-year contract with the National Football League (U.S. District Court Judge Allan K. Grim's ruling in Philadelphia July 21) leaves CBS with major sponsor problem on its hands. Half-sponsorship of the 1961-62 NFL games has been sold to Philip Morris and Ford Motor Co. at the national level. Most of the remaining half-sponsorship has been sold to 14 advertisers in a series of regional buys.

CBS had been granted exclusive rights to NFL's 7 games each weekend on a regional basis with national telecasts on Thanksgiving Day. In return NFL was to get \$9.3 million to be divided among 14 NFL teams (Vol. 17:19 p6). Competition was thus restrained among NFL clubs, Judge Grim ruled, by "restricting them from determining in which areas telecasts may be made and giving that decision to the network."

What happens to the billings is a moot point. J. Walter Thompson, Ford ad agency, told us: "It's too early to tell whether we'll yank the billings. We'll sponsor as much pro football as CBS makes available." Executives at Philip Morris's N.Y. hq were unavailable for comment. Sales officials at CBS declined to say whether the national or regional NFL clients had cancelled their time-period contracts.

Fate of similar TV sports packages was uncertain last week. CBS refused to speculate on implications of the court ruling or to state whether it would appeal. Network baseball contracts have always been made with individual teams, rather than with a league. American Football League & National Basketball Assn. have both sold exclusive rights to their games, however, to ABC & NBC respectively. In Washington, the Dept. of Justice, which had questioned the CBS contract's legality when it was first signed, would not commit itself.

Amateur & collegiate TV sportscasts probably won't be affected by the ruling. That was the opinion of Walter Byers, exec. dir. of the National Collegiate Athletic Assn., who said, "The antitrust statutes of the nation apply to professional sports, but not to the athletic activities of educational institutions at the inter-scholastic or inter-collegiate level.

## The FCC

### More about

**DEINTERMIXTURE ANALYZED:** The latest study of deintermixture-to-uhf, prepared by FCC's staff (p. 1), covers 15 markets. Many of them have been discussed before, and the Commission has always concluded that they shouldn't be deintermixed. At this reading, no one knows what the Commission will do in its next go-around.

The markets are presented in 2 groups—"more favorable for deintermixture" and "less favorable." The criteria are these: Percent of uhf conversion in home county, availability of vhf signals, loss of service (creation of "white areas") which might be caused by shift from vhf to uhf. to uhf.

The "more favorable" group: Madison, Rockford, Hartford, Erie, Binghamton, Champaign-Urbana-Danville-Springfield-Decatur, Columbia, S.C. The "less favorable": Montgomery, Lancaster-Harrisburg-York, Columbus (Ga.), Baton Rouge, Ft. Smith, Bay City-Saginaw-Flint, Lake Charles, Knoxville. Herewith are excerpts from data compiled by staff:

**Madison:** Operating stations—WISC-TV (Ch. 3), WKOW-TV (Ch. 27), WMTV (Ch. 33), WHA-TV (Ch. 21, educational). Home county set conversion—total homes, 61,200; TV homes, 54,600; uhf homes, 54,100; uhf conversion, 99%. Total homes able to receive (ARB data)—WISC-TV, 245,000; WKOW-TV, 93,000; WMTV, 89,700. Net weekly circulation—WISC-TV, 200,000; WKOW-TV, 85,600; WMTV, 82,400. Potential "white area" (loss of homes with deintermixture)—12,105 homes. What to do with Ch. 3?—can't be used in any large vhf market.

**Rockford:** Stations—WREX-TV (Ch. 13), WTVO (Ch. 39). Home county set conversion—total homes, 62,000; TV homes, 58,500; uhf homes, 56,700; uhf conversion, 97%. Total homes able to receive—WREX-TV, 187,400; WTVO, 97,600. Net weekly circulation—WREX-TV, 156,900; WTVO, 89,300. Potential white area—2,300 homes. What to do with Ch. 13?—can't be used in any large vhf market.

**Hartford area:** WTIC-TV (Ch. 3), WNHC-TV (Ch. 8), WHCT (Ch. 18), WHNB-TV (Ch. 30), WATR-TV (Ch. 53). Home county set conversion—total homes (Hartford county), 191,900; TV homes, 180,500; uhf homes, 162,500; uhf conversion, 90%. Total homes (New Haven county), 184,900; TV homes, 178,100; uhf homes & conversion not indicated. Potential white area—none. What to do with Ch. 3?—could be added to Providence with 2 short adjacent-channel spacings.

**Erie:** Stations—WICU (Ch. 12), WSEE (Ch. 35). Home county set conversion—total homes, 68,900; TV homes, 65,500; uhf homes, 48,500; uhf conversion, 74%. Total homes able to receive—WICU, 151,600; WSEE, 57,400. Net weekly circulation—WICU, 127,000; WSEE, 53,700. Potential white area—5,235 homes. What to do with Ch. 12?—can't be used in any large vhf market.

**Binghamton:** Stations—WNBF-TV (Ch. 12), WINR-TV (Ch. 40). Home county set conversion—total homes, 62,100; TV homes, 58,900; uhf homes, 43,000; uhf conversion, 73%. Total homes able to receive—WNBF-TV, 248,000; WINR-TV, 59,100. Net weekly circulation—WNBF-TV, 221,800; WINR-TV, 51,600. Potential white area—5,280 homes. What to do with Ch. 12?—could be given to Utica.

**Champaign area:** Stations—WCIA (Ch. 3), WCHU (Ch. 33), WILL-TV (Ch. 12, educational), WICD (Ch. 24),

WTVP (Ch. 17), WICS (Ch. 20). Home county set conversion—total homes (Champaign county), 34,200; TV homes, 26,600; uhf homes, 16,500; uhf conversion, 62%. Total homes (Vermillion county), 31,800; TV homes, 26,800; uhf homes, 21,700; uhf conversion, 81%. Total homes (Macon county), 37,100; TV homes, 35,100; uhf homes, 34,400; uhf conversion, 98%. Total homes (Sangamon county), 47,100; TV homes, 41,200; uhf homes, 41,200; uhf conversion, 100%. Total homes able to receive—WCIA, 313,000; WICD, 29,600; WTVP, 135,100; WCHU, 15,000; WICS, 123,100. Net weekly circulation—WCIA, 270,000; WICD, 26,200; WTVP, 122,300; WCHU, 12,600; WICS, 106,000. Potential white area—13,914 homes. What to do with Ch. 3?—can't be used in any large vhf market.

**Columbia, S.C.:** Stations—WIS-TV (Ch. 10), WNOK-TV (Ch. 19). Home county set conversion—total homes, 42,300; TV homes, 36,800; uhf homes, 25,000; uhf conversion, 68%. Total homes able to receive—WIS-TV, 193,400; WNOK-TV, 35,900. Net weekly circulation—WIS-TV, 152,600; WNOK-TV, 33,100. Potential white area—none. What to do with Ch. 10?—Give it to Augusta, Charleston or Wilmington.

Here's a briefer summary of the "less favorable" group:

**Montgomery:** Potential white area—12,495 homes. WSFA-TV's Ch. 12 could be assigned to Pensacola.

**Lancaster area:** Potential white area—none. WGAL-TV's Ch. 8 could be assigned to Johnstown.

**Columbus, Ga.:** Potential white area—9,820 homes. WRBL-TV's Ch. 3 and WTVM's Ch. 9 can't be assigned to any large vhf market.

**Baton Rouge:** Potential white area—8,358 homes. WBRZ's Ch. 2 could be assigned to Alexandria, WAFB-TV's Ch. 9 to Hattiesburg.

**Saginaw area:** Potential white area—18,150 homes. WNEM-TV's Ch. 5 could be assigned to Alpena. WJRT's Ch. 12 can't be assigned to any large vhf market.

**Lake Charles:** Potential white area—407 homes. KPLC-TV's Ch. 7 and ungranted Ch. 3 can't be assigned to any large vhf market.

**Knoxville:** Potential white area—30,950 homes. WATE-TV's Ch. 5 can't be assigned to any large vhf market. WBIR-TV's Ch. 10 could be assigned to Nashville.

**Evansville Shift Proposed:** Evansville, Ind. would become all-uhf under an initial decision by FCC hearing examiner Jay A. Kyle recommending that Ch. 31 be substituted for WTVW's Ch. 7, which would be assigned to Louisville. The deintermixture move was protested by once-bankrupt WTVW, which reported net profits of \$91,299 in the first 7 months last year. But Kyle said WTVW's arguments boiled down "simply" to this: "It is more advantageous to remain on Ch. 7 and continue to absorb at a rapid rate more of the potential market." Kyle said shifting WTVW to uhf would arrest "the state of imbalance of the market" in Evansville, where WEHT (Ch. 50) & WFIE-TV (Ch. 14) have been unable to compete "adequately" with the Ch. 7 outlet, although the area has "a high degree" of uhf-set saturation. He also pointed out that Louisville, with 3 times Evansville's population, has only 2 stations—WHAS-TV (Ch. 11) & WAVE-TV (Ch. 3)—and that a 3rd vhf outlet there is needed for "competition & growth."

**Option-Time Dates Reset:** At the request of affiliates of all 3 networks, FCC has extended the Sept. 7 deadline for comments on its "new look" at option time (Vol. 17:29 p10) to Oct. 6. New date for oral arguments: Oct. 27.

**HYDE 'EXHORTS' BROADCASTERS:** Fearing govt. encroachment on programming & freedom of speech, FCC Comr. Hyde told broadcasters last week to *do* something about it.

In a speech July 19 before the Ida. Bcstrs. Assn. in Salmon, he listed a number of well-known statements & actions by Congressional committees, FCC and Presidential aide James Landis—and found them ominous. He then said:

"This brief documentation is sufficient, I believe, to show the executive arm of govt., the legislative arm, and the FCC itself rapidly placing the Agency in a position of responsibility for program fare. I think it unfortunate that the public is being led to look to the FCC for fulfillment of its program interests. It does not appear from the miscellany of reports & recommendations having official status that the question as to whether close govt. regulation can give better results than a free-enterprise system has even been a consideration. This would seem to exhibit a strange lack of confidence in the system which most people believe to be the basis of the world's finest achievements in living standards. It is particularly disturbing in the face of the clear declaration of policy appearing in the Communications Act." Hyde concluded his speech with:

"According to precedent, a conclusion may include an exhortation or a charge. I make the suggestion with concern for the future of broadcasting, that operators of stations haven't made their works or their position adequately understood—a reflection on their efficiency as communicators—or that their demonstration of the advantages of the free-enterprise system should have improved attention. Perhaps both of these matters warrant further serious attention."

#### 7 Govt. "Program-Control" Moves Listed

Hyde listed the following as serious govt. moves:

(1) Ex-Attorney General Rogers' recommendation to President Eisenhower that FCC "adopt a program of more intensive scrutiny of licensees' past performance in connection with renewals."

(2) Harris Oversight Subcommittee's recommendation that FCC "monitor programs . . . to the extent necessary to determine whether the program balance is in the public interest."

(3) Congress's action in passing a law specifically authorizing FCC to grant licenses for less than 3 years.

(4) Congress's action in amending the Communications Act to "preclude the settlement of conflicts between contending applicants through merger or other agreement except under certain limited conditions, and, of course, subject to Commission approval." Of this amendment, Hyde said: "This, I believe, is the first instance where govt. approval as to the prudence of an expenditure in a broadcast enterprise has been made a matter of govt. regulation. The concept, of course, is familiar in public-utility regulation."

(5) FCC's proposal to tighten up on the sale of stations owned less than 3 years.

(6) Landis's report regarding programming plans of applicants and FCC's attitude toward them. "The actual programming," Landis stated, "bears no reasonable similitude to the programming proposed. The Commission knows this but ignores these differentiations at the time when renewal of licenses of the station is before them." Hyde's comment: "The implications of this language make it relevant here."

(7) FCC's proposed program form amendment (Vol. 17:28 p1). Hyde's reaction: "The proposed reporting of

past performance has been characterized as requiring an accounting of every second of the broadcaster's week. Detailed reporting & accounting are characteristics of utility regulation. It is said that efforts by others to employ microscopic detail inspired the observation of Justice Holmes that 'delusive exactness is a source of fallacy throughout the law.'"

Hyde strongly emphasized the following statement of the U.S. Supreme Court in a 1940 decision: "The Communications Act does not essay to regulate the business of the licensee. The Commission is given no supervisory control of the programs, of business management or of policy . . . The Congress intended to leave competition in the business of broadcasting where it found it."

"There are real possibilities, it seems to me." Hyde said, "that the Commission will find applicants making promises in their applications designed to satisfy the Commission's wishes as to programming. The operator thus committed must then perform in the manner designed to please the Commission or risk being brought to task on the issue of good faith. It does not take much imagination to find elements of prior intent in such a system."

\* \* \*

Minow on "Lobbies": Despite any broadcasting-industry opposition, FCC Chmn. Minow intends to press on with his campaign to improve TV's "wasteland," he told Scripps-Howard staff writer Vance Trimble in an interview. "I have no illusions about the influence the industry wields in this town," Trimble quoted him. "But if I tried to weave my way through the jungle of lobbies, I know I'd never get anywhere. Smarter & more dedicated people have taken that route—and failed."

New Orleans Ch. 12 CP Near: The grant of Ch. 12, New Orleans, to Coastal TV Co. has been recommended in an initial decision by FCC examiner Charles J. Frederick. He found no air hazard to exist and he noted that the chief examiner had already approved the merger of Coastal and Supreme Bcstg. Co. (originally competitors). Coastal principals will hold 60% of the CP, Supreme 40%. The 2 groups have been joint owners of New Orleans TV Corp. which has been operating WVUE temporarily on Ch. 13.

FM Station Challenged: FCC has ordered KPSR (FM) Palm Springs, Cal. to show why its license shouldn't be revoked. Cited in the order was the "alleged unauthorized transfer" of main-channel operations & programming control by licensee Richard T. Sampson to Peter E. Kohler & Chester A. Humbert. Kohler & Humbert had a 3-year contract with Sampson, FCC said.

Wausau CP Recommended: Central Wisconsin TV Inc. is the uncontested winner of a CP for Ch. 9, Wausau, Wis., under terms of an initial decision by FCC hearing examiner Walter W. Guenther. Valley Telecasting Co. withdrew as an applicant last December, leaving the field to Central, whose principals (headed by Pres. Walter A. Baumgardt) have CATV interests in Wausau.

Uhf Test Sites Set: FCC will count on the Census Bureau—not a commercial organization, as first contemplated—to pick N.Y. sample locations for observations & measurements in its uhf tests. Jerrold Electronics has been given the \$213,895 contract to install & maintain the 100 b-&-w and 10 color sets and make field measurements.

Primer of Broadcasting: Good reference for novices, and a refresher for veterans, is FCC's revised *Broadcast Primer*, a 25-page report prepared by FCC's information chief George Gillingham.

**LEE ON TV ALLOCATIONS:** "I must admit that the FCC has vacillated a good deal," FCC Comr. Lee told the EIA's FM stereo session at the Music Show in Chicago last week (see p. 1), as he began a discussion of TV allocations. But he added quickly: "This vacillation, I think I can assure you, is at an end."

"The Commission has determined," he said, "that we must utilize the uhf if we are going to have a competitive service, since the 12 vhf channels will obviously never do it and the 70 uhf provide the long-range answer. In this problem right at this time I see a parallel with the FM problem of a few years ago when we were fighting to keep this frequency space—which struggle has now been vindicated. So will it be, I say, in this uhf problem." He gave 5 reasons why:

(1) FCC's N.Y. uhf experiment. "While I do not expect it to cover the wide area of the vhf, I fully expect it to provide metropolitan New York with a signal superior, indeed, to the vhf."

(2) Educators "are on the march" to make use of uhf and a demand will be forthcoming for all-channel sets from not only the schools & the parents, but from the adult public who seek a type of cultural programming that I devoutly hope the educators will ultimately provide."

(3) If Hartford pay-TV tests are successful, "the nature of the allocations picture nationally is such that . . . the growth & expansion must also be in the uhf area."

(4) All-channel-set legislation. "I can understand" manufacturers' opposition and "I look upon it as a last resort, but the circumstances are so compelling that I am supporting the bill without reservation." However: "I do not expect legislation this session but it might very well be more receptively received when the Congress begins to observe that the Commission is taking every possible step to solve the allocations problem."

(5) Deintermixture. "While we expect the licensee to fight us through the court, there is no doubt that we will prevail and create a market for millions of uhf receivers to perhaps the point where the manufacturer will make the decision that while he is about it, he might as well make the all-channel set."

Good-music enthusiast Lee also had something to say about FCC's role in programming:

"In light of the so-called scandals in the broadcast area in the recent past, critics of our system have suggested, with every good intention, that perhaps America would be better off if the federal govt. went in for station ownership, or if the FCC participated actively in setting program standards. I think that the good-music FM stations across the land are dramatic refutation of this belief.

"The fact is: The American broadcast system, along with its human faults, has been primarily responsible for the greatest cultural revolution in modern times. Through broadcasting & its allied fields great classical music has been made universally & consistently accessible to everyone in our nation . . .

"Although the FCC policy has been to leave program content pretty much up to the individual broadcasters, we are charged with seeing to it that the airwaves are used 'for the public interest, convenience and necessity.' So it is within our power & purpose to encourage good programming practices, just as it is our duty to discourage & prevent notably bad ones. It is a matter of official record at the FCC that the good music audience is loyal, responsive and deserving of consideration. There are factual references to it in our rule-making & hearing procedures."

**FCC-Industry Uhf Exhibit:** The FCC-encouraged uhf exhibit at the Commerce Dept. Bldg. (Vol. 17:27 p5), which started July 15 and runs through July 28, was given an official send-off July 17. FCC members & staff, educators, manufacturers, press, etc., toured the exhibit, then attended a cocktail party hosted by EIA. Receivers displayed good pictures transmitted by 10-watt Ch. 75 & 80 Adler translators mounted on the top floor of FCC's hq a few hundred yards away. An unusual exhibit was that of FCC itself. Sparked by uhf enthusiast Comr. Lee, the Commission had a display depicting its functions, a group picture of the Commissioners, an attractive blonde receptionist (Norma Budesheim, one of Comr. Ford's secretaries), and 4 telephones on which visitors could hear Chmn. Minow, in a recorded statement, describing the exhibit and plumping for ETV.

**Uhf Contract Signed:** FCC's experimental WUHF (Ch. 31) in the Empire State Bldg. will be operated by the City of N.Y. from November until next summer under terms of a contract signed by Comr. Lee & Mayor Robert Wagner. The Commission will reimburse the city govt. for costs—estimated at about \$100,000. The uhf station will duplicate programs telecast by N.Y.'s vhf station during times designated by FCC, leaving periods open for N.Y. to put on its own shows (Vol. 17:29 p12).

**Chinese Translations Aired:** Audio portions of programs on KRON-TV San Francisco will be carried in running Chinese translations by the station's FM adjunct. FCC has authorized KRON-FM to use its background-music subcarrier for the special service for San Francisco's Chinese-speaking listeners.

**ETV CPs:** Ch. 15, Hampton-Norfolk, Va. (commercial channel), to Hampton Roads Educational TV Assn. • Ch. 26, Montgomery, to Ala. Educational TV Commission.

## Auxiliary Services

**Phonevision Timetable:** RKO General's WHCT Hartford (Ch. 18) elaborated last week on its recent report to FCC (Vol. 17:27 p3) regarding its pay-TV timetable. It explained (in a "Phonevision News Letter" circulated in the Hartford area) that it had received FCC permission for postponement of target date for the start of service to July 1, 1962, "although we hope to get under way at an earlier date." Other highlights: (1) Zenith is now manufacturing encoding equipment for the station. (2) RKO General Phonevision has placed an order with Zenith for production quantities of decoders; Zenith expects to have a pilot production line in operation by late 1961 or early 1962. (3) Installation of decoders in subscribers' homes probably will begin about May 1, 1962. (4) Schedule of subscription programs will be announced before decoder installation begins.

**Telemeter Tackles Football Fare:** Having previously limited its sports coverage to away hockey games of the Toronto Maple Leafs, Telemeter offered subscribers their first pay-TV football game July 20. Another is scheduled for August 2. Both pre-season games of the Toronto Argonauts team originate from the Canadian National Exhibition Stadium in Toronto and are blacked out from free TV. Price of the TV ticket: \$1.50. On another programming front, Telemeter is reportedly negotiating for tapes of some of the 1962 Dallas State Fair musicals for its pay-TV circuit—one more step in the programming expansion launched in March with taped TV specials (Vol. 17:10 p3).

## Stations

**WON'T RETREAT, SAYS COLLINS:** NAB Pres. LeRoy Collins, who has been needling broadcasters to get off the *status quo* and do better, ever since he took office in January (Vol. 17:7 p1 *et seq.*), promised more of the same last week.

Wryly observing that he has raised "a furor" in "some quarters" of the industry, Collins told the graduating class of NAB's 3rd annual executive development seminar at Harvard (Vol. 17:25 p12): "I meant what I said."

"We must push forward, to improve," he said in the commencement address. "We must apply the best minds in broadcasting to bring about that improvement, and we must do it ourselves . . ."

"Whether we will do it ourselves, or whether we will have unwelcome changes forced upon us, is largely in our own hands.

"We must face up to it. We in broadcasting are responsible for our own house, and those within our profession who operate in such a way as to bring grave discredit on all of us are our responsibility. In a business which is supervised every day of the year by millions of Americans, we have no choice but to put our own house in the best possible order & keep it that way."

Collins said that some people in broadcasting—as in all fields—"seem to suffer from atrophy of the mind." They resent change and take "their last-ditch stand on the premise that things just ought to be like they used to be," he told the station executives on the campus of Harvard's Graduate School of Business Administration.

In NAB, Collins went on, "we are not worshipers of the *status quo*. We want broadcasting to move forward to new greatness." He ticked off these objectives for all in TV & radio: (1) "Competence." (2) "Maintenance of high standards of ethics & quality of product." (3) "A high sense of public-service responsibility."

**Fall Conferences Streamlined:** NAB's fall conferences this year will be one-day sessions in 8 cities instead of the 2-day meetings conducted in past years. In a memorandum to NAB members, Pres. LeRoy Collins said the new format for the staff-led conferences will be "more economical" for broadcasters as well as NAB, and that it should encourage more members to attend. The schedule: Oct. 13, St. Louis, Hotel Jefferson. Oct. 16, Dallas, Sheraton-Dallas Hotel. Oct. 18, Salt Lake City, Hotel Utah. Oct. 20, San Francisco, Sheraton Palace. Nov. 10, Boston, Somerset Hotel. Nov. 13, Pittsburgh, Pittsburgh-Hilton Hotel. Nov. 15, Minneapolis, Leamington. Nov. 20, Jacksonville, Robert Meyer Hotel.

**De Forest Leaves \$1,250 Cash:** The father of radio and the vastly lucrative science of electronics passed away with only \$1,250 in cash to show for his achievements. This was disclosed last week when Dr. Lee De Forest's will was filed for probate. The will, signed in 1954, left the estate to his wife. Her attorneys said that Dr. De Forest held patents which may yield additional income but are not doing so at the present time. The famed inventor, who made & lost 4 separate fortunes, died June 30 at age 87 (Vol. 17:28 p3).

**Radio KTUL Tulsa Sold:** For \$450,000, by the John T. Griffin group which keeps KTUL-TV, to Raymond Ruff and Charles A. Sammons. The purchasers own KTRN Wichita Falls, which Ruff manages. Sammons, who has extensive oil & insurance interests, is also a multiple CATV owner. Hamilton-Landis handled the transaction.

**BGB Revising Radio Rules:** Board of Broadcast Governors has called a public hearing for Aug. 22 in Ottawa on extensively revised radio-broadcasting regulations. Taking a cue from the 55% Canadian content required in TV, BBG has written a new section requiring each radio station to show annually how it has "promoted & ensured greater use of Canadian talent." The section on advertising content is changed considerably. The old section listed commercial time allowable for programs from 5 min. to one hour; the new section eliminates the detail and establishes a limit of 20% commercial messages from 6 a.m. to midnight provided advertising content in any one hour does not exceed 30%. TV network definitions are adopted for radio, giving radio network recognition for the first time. Currently CBC operates 2 radio networks and there are no private radio networks. The radio-network regulations retain the veto right for CBC over any affiliate on the use of reserve time.

**Print Firm May Buy Friendly Group:** United Printers & Publishers, N.Y. maker of gift-wrapping papers, ribbons, greeting cards (Rust Craft), will buy the Friendly Group TV-radio stations if its stockholders approve at the August 3 annual meeting. They will vote on proposals to acquire WSTV Inc., Steubenville, O., which operates WSTV-TV & WSTV Steubenville, KODE-TV & KODE Joplin, Mo., WBOY-TV & WBOY Clarksburg, W.Va., and WRGP-TV Chattanooga; and WPIT Inc., Pittsburgh, which operates WRDW-TV Augusta, Ga. and radios WPIT Pittsburgh and WSOL Tampa. Terms of the proposed amalgamations call for an exchange of a maximum of 175,000 shares of United Printers stock based on a value of \$3.5 million for all of WSTV's outstanding stock. WPIT's stock would be acquired for \$1,350,000 cash, payable over a 5-year period.

**NTA Employees Write FCC:** In addition to other troubles besetting NTA Pres. Leonard Davis concerning the sale of WNTA-TV N.Y. (Vol. 17:28 p4), he's now being pressured to fulfill a Santa Claus pledge made last December by then-NTA officials Ely Landau and Oliver Unger. Some 200 employees in all NTA divisions were promised a Christmas bonus of NTA stock in amounts proportionate to length of service, but to date no one has received such a bonus. An "informal" group of ex-NTA employees decided to press the point while the pressing's good, and recently filed a letter with FCC requesting that the sale of NTA's broadcast property to an ETV group be withheld until the stock is issued.

**NAB, EIA Drop "Voice":** NAB confirmed last week that it is withdrawing from active sponsorship of the 14-year old Voice of Democracy script-writing contest (Vol. 17:29 p5). At the same time EIA announced its withdrawal as a co-sponsor, leaving it up to the remaining sponsor—VFW—to carry on. Promised NAB & EIA endorsement & help, VFW was reported "seriously considering" continuing the contest alone. Pres. LeRoy Collins explained that NAB's available money & staff time are needed now for reorganization. The contest had cost NAB \$10,000 per year.

**Briefing Sessions Set:** Secy. of State Dean Rusk & other top administration officials will lecture TV & radio commentators and newspaper editors on foreign policy at an Aug. 14-15 briefing conference in Washington. Rusk said in his letters of invitation to the broadcasting & press representatives that discussion will center on "such questions as Berlin, a nuclear test ban, general disarmament and the foreign aid program." The first such briefing sessions in April (Vol. 17:15 p13) were so successful that "scores of people" asked for a repeat, State Dept. said.

## Networks

**Live Alaska TV Link Soon?** Instantaneous live TV inter-connection between the 49th state and U.S. programming centers may soon be technically possible as the result of completion of a \$25-million microwave communications system placed into operation last week by Canadian Prime Minister John Diefenbaker.

The 1,300-mile relay, stretching from Grand Prairie, Alberta, to Mt. Dave on the Yukon-Alaska border, may not ever be used to carry TV to Alaska because of the expense—but this now becomes a technical possibility. Built by RCA Victor Co. (Canada) for Canadian National Railways, the system will accommodate up to 600 telephone voice channels or can easily be modified to carry a TV channel. It will, of course, require connections on the Alaskan side of the border into the Alaskan microwave system. Although it will accommodate a TV channel, it was designed primarily for other types of communications.

**Cloud Cover Over NBC Billings:** Overcast skies at Cape Canaveral, which caused postponement of the July 19 U.S. manned space shot, cost NBC-TV a substantial (but undisclosed) sum in lost billings. All 3 networks provided extensive pool coverage of the Canaveral scene from 8:45-9:45 a.m. until cancellation appeared certain, but only NBC had interrupted lucrative network programming—*Today*—in the process (ABC had no network shows in that time, CBS's *Captain Kangaroo* was sustaining from 8:45-9 a.m. and the rest of the time was local). Consolation prize: NBC reported everything "A-OK" in the July 19 rating race, scoring a 38 Arbitron share of audience for the hour (vs. 28 for CBS, 22 for ABC). When astronaut Virgil I. (Gus) Grissom and the networks finally got off the ground July 21 (with live TV pool coverage from 8:11-9:15 a.m.), his successful sub-orbital flight again made possible a substantial rating victory for NBC, which this time garnered a 56.4 Arbitron share of audience (vs. 23.3 for CBS and 9.6 for ABC).

**New NBC-TV Affiliate:** WEPA-TV Erie, Pa. (Ch. 24), now under construction, will join the network Oct. 1, it was announced by Tom Knode, station relations vp. NBC affiliates now total 198.

## NETWORK SALES ACTIVITY

### ABC-TV

- American Bandstand, Mon. & Tue. 4:30-5 p.m., part. eff. Sept. 25.  
*Old London Foods* (Richard K. Manoss)  
 Maverick, Sun. 7:30-8:30 p.m., part. eff. Oct. 1.  
*Ideal* (Grey)  
 NCAA post game scoreboard, dates T.B.A.  
*General Mills* (Knox Reeves)

### NBC-TV

- International Showtime, Fri. 7:30-8:30 p.m., part., Sept. 15.  
*Sandura* (Hicks & Greist)  
 Saturday Night at the Movies, Sat. 9-11 p.m., part. eff. Sept.  
*Lanolin Plus* (Daniel Charles)  
*Chemstrand* (Doyle Dane Bernbach)  
 Daytime programming, Mon.-Fri., part. eff. Sept.  
*Max Factor* (Kenyon & Eckhardt)

## Network Television Billings

May 1961 and January-May 1961

For April report, see TELEVISION DIGEST, Vol. 17:26 p6

**May Billings Up 11.1%:** Network TV's May 1961 gross time billings rose 11.1% to \$61.7 million from \$55.5 million for the same month last year. A 7.3% increase was reported by TvB for the first 5 months of this year, with January-May billings totaling \$304 million compared with \$283.3 million for the like 1960 period.

ABC set the pace for percentage gains in the 5-month period with a 22.2% jump to \$79.4 million. NBC also posted a healthy percentage gain (11.2%), with billings of \$113.4 million. But CBS, trailing NBC in monthly billings since the first of the year, registered a 4.4% decline—down from \$116.3 million to \$111.2 million.

Weekday-daytime continued to be the champ (for growth) of the billings field: Daytime Mon.-thru-Fri. in May 1961 was up 30.5% over May 1960 (22.9% for the first-5-months period). Daytime for the entire week was up 27.4% in May as against nighttime's 4.6% (cumulatively, 20.4% against 1.7%).

### NETWORK TELEVISION (by Networks)

	May 1961	May 1960	% Change	Jan.-May 1961	Jan.-May 1960	% Change
ABC .....	\$16,197,190	\$12,876,050	+25.8	\$ 79,403,040	\$ 65,001,870	+22.2
CBS .....	22,253,355	23,209,917	- 4.1	111,152,326	116,288,277	- 4.4
NBC .....	23,229,565	19,414,264	+19.7	113,419,579	102,033,075	+11.2
Total .....	\$61,680,110	\$55,500,231	+11.1	\$303,974,945	\$283,323,222	+ 7.3

### 1961 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January .....	\$15,898,310	\$22,894,855	\$23,031,118	\$61,824,283
February .....	14,939,180	20,928,850	21,203,055	57,071,085
March .....	16,577,140	23,085,353	23,952,458	63,614,951
April .....	15,791,220	21,989,913	22,003,383	59,784,516
May .....	16,197,170	22,253,355	23,229,565	61,680,110

### NETWORK TELEVISION (by Day Parts)

	May 1961	May 1960	% Change	Jan.-May 1961	Jan.-May 1960	% Change
Day .....	\$20,202,283	\$15,860,393	+27.4	\$101,701,884	\$ 84,496,662	+20.4
M-F .....	17,509,320	13,416,107	+30.5	85,066,805	69,197,439	+22.9
S-S .....	2,692,963	2,444,286	+10.2	16,635,079	15,299,223	+ 8.7
Night .....	41,477,827	39,639,838	+ 4.6	202,273,061	198,826,560	+ 1.7
Total .....	\$61,680,110	\$55,500,231	+11.1	\$303,974,945	\$283,323,222	+ 7.3

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

**The House that CBS Will Build:** The final piece in the real-estate mosaic that CBS has been assembling in midtown N.Y. for its new hq building was dropped in place last week by the network. The purchase was the building at 53 W. 52 St. which, with earlier CBS purchases & leases, brings to 48,000-sq.-ft. the land parcel on which the new CBS building will be constructed. The area is on the East side of Ave. of the Americas (6 Ave.), between 52 & 53 Sts. Architect is Eero Saarinen & Associates.

**NBC O&O's Meet Community Leaders:** As the latest step in its plan to build a strong public image for its fall activities (Vol. 17:29 p11), NBC-TV has launched a series of monthly get-togethers between officials of its o&o stations and leading civic officials. The plan is to touch on a different aspect of community affairs at each informal session. The first of these meetings was recently held in Chicago by NBC outlets WNBQ (TV) and WMAQ (radio). Subject for discussion with some 19 Chicago-area officials: traffic safety.

## Programming

**The Day Ness Was Bumped Off:** Scripps-Howard's WEWS Cleveland dropped ABC-Desilu's *The Untouchables* July 13 in the interest of "program balance." Contrary to what some may have expected, viewers did not send a trigger squad, armed with sub-machine guns and driving 1930 touring sedans, to retaliate. Asst. gen. mgr. Don Perris told us last week that the WEWS switchboard clocked 327 calls during a 60-min. replacement show—the pop concert series titled *Great Music from Chicago*. Of the calls, said Perris, "165 were opposed to the program switch, and 162 were in favor of it."

But he freely admitted that the decision to drop *The Untouchables* had lost audience for WEWS. WGN-TV Chicago, producer of the taped pop-concert series, ordered a special ARB coincidental study for July 13. Audience share, Perris told us, was "just about one-fourth of what we used to get with *The Untouchables*."

Low rating or no low rating, WEWS is going ahead with its own local plans for filling the time period. On July 20, the station slotted a rerun of a former network mystery series, *Suspicion*. Another rerun episode from the same series is scheduled for July 27, with a return to the pop-concert series on Aug. 3. On Aug. 10, WEWS will screen a locally-produced special which Perris said is currently in the works. It won't, he said, be a public-affairs show but will be "an 'unusual' which we think will be great."

The station's original decision to pull one of TV's most popular shows was made by gen. mgr. James C. Hanrahan, who had felt that its weekly serving of blood & gore was bad for his station's image. Hanrahan was not, of course, giving the heave-ho to a routine network program. The audience share for *The Untouchables* in the Cleveland area has been as high as 50%, despite competition from other channels, and hero Eliot Ness once conducted real-life crime crusades in Cleveland.

In N.Y. last week, ABC was still maintaining an official silence on the whole Cleveland situation, admitting only that the show had been yanked, but refusing to comment. At presstime, ABC had made no deal with any other Cleveland station to carry *The Untouchables*. KYW-TV, the NBC affiliate, had "confirmed" its NBC schedule, and WJW-TV, the CBS affiliate, said it had "no plans" to carry the ousted series. The usual ABC network lineup for *The Untouchables* is more than 175 stations.

Relations between WEWS Cleveland and ABC have been a bit on the cool side lately, even apart from the refusal to carry *The Untouchables*. WEWS is a sister outlet to WCPO-TV Cincinnati, also owned by Scripps-Howard Radio Inc. Earlier this year, ABC-TV pulled a major affiliation coup when it switched its affiliation from WCPO-TV to WKRC-TV, owned by Taft Bestg. Co. (Vol. 17:9 p3; 17:10 p13). Since that time, WEWS has declined to carry ABC's Saturday-night *The Fight of the Week*, and has notified ABC that it also won't clear for the network's 2 evening newscasts.

**CBS Aids State Dept:** A copy of an exclusive CBS News interview with Gen. Rafael Trujillo Jr. was sent, upon request, to the U.S. State Dept.'s Latin American Affairs Bureau last week. The 30-min. video-taped interview was on *Douglas Edwards with the News* July 14.

**Add FTC & Payola:** FTC hearing examiner Robert L. Piper has recommended dismissal of payola charges against Mutual Distributors Inc., Boston, and its officials.

## Film & Tape

**How to Plan a Double Feature:** NBC affiliates next season will have a chance on weekends to borrow a familiar technique from the theatrical movie industry—the double feature. Reason: NBC-TV's *Saturday Night Movies*, a package of post-1948 pictures from 20th Century-Fox, will start at 9 p.m. and be off at 11 p.m., the beginning of late-night local time. Most NBC affiliates have an 11 p.m. newscast, followed by a local movie show.

One NBC affiliate, WIIC Pittsburgh, decided recently that this accidental double-feature slot should not be filled locally by whatever feature the station happened to have handy. A mismatching second movie could well lose the nice lead-in audience from the NBC network film.

To avoid this, WIIC contacted the 20th-Fox Pittsburgh theatrical exchange to seek some friendly advice, a procedure which might seem like Allen Dulles dropping in on the Kremlin to ask what's new in the espionage field. WIIC, however, was on the side of the celluloid angels. Part of its plan was to buy some recent 20th-Fox features available (via NTA) to TV. Ralph Buring, an official of the Pittsburgh exchange, helped WIIC to draw up its double-feature schedule, drawing on box-office records of how various combinations of pictures had done theatrically.

Some key tips: A comedy teams up well with contemporary action-adventure movies. (When NBC screens "How to Marry a Millionaire," WIIC will follow with "12 O'Clock High." When NBC has "Titanic," WIIC will have "Mother Is a Freshman.")

An outdoor saga frequently attracts the movie fan who would just as soon have 2 in a row. (When NBC has "Snows of Kilimanjaro," WIIC has "3 Faces West.")

Strong dramas of human conflict also pair off, since again a particular type of fan is attracted. (NBC schedules "Garden of Evil," WIIC follows up with "Pinkie.")

We asked NBC station relations in N.Y. whether other stations planned to follow WIIC's example, or had sought NBC's advice in scheduling double bills. Answer, from a station-relations official: "We've sent all NBC affiliates a list of the features and the dates for *Saturday Night Movies*. We've had no special queries, although we've heard of WIIC's promotion. It sounds like a good idea."

**Desilu Forecasts Pay-TV Bonanza:** Predicting the national advent of pay TV "within 3 years," Pres. Desi Arnaz told the 3rd annual meeting of Desilu stockholders last week that "there will be no practical limit to the amount of money that can be recovered as net income from outstanding productions shown on pay TV. Desilu [owns] the largest production facility in the world."

Arnaz also announced the appointment of General Artists Corp. as Desilu's network sales agency (Don Sharpe, Arnaz's personal representative, will head GAC's TV dept.) and said Desilu "is seriously considering" forming its own foreign & domestic distribution force.

Stating that "We couldn't be happier to see this trend back to better programming," Arnaz explained that Desilu had held back during the past year because he "didn't like the way the sales trend was going. I think a lot of shows bought for the fall aren't going to be around in January." Of the two Desilu-owned pilots made during the past year, *Mickey and the Contessa* "will probably start on ABC either in January or September of next year." *Counterintelligence Corps* will be converted into a feature picture "before being made available to TV," Arnaz said.

## NEW YORK ROUNDUP

**\$50-Million Foreign Market:** Revenue from the sale of U.S. telefilms to foreign TV customers next year could very well bring in \$50 million, said John G. McCarthy, TV Program Export Assn. pres., last week. But there was a big "if" with McCarthy's estimate—"if restrictions in key markets, such as the United Kingdom and Brazil, could be ameliorated and access to other markets maintained." McCarthy has recently made progress in combating restrictive national quotas, notably in Japan, but the problem is far from solved (Vol. 17:22 p2).

This was McCarthy's summary of anticipated revenues during the current year as furnished July 19 to the govt. for use at the Geneva negotiations on tariffs & trade:

1. Europe, Africa, Near & Middle East—\$3-4 million.
2. Britain, Canada, Australia, and other English-speaking markets—\$23-29 million.
3. Latin America—\$5-6 million.
4. The Far East—\$3.7-4 million.

McCarthy also said that NTA, under its new administration, is continuing its TVPEA membership, and that the trade organization now includes "approximately 90% of America's producers & distributors of TV programs as well as exclusive representation in this field of the 3 national networks."

In Britain, meanwhile, there were indications that McCarthy's plea for "ameliorated" restrictions wasn't going to get results without opposition. The Federation of British Film Makers, in its annual report, stood solidly in favor of a British-favored quota system in TV. That organization cited a "striking contrast" between the acceptance of British theatrical films in the world market and the marginal existence of the British telefilm industry. The chief problem, said FBFM, was that U.S. telefilms were for sale to British buyers at low prices because most costs had been recouped in the U.S. (But FBFM told only part of the story: True, many U.S. telefilms break even on their U.S. exposure. But the existing quasi-official quotas in Britain—14% on commercial TV, 10% on BBC-TV—force U.S. sellers to slash prices because of the sheer weight of competition for a few British TV time periods.)

Fountainhead International Inc. has been formed to distribute several 60-min. documentaries produced by year-old Wolper-Sterling Productions. A 50%-owned affiliate of Sterling TV, Fountainhead "initially will concentrate on selling the output to regional sponsors," said Sterling TV Pres. Saul J. Turell. "If conditions warrant, it may draw specific sales assignments in other fields also." Wolper-Sterling properties include "Race for Space," "Project: Man in Space," "Biography of a Rookie," "The Rafer Johnson Story." Other Wolper-Sterling specials, not yet available for FI distribution, include "The Legend of Rudolph Valentino," now being syndicated on a market-by-market basis by Peter Pan Foundations, and "Hollywood: The Golden Years," scheduled for NBC-TV telecast Nov 29.

**People:** Jack Rhodes has been appointed ITC central div. sales mgr. . . . Joseph J. Jacobs has been named Ziv-UA dir., program & talent negotiations . . . C. P. (Pete) Jaeger, Flamingo Films exec. vp, has been named to the new post of Official Films asst. to Pres. Seymour Reed . . . John Calley, Ted Bates TV programming vp, has joined Filmways as program development vp.

## HOLLYWOOD ROUNDUP

**More Overseas-Sales Problems:** Mexico is the latest Latin-American country in which U.S. telefilm distributors face the rising nationalism which almost inevitably spells tighter quotas or anti-film regulations. Emilio Azcarraga Jr., head of Mexico City's Televiscentro, admitted he hoped soon to fill 50% of the outlet's total time with produced-in-Mexico live shows using local talent. He also said he had refused to buy film shows (U.S. & others) whose soundtracks had been Spanish-dubbed in Puerto Rico or Spain (2 currently popular centers for such dubbing), and would buy only shows dubbed in Mexico "with the idiom spoken here." Another Televiscentro official, Juan Duran y Casahonda, prodded Mexican TV producers by saying that the main reason for Mexican TV's reliance on U.S. film product was that locally-produced shows were "poorly directed, acted, edited." The Motion Picture Export Assn. has recently battled plans in Argentina to require all dubbing for telefilms to be done in Argentina (Vol. 17:27 p12).

**Add syndication sales:** ABC Films has added 7 more stations to those buying *Consult Dr. Brothers*, upping the total to 42 . . . Ziv-UA has sold 32 rerun episodes of *Aquanauts* to WNEW-TV N.Y., WGN-TV Chicago, KGO-TV San Francisco, WTTG Washington, KMSP-TV Minneapolis, WBAP-TV Fort Worth, WOAI-TV San Antonio . . . Seven Arts upped the market totals on both groups of post-1950 Warner Bros. films last week with the sale of Vols. I & II to KING-TV Seattle. Vol. 1 is now in 98 markets, Vol. II in 32.

**Directors Guild Elects Officers:** George Sidney has been elected pres. of the Directors Guild of America, succeeding Frank Capra who remains on the national & Western region boards. Sidney had been president from 1951 to 1959. Other national officers & board members include these vps, in order of seniority: George Schaefer, Willis Goldbeck, Lamar Caselli, Robert Vreeland, Shields Dierkes. George Marshall was elected secy., Lesley Selander was elected treas.

Revue Studios has signed Charlton Heston to star in *The Fugitive Eye*, on its *Alcoa Premiere* series, and Arthur Kennedy, Lee Marvin and James Gregory for *People Need People*, in the same series.

**Prop Men Killed:** An explosion of gun powder used in Westerns killed 2 property men, injured a third at the MGM studios in Culver City July 20.

MGM-TV producers Robert Maxwell and Rudy E. Abel have 28 scripts completed for their 2 series, *Father of the Bride* and *National Velvet*.

Jules Levy-Arthur Gardner-Arnold Laven production team has signed Adam West for a regular role in (60 min.) *Robert Taylor's Detectives* at Four Star Television.

Marie Torre: "Crime on television is drawing considerably more Washington attention than the more pressing problem of crime in the streets."—*N.Y. Herald Tribune*.

MGM-TV has signed Patricia Medina for "Blue Water, White Beach," a segment of its *Cain's Hundred* series.

Producer-star Jackie Cooper is filming exteriors of his *Hennessey* series in Hawaii.

Nancy Gates has signed as a guest star in "Fires of Kanaa" episode of TCF-TV's *Adventures in Paradise*.

## Advertising

**Ad People:** Carl W. Nichols Jr. elected pres., Cunningham & Walsh, succeeding Robert R. Newell, who becomes chmn., replacing John P. Cunningham, named exec. committee chmn. Edward H. Calhoun, Anthony C. Chevins and Joseph D. Nelson Jr., named vps.

Charles H. Newbrand elected treas., Foote, Cone & Belding . . . Anson C. Lowitz appointed a Fuller & Smith & Ross vp.

**Shell Edges Back Into TV:** Shell Oil launched its 3-week spot TV campaign in 27 markets last Friday to coincide with a dealer promotion contest. It was considerably more than a routine buy. Except for a supplementary spot-radio schedule which began 2 weeks ago, it marked the first broadcast breakthrough for Shell at Ogilvy, Benson & Mather, the agency which late last year engineered an all-print campaign for its newly-acquired, \$15-million client (Vol. 16:47 p9). An agency spokesman stressed to us the "one-shot" nature of the spot campaign as a tie-in for Shell's "Sea-Snark" sailboat promotion offer. But adverse reaction to all-print advertising (from, among others, Shell dealers—Vol. 17:6 p5) may mean more TV in the Shell-OBM future. Kenyon & Eckhardt, which handles institutional advertising for Shell, has meanwhile signed for 11 European-taped golf matches on CBS-TV and is currently talking to that network about Shell sponsorship of 4 Leonard Bernstein *Young People's Concerts*.

**20 Years Ago This Month:** July 1, 1941 was the historic day when television's first commercial went on the air—a Bulova time announcement, at 2:29:50. The advertiser shelled out \$9 for it, records *Sponsor* (\$4 for time, \$5 for facilities). Sets in use that day were 4,500. The station, WNBT (today's WNBC-TV), now has 5 million TV homes in its area. And its \$120-an-hour time charge of 1941 has gone to \$10,200. A daytime hour—then \$60—now rates \$3,500. Sunoco came on that first day too with \$100 for a 15-min. newscast. Others: P&G, Lever Bros.

**Rating Techniques Described:** Audience-research methods are detailed by Ohio State U.'s Dr. Harrison B. Summers in an article ("Qualitative Information Concerning Audiences of Network TV Programs") in the Spring issue of the *Journal of Broadcasting*. The same issue carries a 21-page bibliography of ratings & measurements collected by Charles R. Wright. The Assn. for Professional Bestg. Education publication also features an examination by research psychologist Charles Winick of network program controls entitled "Censor & Sensibility: A Content Analysis of the TV Censor's Comments."

**ANA Offers Film-Lingo Guide:** Non-ANA members may now purchase (for \$5) the *Layman's Guide to Terms Used in Film Production*. The glossary was originally prepared by ANA's audio-visual committee to "give executives in member companies a working knowledge of the unfamiliar terms they are apt to encounter in the production of a company film or film commercials for TV."

**Star-Crest Bows to FTC:** Stephen F. Singer's Star-Crest Recording Co., Los Angeles, has settled an FTC case against it (Vol. 16:40 p8) by signing a consent order forbidding false royalty claims & other deceptions to obtain fees from song writers for recording their songs.

**North Advertising** is moving its N.Y. office to 770 Lexington Ave. (TE 8-8700).

**Magazines Drop 9.3% in Pages:** The 87 top national magazines dropped a total of 4,022 pages in Jan.-June 1961 from the same period of 1960. In presenting the figures, the latest *Gallagher Report* calls the drop "the worst dip since 1948." Total pages were 39,077 as against the 43,099 figure of the same period in 1960. Major switch in the top 10 magazines (carrying the greatest number of advertising pages) was that of *Saturday Evening Post* which dropped from 5th to 7th place. (*Newsweek* and *U.S. News & World Report* moved up one rank apiece.) *Fortune* dropped from 8th to 10th place. *Coronet*, which recently announced its cessation (Vol. 17:29 p10), had dropped from 51st place to 58th in 1961. Television's entry in the magazine field, *TV Guide*, moved up from 49th place to 28th.

**11 States Tax Out-of-State Advertisers:** Even though their advertising may originate out of state, advertisers are liable for "use" taxes on their merchandise sold to residents of Ala., Ariz., Ark., Ga., Mo., Okla., Pa., R.I., S.C., S.D. and Washington. Writing in July *Media/scope*, Philadelphia lawyer Morton J. Simon notes: "The use tax is generally intended to cover merchandise bought outside the state by its residents. The rub comes when an out-of-state advertiser uses a local newspaper (or any other medium circulating there) and ships the merchandise into the state, the advertising being the only activity of the advertiser in the state." Simon advises "all segments of advertising & media . . . to make their voices [& protests] heard in Washington."

**RAB Issues Radio Status Report:** What Radio Advertising Bureau called "the largest collection of facts on radio ever assembled" was sent last week to members & ad planners. It was in the form of a 40-page booklet titled *Radio Facts Pocket Piece*—the latest of RAB's annual radio digests. Highlights of the booklet: (1) 20.3 million radios were sold in the U.S. in 1960. (2) Auto radio sets have increased 252.2% since 1949. (3) Sales of portable radios have jumped 380.8% since 1949, mostly because of the boom in Japanese transistor sets. (4) The nighttime radio audience is 58.1% male. (4) Of transistor-set owners interviewed in outdoor locations, 76.8% said they had listened more to radio (an average of nearly one hour daily) since acquiring their portables.

**TvB Increases Membership:** TvB membership now stands at 3 networks, 15 station reps, 5 associate members and 240 stations with the recent addition of: KGNC-TV Amarillo, Tex.; KHOL-TV Kearney-Holdrege, Neb.; KMID-TV Midland, Tex.; WTAP-TV Parkersburg, W. Va.; WTAE and WIIC Pittsburgh, Pa.; WNDU-TV South Bend, Ind.; WHIZ-TV Zanesville, O. and CJOH-TV Ottawa, Canada.

**Wiley Praises AFA:** Sen. Wiley (R-Wis.) has endorsed policy positions by the Advertising Federation of America against "extreme regulatory methods" by FCC & FTC. In a Senate speech, he called his colleagues' attention to an "important" resolution adopted at the AFA's recent Washington convention (Vol. 17:23 p10). It said that "in view of the earnest & effective campaign of self-regulation which the advertising industry has voluntarily undertaken and has so successfully advanced, no additional govt. controls or restrictions are warranted at this time."

## Obituary

Harry F. O'Brien, 56, former art director for J. Walter Thompson, McCann-Erickson and CBS, died July 19 after a long illness in Jackson Heights, Queens. He is survived by his wife, 2 sons, a daughter and 2 grandchildren.

# The Top 100 National Advertisers of 1960

By Dollar Expenditures In Major Media  
As Adapted by TvB from an Advertising Age Compilation

Company	Total	Newspapers	General Magazines	Farm Magazines	Business Publications	Outdoor	Network Television	Spot Television	Total TV	% TV
1. General Motors Corp.	\$122,227,529	\$ 40,354,817	\$ 37,963,619	\$ 1,578,844	\$ 2,831,600	\$10,516,326	\$ 22,985,033	\$ 5,997,290	\$ 28,982,323	23.7
2. Procter & Gamble Co.	109,562,745	4,276,067	3,556,864	3,695	235,000	—	46,406,679	55,084,440	101,491,119	92.6
3. General Foods Corp.	65,084,760	16,197,397	9,194,991	210,182	258,900	2,058,902	18,623,648	18,540,740	37,164,388	57.1
4. American Home Products	54,824,858	3,460,401	6,820,355	289,043	1,189,200	277,692	33,376,057	9,412,110	42,788,167	78.0
5. Ford Motor Co.	53,815,502	18,669,074	10,882,179	1,580,575	700,000	5,519,651	11,159,933	5,304,090	16,464,023	30.6
6. Lever Bros.	53,518,182	5,162,958	3,189,259	17,265	350,000	1,513,209	28,613,140	16,535,560	45,148,700	84.4
7. Chrysler Corp.	43,329,957	18,091,428	12,746,684	268,225	103,600	—	8,638,201	1,722,210	10,360,411	23.9
8. Calgote-Polmolive Co.	41,411,194	4,560,161	2,747,867	69,056	—	—	22,511,280	11,419,230	33,930,510	81.9
9. R. J. Reynolds Tobacco Co.	34,134,163	8,485,691	5,222,030	361,456	—	—	15,891,416	4,173,570	20,064,986	58.8
10. General Mills	29,958,422	6,715,579	5,351,066	176,448	403,500	130,312	14,651,707	2,569,810	17,221,517	57.5
11. General Electric Co.	29,784,261	7,559,832	9,547,245	278,476	4,599,700	—	5,745,718	2,053,290	7,799,008	26.2
12. American Tobacco Co.	29,175,160	5,543,039	6,714,711	242,480	165,800	916,355	9,701,965	6,056,610	15,758,575	54.0
13. Bristol-Myers Co.	29,163,564	1,785,538	6,255,306	14,472	220,000	25,600	10,747,288	10,169,560	20,916,848	71.7
14. Distillers Corp.—Seagrams Ltd.	26,878,730	11,654,170	10,876,273	—	—	2,530,717	—	1,597,570	1,597,570	5.9
15. Philip Morris Inc.	25,824,151	5,776,265	4,517,451	479,521	12,000	123,427	11,245,448	4,149,560	15,395,008	59.6
16. American Telephone & Telegraph Co.	25,683,384	5,428,587	10,768,628	—	815,000	625,984	1,904,364	5,661,300	75,656,664	29.5
17. Brawn & Williamson Tobacco Corp.	25,062,957	4,316,227	422,971	4,410	—	—	12,533,149	7,786,200	20,319,349	81.1
18. P. Lorillard Co.	24,961,375	5,100,677	3,328,776	—	—	345,011	7,755,281	8,431,630	16,186,911	64.8
19. National Dairy Products Corp.	22,738,452	6,022,399	6,267,562	332,028	194,900	179,102	8,529,811	1,212,650	9,742,461	42.8
20. Sterling Drug Inc.	21,852,851	1,763,927	1,984,590	120,925	368,600	—	15,358,919	2,185,890	17,544,809	80.5
21. Kelllogg Co.	20,855,832	992,889	2,572,947	71,830	125,300	1,397,280	9,900,196	5,795,390	15,695,586	75.3
22. Campbell Soup Co.	20,527,544	4,619,378	8,991,565	259,634	155,300	193,161	5,304,700	1,263,440	6,568,140	32.0
23. E. I. du Pont de Nemours & Co.	20,193,611	2,460,342	5,383,174	—	3,499,000	633,109	7,558,622	399,730	7,958,352	39.4
24. Miles Laboratories Inc.	19,699,214	1,335,705	741,467	—	538,200	111,406	8,839,446	8,132,990	16,972,436	86.2
25. Gillette Co.	19,343,654	2,792,485	1,256,188	11,690	—	78,190	10,991,624	1,542,980	16,148,212	83.5
26. Liggett & Myers Tobacco Co.	18,614,825	3,465,145	4,194,052	241,422	—	—	2,887,140	7,477,080	12,534,604	67.3
27. Standard Brands Inc.	18,264,839	1,218,265	3,173,336	—	640,000	—	5,464,060	6,302,760	10,364,220	56.7
28. Warner-Lambert Pharmaceutical Co.	16,798,421	2,385,138	2,204,208	183,996	2,600,000	—	8,825,165	314,520	9,139,685	55.3
29. Westinghouse Electric Corp.	16,513,027	1,065,049	3,162,396	47,620	258,300	—	10,347,922	1,321,330	11,669,252	72.0
30. National Biscuit Co.	16,202,617	9,399,679	2,670,770	38,567	349,500	—	426,297	2,826,190	3,252,487	20.7
31. American Motors Corp.	15,711,003	1,833,495	6,377,992	98,502	1,800,000	—	5,271,794	330,520	5,602,314	35.9
32. Eastman Kodak Co.	15,613,801	4,498,483	3,442,979	2,627	55,000	341,713	3,342,356	3,737,550	7,079,906	45.6
33. Carn Products Inc.	15,516,583	6,539,919	6,077,070	240,130	500,000	1,905,527	—	—	—	0.0
34. National Distillers & Chemical Corp.	15,025,143	380,072	747,177	25,151	764,300	173,980	3,022,574	2,362,270	5,384,844	38.5
35. Texaco Inc.	14,928,076	4,192,526	4,075,655	—	122,500	—	—	85,670	85,670	0.6
36. Quaker Oats Co.	13,556,636	8,206,851	3,429,290	—	380,000	1,454,825	—	6,530,630	6,530,630	49.5
37. Schenley Industries Inc.	13,206,077	613,130	5,962,317	543,728	970,000	48,870	1,819,908	105,290	1,925,198	14.9
38. Hunt Foods & Industries Inc.	12,949,460	3,596,620	5,864,944	66,390	116,900	—	4,927,310	3,847,110	8,774,420	68.3
39. Goodyear Tire & Rubber Co.	12,845,744	1,827,032	2,061,002	99,221	1,600,000	1,619,102	786,155	3,175,400	3,961,555	31.7
40. Pillsbury Co.	12,484,763	2,136,094	3,068,791	—	140,100	4,464,873	646,573	4,232,910	4,879,483	39.4
41. Stordard Oil Co. (New Jersey)	12,386,338	996,641	1,905,241	—	—	58,298	4,219,880	2,359,060	6,578,940	53.1
42. Anheuser-Busch Inc.	12,382,045	1,489,901	4,254,906	—	750,000	—	3,735,367	555,180	4,290,547	35.1
43. Revlon Inc.	12,237,814	3,269,720	3,923,797	3,750	76,000	—	561,080	4,187,470	4,748,550	39.4
44. Radio Corp. of America	12,050,228	956,556	3,860,797	—	—	2,408,325	8,103,747	2,813,160	10,916,907	91.8
45. Coco-Colo Co.	11,891,151	354,980	616,589	2,675	—	—	—	—	—	—
46. S. C. Johnson & Son	—	—	—	—	—	—	—	—	—	—

47. Shell Oil Co. ....	11,704,814	3,145,404	1,528,126	145,555	255,000	3,545,751	274,028	2,810,950	3,084,978	26.4
48. Armour & Co. ....	11,482,057	2,053,573	3,884,155	181,456	302,600	111,913	3,988,370	959,990	4,948,360	43.1
49. Swift & Co. ....	11,100,697	1,481,870	4,156,360	152,685	86,300	1,928,272	1,366,220	1,928,990	3,295,210	29.7
50. Wm. Wrigley Jr. Co. ....	10,846,222	91,459	807,869	---	---	1,520,426	616,248	7,810,220	8,426,468	77.7
51. U. S. Steel Corp. ....	10,748,048	1,556,424	2,387,736	347,940	2,776,900	380,430	3,298,618	---	3,298,618	30.7
52. Continental Baking Co. ....	10,463,158	1,767,525	94,300	---	78,300	2,049,916	593,837	5,879,280	6,473,117	61.9
53. Jos. Schlitz Brewing Co. ....	10,371,227	534,045	1,930,610	---	---	3,096,042	2,625,530	2,185,000	4,810,530	46.4
54. Studebaker-Packard Corp. ....	10,288,291	3,775,068	2,644,610	110,130	500,000	1,314,494	1,064,249	879,740	1,943,989	18.9
55. Pepsi-Calo Co. ....	10,220,894	4,105,105	1,699,135	2,100	117,500	1,178,014	---	3,119,040	3,119,040	30.5
56. Lestoll Products Inc. ....	10,064,198	109,864	---	---	---	---	---	9,961,120	9,961,120	98.9
57. Alberta-Culver Co. ....	9,392,322	2,991,744	76,971	---	424,500	2,824,738	8,822,038	1,242,160	10,064,198	100.0
58. Standard Oil Co. (Indiana) ....	9,390,519	676,674	222,225	825,536	140,000	783,504	448,079	2,246,750	2,694,829	28.7
59. Rolston Purino Co. ....	9,256,059	678,787	1,174,232	112,424	---	---	6,067,040	675,540	6,742,580	71.8
60. Nestle Co. ....	9,248,909	1,204,674	4,747,008	356,319	1,100,000	---	1,611,156	5,679,460	7,290,616	78.8
61. B. F. Goodrich Co. ....	9,056,463	3,763,018	4,907,953	---	135,700	249,792	---	272,750	1,840,908	19.9
62. Hiram Walker-Coadherm & Worts	8,907,205	1,463,729	2,107,143	28,657	1,656,000	---	3,492,926	158,750	3,651,676	41.0
63. Aluminum Co. of America ....	8,852,562	661,002	2,270,895	219,072	266,300	369,886	3,009,147	2,056,260	5,065,407	57.2
64. Carnation Co. ....	8,704,207	293,341	283,854	14,257	---	---	6,174,175	1,938,580	8,112,755	93.2
65. Carter Products Inc. ....	8,663,348	2,147,979	3,741,078	554,511	408,200	---	1,789,210	22,370	1,811,580	20.9
66. Firestone Tire & Rubber Co. ....	8,518,353	1,730,520	1,815,208	67,765	158,400	---	4,920,948	607,230	4,904,860	57.6
67. Johnson & Johnson ....	8,456,662	887,173	1,886,951	---	---	---	7,629,626	173,840	7,803,466	65.3
68. Scott Paper Co. ....	8,351,389	542,388	2,401,775	151,612	1,453,600	51,023	1,613,613	327,840	1,941,453	23.9
69. J. B. Williams Co. ....	8,123,500	2,124,037	1,387,856	577,183	700,000	---	4,181,034	---	4,588,047	58.7
70. Dow Chemical Co. ....	7,818,751	1,101,365	2,790,641	---	440,400	---	3,524,286	89,280	3,613,566	47.8
71. Richardson-Merrell Inc. ....	7,757,893	86,218	2,397,424	13,560	110,000	---	2,940,051	68,960	3,009,011	40.8
72. Armstrong Cork Co. ....	7,552,260	1,087,310	1,740,942	62,519	113,300	---	1,786,149	1,446,150	3,232,299	43.9
73. Kimberly-Clark Corp. ....	7,370,130	2,447,658	1,740,942	---	130,000	---	613,920	803,380	1,417,300	19.2
74. H. J. Heinz Co. ....	7,365,730	888,105	3,132,026	---	---	---	4,612,913	2,448,910	7,061,823	100.0
75. Chesebrough-Pond's Inc. ....	7,363,500	1,756,511	2,716,266	17,890	---	---	4,819,117	1,220,360	6,039,477	86.3
76. Borden Co. ....	7,061,823	---	---	---	105,700	---	2,783,184	---	2,783,184	40.7
77. American Chicle Co. ....	7,000,588	175,716	679,695	---	633,800	---	280,976	50,770	331,746	5.0
78. Beech-Nut Life Savers Inc. ....	6,841,938	605,859	2,358,358	460,737	3,000,000	---	77,850	5,591,010	5,668,860	86.8
79. Sperry Rand Corp. ....	6,578,043	220,572	1,835,030	1,190,695	102,400	---	---	217,610	217,610	3.3
80. American Cyanamid Co. ....	6,528,731	628,428	3,907,335	10,516	46,000	175,287	3,766,861	26,270	3,793,131	58.8
81. Stanley Warner Corp. ....	6,481,869	2,254,524	2,059,397	---	1,023,000	45,301	4,448,040	---	4,448,040	69.4
82. Calumbia Broadcasting System Inc.	6,453,502	380,804	383,249	126,082	133,600	---	3,350,042	903,420	4,253,462	67.0
83. Prudential Insurance Co. ....	6,406,476	1,146,789	817,143	---	1,604,100	---	1,304,462	635,670	1,940,132	30.7
84. Kaiser Industries Corp. ....	6,350,994	782,951	1,923,255	72,239	101,600	691,000	488,109	600,100	1,088,209	17.4
85. Helene Curtis Industries ....	6,322,677	1,203,514	3,056,746	93,359	800,000	---	2,818,160	89,480	2,907,640	47.8
86. Union Carbide Corp. ....	6,239,428	1,181,508	752,210	441,585	400,000	663,563	1,334,609	228,690	1,563,299	25.9
87. California Pocking Corp. ....	6,082,943	1,958,767	1,402,657	45,658	20,000	---	5,705,471	---	5,705,471	97.9
88. Reynolds Metals Co. ....	6,033,944	102,063	1,271,189	2,939	8,400	---	2,827,765	961,070	3,788,835	65.9
89. Gulf Oil Co. ....	5,827,534	681,598	313,365	---	---	---	2,331,275	2,472,200	4,803,475	84.0
90. Boyuk Cigars ....	5,752,961	5,719,994	107,587	---	---	1,418,583	1,236,529	2,596,720	3,833,249	68.2
91. Sears Roebuck & Co. ....	5,719,994	263,373	29,375	---	8,100	1,855,477	5,242,390	299,500	5,541,890	99.3
92. Simaniz Co. ....	5,622,792	---	---	---	---	---	412,908	2,432,530	2,845,438	51.2
93. Folstaff Brewing Corp. ....	5,579,365	440,207	414,873	---	1,800,000	---	70,176	772,970	772,970	26.3
94. Block Drug Co. Inc. ....	5,555,995	442,772	1,787,518	24,865	1,025,000	91,064	115,296	26,460	141,756	2.6
95. Theo. Hamm Brewing Co. ....	5,498,591	754,036	2,652,496	81,091	1,000,000	189,597	1,124,788	1,516,010	2,640,798	49.9
96. Minnesota Mining & Mfg. ....	5,376,657	477,263	3,546,185	---	---	372,787	570,799	3,457,890	4,028,689	77.7
97. U. S. Rubber Co. ....	5,354,801	1,537,960	862,879	14,438	---	---	---	---	---	---
98. General Telephone & Electronics Corp.	5,293,251	2,447,722	536,623	---	---	---	---	---	---	---
99. Plough Inc. ....	5,182,821	---	---	---	---	---	---	---	---	---
100. Corling Brewing Co. ....	---	---	---	---	---	---	---	---	---	---
Total Top 100 1960 .....	\$1,695,353,369	\$316,793,130	\$339,723,002	\$14,838,146	\$51,317,300	\$66,213,841	\$567,110,610	\$339,357,340	\$906,467,950	---
Total Top 100 1959 .....	\$1,605,329,069	\$338,531,831	\$294,726,889	\$15,437,370	\$41,876,000	\$64,395,698	\$522,776,641	\$327,584,640	\$850,361,281	---
\$ Change '60 to '59 .....	+\$90,024,300	-\$21,738,701	+\$44,996,113	-\$599,224	+\$9,441,300	+\$1,818,143	+\$44,333,969	+\$11,772,700	+\$56,106,669	---
% Change '60 to '59 .....	+5.6	-6.4	+15.3	-3.9	+22.5	+2.8	+8.5	+3.6	+6.6	---
Share of 1960 .....	100.0	18.7	20.0	0.9	3.0	3.9	33.5	20.0	53.5	---
Share of 1959 .....	100.0	21.1	18.3	1.0	2.6	4.0	32.6	20.4	53.0	---

\*In some instances spot-TV figures include both parent company and dealer or distributor expenditures. Sources: Bureau of Advertising, ANPA; Publishers Information Bureau; Farm Publication Reports; Associated Business Publications; Television Bureau of Advertising; N. C. Rorobough; LNA-BAR; Outdoor Advertising Inc. Reprinted with permission from Advertising Age, June 5, 1961. Copyright Advertising Publications, Inc.

## Congress

**Clear-Channel Plan Protested:** FCC's proposed solution to the 15-year-old AM clear-channel dilemma (Vol. 17:25 p9) would leave 4 Midwestern states (Ill., Ind., Mich., Mo.) without adequate radio service, Sen. Douglas (D-Ill.) protested in a floor speech. "I am not well enough informed to make a judgment about this proposed order in its overall effects, but I can say I think Chicago & the Illinois area should not lose at one fell swoop all 5 of the clear-channel stations which serve them," Douglas said. He asked the Commission to reconsider its plans affecting the Chicago stations—NBC's WMAQ, CBS's WBBM, ABC's WLS, the *Chicago Tribune's* WGN—and CBS's KMOX St. Louis. At the same time, Douglas praised FCC Chmn. Minow. "I have the greatest respect for the way in which he has carried out his appointed tasks in the face of groups with very great economic & political power which seek to preserve their existing power," Douglas said. In the House, Reps. Bennett (R-Mich.), Dingell (D-Mich.), Flynt (D-Ga.) and Loser (D-Tenn.) introduced nearly identical bills (HR-8828, 8210, 8211 and 8274) which would amend the Communications Act to block FCC changes in the clear-channel set-up which existed as of July 1. Purpose of the measures: (1) "Prohibit further duplication or breakdown of Class 1-A clear channel frequencies." (2) "Improve service to the present radio 'desert' by authorizing Class 1-A clear-channel stations to operate with higher power." In the Senate, Sens. Capehart (R-Ind.) & Talmadge (D-Ga.) followed up the speech by Sen. Douglas by submitting another clear-channel measure (S-2990).

**Dodd TV Probe Starts Again:** TV sex, crime and violence will get another going-over from the Senate Judiciary Juvenile Delinquency Subcommittee (Vol. 17:29 p13). Chmn, Dodd set July 27-28 for resumption of hearings, with 8-10 witnesses (not including network rebuttal witnesses) tentatively listed for testimony. The witness roster hadn't been drawn up at last week's end, but it probably will include executives of Hollywood TV film production companies and spokesmen for religious organizations. Subcommittee staffers recently spent 2 weeks on the West Coast exploring the TV field there.

**Program Controls Decried:** "Creative beauty is in the eye of the beholder," Sen. Bridges (R-N.H.) told the Senate in a speech protesting any attempt by FCC to set its own broadcast program standards. "What is good programming to one person may fall far short of his neighbor's standards," he said. "I suggest that federal officials encourage superior programs on TV, but I submit that interference can only muddy the road to excellence for which the TV industry is striving." As part of his speech, Bridges inserted the text of a Rotary Club address by John W. Guider of WMTW-TV Poland Spring, Me., which had already been printed in the *Congressional Record*.

**FTC Nomination Up:** The Senate Commerce Committee has summoned Democrat Everette MacIntyre to a July 26 hearing on his nomination by President Kennedy as an FTC member (Vol. 17:7 p3). Now gen. counsel of the House Small Business Committee, MacIntyre is scheduled to replace FTC Comr. Robert Secrest.

**Licensing Bill Favored:** A bill (S-1589) amending the Communications Act to authorize issuance of radio licenses to U.S. nationals who aren't citizens—such as natives of Samoa (Vol. 17:19 p17)—has been approved by the Senate Commerce Committee.

**Daytimers Have Their Day:** The House Commerce Communications Subcommittee last week went through motions of giving daytime radio broadcasters another go-around in their perennial—but always forlorn—pleas for longer operating hours. Winding up 3-day hearings on a half-dozen bills extending daytime schedules from sunrise-sunset to 6 a.m.-6 p.m. (Vol. 17:29 p13), Daytime Bcstrs. Assn. Chmn. Ray Livesay (WLBH Mattoon, Ill.), presented his group's traditional arguments July 20. In off-the-cuff testimony, he said the public needs the extra service—and the daytimers the extra revenue—which the longer hours would bring. Pitted 2-to-1 against him were other witnesses—asst. chief James E. Barr of FCC's Broadcast Bureau, who gave lead-off testimony, and Pres. J. H. Dewitt Jr. of WSM-TV & WSM Nashville, Clear Channel Bcstg. Service spokesman. Their theme (which has prevailed over the years in Congress): Radio listeners would lose more service by interference with bigger stations than they might gain from more service from smaller outlets.

**Copyright Overhaul Urged:** Following 6 years of study, the U.S. Copyright Office has given Congress a 227-page preliminary report which may become the basis for the first major rewriting of copyright law since 1909. Among its recommendations & suggestions: (1) BMI & ASCAP should be made the subjects of a "comprehensive study" to see whether their music-licensing operations should be regulated under the antitrust laws or by "an administrative agency under statutory provisions." (2) Public-performance copyright rules should apply to broadcasts when the public is charged (by TV community antenna systems, e.g.) to receive them—but mere reception of broadcasts should be exempt. (3) The maximum copyright term should be extended from 56 to 76 years. Register of copyrights Abraham L. Kaminstein, in a covering letter, told Congress that the report isn't "intended as the final word." He said that the copyright office wanted to "pinpoint the issues & stimulate public discussion so that the widest possible agreement can be reached on the principles to be incorporated in a revised statute."

**Sabotage Bill Held Up:** A Senate-passed bill (S-1990) setting up stiff criminal penalties for malicious damage to private communications facilities (Vol. 17:27 p7) has been tagged for further study by the House Judiciary Committee, which first voted to approve it for House action. Chmn. Celler (D-N.Y.) re-referred the measure to a subcommittee headed by Rep. Forrester (D-Ga.). Labor unions have expressed fears that such legislation could be used to harass legitimate strikers in the communications industry.

**Recommended Reading:** Members of Congress who want to keep current on broadcasting's problems & faults can find plenty of background reading matter in a single issue—July 12—of the *Congressional Record*. Full texts of the following documents are carried: (1) Speech by John W. Guider of WMTW-TV Poland Spring, Me. to the Portland Rotary Club (Vol. 17:28 p11), inserted by Sen. Cotton (R-N.H.). (2) Address by FCC Comr. Bartley to the Fla. Assn. of Bcstrs. (Vol. 17:25 p11), inserted by Sen. Schoepfel (R-Kan.). (3) Testimony by U.S. Prisons Bureau Dir. Bennett at Senate juvenile-delinquency hearings (Vol. 17:24 p2), inserted by Rep. Lane (D-Mass.).

**Scranton Lauds WEJL:** Rep. Scranton (R-Pa.), 1953-59 chmn. of Northeastern Pennsylvania Bcstg. Inc. (WNEP-TV Scranton), has high praise for a rival outlet. Noting that radio WEJL Scranton had twice been picked for Radio Free Europe awards, he said for the *Congressional Record* he's "very proud" of the station's operation.

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, *President*

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

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

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
 Annually—Spring      Published Saturdays      Published in January

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**Personals** Simon B. Siegel elected exec. vp, ABC. He continues as financial vp, AB-PT . . . Theodore F. Shaker promoted from vp-gen. mgr. to pres., ABC-TV National Station Sales. Edwin T. Jameson, gen. sales mgr., and D. Thomas Miller, central div. mgr., named vps. Robert Goldman promoted from business mgr. to treas.

Wilbur M. Fromm named new business & promotion dir., NBC Spot Sales. Alfred Ordovery named research mgr. . . . George H. Rogers Jr. named national sales mgr., WKRC-TV Cincinnati, succeeding Charles P. Dwyer, who resigned to become dir., ABC-TV's international sales organization. Donald E. Hardin promoted from advertising-merchandising dir. to national sales service dir., succeeding Rogers . . . Tom Chauncey, KOOL-TV Phoenix; and Tom Baker, WLAC-TV Nashville, elected chmn. & secy., respectively, of CBS Affiliates Advisory Board.

Edward Morey, Allied Artists vp, elected pres., wholly-owned subsidiary Artists Television Corp. (formerly Interstate Television Corp.). Robert B. Morin, ex-Famous Artists, named vp-gen. sales mgr. . . . Paul Davis, NBC News correspondent & cameraman, was wounded July 20 while covering the fighting at Bizerte. He was struck in the elbow by a bullet; his condition is not considered serious. . . . Robert Schnuelle, ex-KOLN-TV Lincoln, Neb., named operations director of satellite KGIN-TV Grand Island.

Robert W. Breckner, vp-gen. mgr., KTTV Los Angeles, elected a dir. of owner Times-Mirror Bestg. Co.

Ken DeVaney named managing dir., Cal. Bestrs. Assn. . . . Thomas L. Young, vp-gen. mgr., KMMT & radio KAUS Austin, Minn., named to new post of vp for TV-radio, Black Hawk Bestg. Co. . . . Dr. James Ralph Darling appointed chmn., Australian Bestg. Commission, which controls the National (non-commercial) TV-radio network. Darling succeeds the late Sir Richard Boyer . . . Dick Jackson has resigned as AFTRA PR dir. to set up his own PR firm (510 Madison Ave.; EL 5-5633).

Gloria Coe, confidential asst. to FCC Chmn. Minow, was featured in July 21 *Washington Post* interview titled "She Has 4700 Ayes for Minow"—referring to number of letters received responding to Minow's "vast wasteland" NAB speech; she read all of them . . . John J. Hurley, ex-pres. of radio WNEB Worcester, Mass and former NBC Washington staffer, joins Small Business Administration as special asst. to Administrator John E. Horne.

**Turnout for Gammons:** Some 200 top Washington govt. & broadcast industry figures attended a luncheon honoring retired CBS vp Earl Gammons last week. The group included Supreme Court justices, members of Congress, present and former FCC members, *et al.* Gammons was praised & lampooned by the best praisers & lampooners in the Capitol—Frank Russell, retired NBC vp and organizer of the luncheon; Paul Porter, former FCC chmn.; Ted Koop, who now holds the top Washington CBS spot. FCC got its share of jibes. Example: Russell noted that former FCC Chmn. Larry Fly sent his regrets for being unable to attend, with the comment: "I laugh myself to sleep every night. Give my regards to Minow."

**Information Unit for CBS News:** CBS last week announced a "reorganization & expansion" of part of CBS News. The division's information & special services will now be broadened to include news & public-affairs transcripts' research and the CBS News special-projects library. This information unit, now adding 15 people to its staff, is headed by Josef C. Dine, onetime NBC publicity mgr.

### Obituary

Mrs. Fred M. Thrower, 40, wife of WPIX N.Y. exec. vp-gen. mgr., died July 17 at Greenwich Hospital after a long illness. She is survived by her husband, daughter, mother and father.

### Technology

**Satellite Policy Due:** FCC's blueprint for space—at least in its broad outlines—probably will be adopted by the White House in a policy directive which is expected to give private companies ownership of satellite communications systems under govt. standards & regulation.

It's understood that the Commission's views on operation of satellite systems—opposed by NASA & some members of Congress who have advocated govt. ownership—prevailed at high-level conferences conducted by Vice President Johnson's National Space Council. He disclosed that it filed policy recommendations with the President July 14.

The Space Council acted soon after it had been criticized in House space hearings for slowness in coming up with its proposals (Vol. 17:29 p12).

There was no immediate policy announcement by the White House. Johnson himself wouldn't comment beyond saying that the Council's recommendations were "unanimous" and that he had had "excellent cooperation among the many govt. agencies involved."

But from other sources we learned that FCC's plan—contemplating leading satellite roles for such international communications companies as AT&T & RCA—won out. FCC also is contemplating a broadening of its plan to permit satellite ownership participation by such other companies as GE & Lockheed. FCC's original decision to authorize a combine of communications firms for satellite operations had been attacked in Congress as opening the way to space monopoly.

In addition to FCC representatives, participants in the Space Council conferences at the White House included spokesmen for NASA, AEC, OCDM and State, Defense and Justice Depts.

Stepped-up development of communications & weather satellites is provided in a \$1.78-billion bill authorizing appropriations for space-agency operations which was signed July 21 by President Kennedy. He said it demonstrated U.S. determination to take an "important position in the race for the far reaches of space."

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**MUSIC SHOW—CONCERTO FOR CASH REGISTER:** A merry tune was being whistled by most consumer-electronics dealers & manufacturers at last week's NAMM Music Show at Chicago's Palmer House. But there were also some blue notes.

People are buying again—that's the good news—and most dealers & manufacturers reported business still on the upgrade. Dominant theme of electronics segment of the show was FM stereo (see also p. 18)—and dealers can't seem to decide whether this will be boon or bane.

One thing is sure: Public isn't confused yet about FM stereo—but dealers are. And hi-fi manufacturers aren't sure whether to play it up or down. Confusion was already beginning to show in terms of dealer hesitancy about the whole FM stereo business: Will the public accept the adapter approach used by most manufacturers? On the other hand, can FM stereo be sold in areas where there's no stereocasting yet?

Except for component-hi-fi dealers, few were openly enthusiastic about tackling the new field of FM stereo. While most conceded they would probably end up making more money, many expressed dread of the interim period. Big Pa. TV-appliance dealer Mort Farr, NARDA chairman, was outspoken about the whole stereo field: "We would have come further with hi fi without introducing stereo at all. For pleasing music, there was still enough potential to sustain the industry for many years. We could have perfected stereo in the lab instead of coming out half-baked with a number of different approaches—2-cabinet, one-cabinet, 3-channel, 2-channel, and so forth. Every time the public gets unconfused, we give them something new. FM stereo is just one more thing to confuse them, postpone their buying."

Some manufacturers, too, were openly resentful, going along only reluctantly. One of them insisted that FM stereo was virtually a figment of the trade press's imagination—or at least that if the press left it alone it would go away and the industry could get back to the serious business of selling reverb. Others were considerably more enthusiastic.

Most major manufacturers favor the adapter approach at least for the interim period while few stations are stereocasting (notable exceptions: Zenith, Symphonic, Olympic). The comment of Stromberg-Carlson hi-fi mgr. H. W. Hibshman was typical: "This can be an important plus in the business—like power steering—but we must give the customer an opportunity not to buy it. Much will depend on the available programming." Prices quoted for adapters for console stereo instruments varied from \$15 to \$79.95 (table of manufacturers' plans, prices & availability dates on p. 19).

Very few manufacturers were promising immediate delivery on FM-stereo equipment, but about half of them said they'd be in production next month. Everybody had FM-stereo receivers blaring—and the results were mixed.

Chicago's 2 FM stereo stations—WKFM & Zenith's WEFM—were stereocasting almost continuously during the show. It was an acid test for the prototype adapters being demonstrated—and some failed it. Stereo separation varied from excellent to non-existent, and one foreign-made receiver was picking up interference from WKFM's storecasting subcarrier. But enough sets (and not only the expensive ones) were giving excellent results to signify that there need be no trouble with well-manufactured units.

Doing a big business as "consultant" to set makers—helping them adjust sets, providing test signals, etc.—was WKFM owner-engineer Frank S. Kovas Jr. We asked him what he thought of the receiving equipment being shown at the Palmer House.

"Some of these adapters may cause problems," he said, pointing out that poor phasing reduced the

channel separation. "Accurate tuning of the receiver [to the center of the FM channel] is important. And most important of all is the antenna. Many people might be satisfied with FM stereo on a built-in antenna, but people who think they can get really good reception without an outside antenna are fooling themselves."

Has stereocasting cut the range of his station? "Not as much as we expected," replied Kovas. "Why, we even received a letter from South Bend, 90 miles away, saying the stereo reception was good there. That's about the limit of our normal monophonic coverage." He estimated that there were 300-400 FM stereo receivers in the Chicago area, mostly H. H. Scott and Crosby.

Several manufacturer-exhibitors became irritated with the commercials on WKFM—which plugged Fisher, Grundig-Majestic, H. H. Scott, Blaupunkt and Saba—and switched between it and WEFM's Zenith commercials to avoid advertising their competitors. GE & Pilot, which shared Palmer House's Victoria Room, both brought their own transmitters.

FM stereo wasn't the whole show, of course. Here are some other highlights (and lowlights) of the Music Show as we saw them:

**Consumer-Electronics Show?** Issue of an independent TV-radio-phono show came up again, as usual, this year. Electronics industry is tired of blowing hind bagpipe at the Music Show, and again there's agitation for an industry-run show, possibly under aegis of EIA or NARDA. At this year's Music Show, electronics exhibits were spread on first, 4th & 9th floors. The difficulty of trying to listen to EIA's stereo demonstration in the grand ballroom while a brass band blared in the next room added to discontent of some industryites. Nevertheless, Music Show (to be held in N.Y. next year) is still biggest consumer-electronics exhibit.

**That \$99.95 TV Set:** There's no question TV makers are stirred up about Delmonico's Japanese-made 19-in. portable which "can be promoted as low as \$99.95." Delmonico introduced the stripped-down (17 tubes, no handle or antenna) set to stop dealers from treating its more deluxe 19-tube portable as a nailed-down loss-leader at \$99.95 (it wholesales for more than that). It's understood the Delmonico set will be available in very limited quantities (\$90 wholesale), and it's one of 3 new 19-in. portables being introduced by Delmonico with the 17-tube "metropolitan" circuit.

Nevertheless, several American manufacturers hinted darkly that they're working on low-low-end 19-in. sets to meet the foreign competition. Olympic may choose to meet fire with fire. Olympic Sales Corp. Pres. Morton Schwartz told us that Olympic Radio & TV Corp. Pres. Morris Sobin is in Japan now, and "if we're forced to a \$99 set, we'll import one from Japan, too."

**'True Portable' TV:** There'll be at least 2 more makes of 8-in. battery-portable sets on the market soon, following introduction of Sony's \$278.80 (with battery) receiver (Vol. 17:27 p19). Sony exhibit drew big crowds, but before show ended Majestic International was showing its own version of an 8-in. Japanese battery set, quoting a probable list of "about \$150" (without battery) and delivery in around 90 days. Delmonico was showing 8-in. battery set by Japan Victor at \$250 including battery, and exec. vp Herbert Kabat said company plans to bring in some very soon for test marketing before embarking on full-scale merchandising effort. Matsushita showed similar set, but said it had no specific plans. Delmonico had nicely-designed 8-in. line-cord portable listing at \$110 (reminiscent of RCA's old 8-in. portable) on which it was promising fall deliveries.

**Canadian Imports:** Three North-of-the-border manufacturers were actively soliciting music & dept. store accounts for consumer-electronics merchandise. They were Dominion Electrohome, Clairtone Electronics & Canadian Marconi. The first 2 are in high-end stereo bracket (\$260 & up) and have been in U.S. market for some time; Marconi's line of AM-FM-stereo units runs \$99 to \$349. Dominion Electrohome also showed TV line for sale in U.S. (under Deilcraft brand) at \$259 (portable) to \$895 (combo) and announced it will also offer color set on U.S. market. Interestingly, Electrohome's color chassis is made by RCA Victor of Montreal, which also makes private-brand color for T. Eaton dept. stores under Viking label.

**More Color Sets:** Even as Sylvania announced its entry into color field (see p. 21), ever-active Delmonico was demonstrating \$650-list Japanese color-radio-stereo combo (with RCA tube) for mid-September delivery and promising a table model, possibly in the \$400-450 range. Some Delmonico chassis will be shipped in Japanese cabinets, others will be fitted in U.S. cabinets here.

**Westinghouse Upgrades Warranty:** Only major new line to debut at Music Show, Westinghouse (described last week in Vol. 17:29 p18) quietly announced its 90-day warranty now covers both parts &

labor on entire TV & stereo line. Last year this parts & labor policy applied only to portable TVs. Interesting feature of Westinghouse line is stress on 23-in. table models in modern enameled cabinets (blue, white, gold, red). It's understood the company is now working on 23-in. "portable"—with wheels and built-in dipole antenna—in attempt to reverse trend which saw sales of 23-in. table models decline 18% during first half of 1961 from same period last year.

Other show highlights, including big new splurge of tape recorders, the new Ravenswood TV-stereo line, a new projection TV set, announcement of a "TV line eliminator," are summarized on p. 20.

**'DON'T KILL THE FM-STEREO GOOSE':** FM stereo was officially launched last week at the NAMM Music Show in Chicago with a warning to manufacturers by an FCC Commissioner, a plea for dealer & distributor cooperation by the National Assn. of Broadcasters, and a campaign to head off dealer & consumer confusion by EIA.

With 6 FM stations now broadcasting stereo—2 of them in Chicago—EIA marked the occasion of the first mass showing of FM stereo receivers by sponsoring a symposium for dealers at Chicago's Palmer House. It simultaneously released its clearly-written 16-page "anti-confusion" booklet, "A New World of Broadcast Sound" with an introduction by FCC Chmn. Minow. (The pamphlet, describing what FM stereo is, carefully skirts the controversial issue of adapters vs. built-for-stereo sets.)

As a further anti-confusion move, the day before the symposium, EIA's Radio & Phono Sections met to give a name to the new baby. They unanimously chose "FM stereo"—rejecting "multiplex" & "stereo FM." EIA and many manufacturers fear that use of such a technical term as multiplex will lead to needless confusion—and besides, FM stereo is just one kind of multiplex service.

EIA will distribute 100,000 copies of its non-technical booklet to distributors, dealers & FM stations, and make it available at cost to manufacturers who want to distribute it over their own imprints. In surprising display of unanimity, cost of printing booklet was shared by 13 of the 14 consumer-products manufacturers in EIA (exception: Magnavox).

EIA's symposium, attended by about 150 dealers, heard optimistic predictions for FM stereo's future by FCC Comr. Robert E. Lee and NAB radio vp John F. Meagher—coupled with qualifications & warnings.

"I hope the heat of competition will not result in killing the goose that will lay a beautiful golden egg," said Lee in issuing what he called "a serious word of caution." Directing his remarks at manufacturers, he explained that FCC's FM stereo broadcast standards have been set very high—and "all this will go to naught if the receiving equipment does not match those high standards."

Lee appeared to squash any hope for an AM stereo system in the foreseeable future. A hi-fi fan himself, he said such a move "would require years of study" and that he sees "no disposition to make stereo available in this band." He added: "To put it bluntly, I can certainly say that I for one am in no mood to even study, let alone approve, stereo in the AM band . . . I believe it would be contrary to the public interest if the term stereo were to be attached to less than high audio quality."

Urging industry to "proceed with full speed ahead," he said FCC's last count indicates that "60% of FM station owners are prepared to broadcast stereo within 60 days." (For Lee's comments about all-channel TV sets, TV allocations and FCC's role in programming see p. 6.)

Broadcaster Meagher's prediction was also optimistic, but more restrained than Lee's. He reported that a June 27 NAB survey of 594 FM stations resulted in replies from 381, indicating 185 planned to begin stereocasting, 140 planned to stay out of stereo, 32 were undecided. Of the 185 stations with stereo plans, 2 were already broadcasting stereophonically, 77 planned to start this year, 21 in the first half of 1962, 7 in the 2nd half, 16 some time next year, 7 later.

Meagher outlined how manufacturers, distributors & dealers can help: Cooperate. "FM licensees," he said, "are going to be very reluctant to embark upon stereo broadcasting without full assurance of full cooperation . . . Whether the bonanza can be brought to realization depends, in large measure, upon how aggressively & cooperatively manufacturers, distributors & dealers are willing to work with FM broadcasters."

He didn't ask for FM stereo program sponsorship by manufacturers, but pointed out that "in the overall, FM has not yet reached the break-even point operationally." He added that a San Francisco station [pre-

sumably KPEN] plans to start stereocasting the first week in August and already has sold two-thirds of the 40-50 hours of stereo programming it plans to carry weekly.

Although Comr. Lee called start of FM stereo "a step as significant now as was the breakthrough of TV a few years ago," dealers—and some manufacturers—obviously were uncertain just how the new broadcast service would fit into the radio-phono picture. For a report on first demonstrations, reactions and manufacturers' stereo-radio plans, see stories below and on p. 16.

Here's boxscore of stations now broadcasting FM stereo: On air with programming—WEFM & WKFM Chicago; WGFM Schenectady, N.Y.; KLSN Seattle; KIXL-FM Dallas; WDTM Detroit.

Now making equipment tests during non-broadcast hours (usually 1-6 a.m.): WSPA-FM Spartanburg, S.C. (aiming for Aug. 1 start); WUPY Lynn, Mass. (hoping to start within 2 weeks); KPEN San Francisco (hoping to start first week of Aug., but still requiring FCC type-acceptance for its Standard Electronics equipment); KMLA Los Angeles (requiring acceptance for Calbest equipment); WDHA-FM Dover, N.J. (using home-built equipment not yet type-accepted). Ready for testing are KGHM Houston, Tex. and WQXR-FM N.Y., but latter probably won't begin until fall.

### More about

**STEREO RADIOS & ADAPTERS:** Virtually every hi-fi manufacturer exhibiting at the Music Show last week (see p. 16) showed at least one radio-phono combination with FM stereo, but few were ready to deliver.

Even fewer had anything concrete to show in the way of table-model FM-stereo receivers. GE, of course, showed its very striking \$175 set (Vol. 17:27 p20), and a few developmental units were displayed—such as a one-piece Webcor unit, for which there are currently no production plans. Arvin showed a 3-piece stereo radio, which eventually will be worked down to a single unit. It's scheduled to be marketed as a 3-piece unit (radio-speaker, stereo adapter, speaker) in September, as a 2-piece unit (stereo radio, speaker) next January and as a single unit (with extendable speaker) in March.

Fisher demonstrated a super-deluxe set which is more aptly called a "bookshelf" unit than a table set. It comes in 2 matching wood cabinets about the size & shape of bookshelf hi-fi speakers. One unit contains FM tuner, stereo adapter, stereo controls, amplifier & speaker; the other has amplifier & 2nd speaker. Total price will be \$299.50; October delivery.

Several German stereo-ready table sets were shown. These were adapted models of so-called "stereo radios" which have been on the market for some time—they have 2-channel amplifier-speaker systems so that they may be used as amplifiers for stereo phonos, and they contain jacks for external speakers. Table sets of this type were shown by Blaupunkt, Kuba & Saba (all using Crosby FM stereo adapters) and Delmonico (a Korting set with German-made Korting adapter).

Delmonico also displayed a mockup of a Japanese-made (Japan Victor) modern-design stereo receiver 25-in. long with side-firing speakers covered by doors. The company said it would be priced less than \$100, but hadn't determined delivery dates.

FM stereo's first big application will be in hi-fi stereo phono units, and most manufacturers are planning to offer the new service as an "optional extra," at least until there are more stations on the air and demand can be gauged. Some, however, will make it standard equipment on high-end lines, and 5 manufacturers—Fisher, Olympic, Pilot, Symphonic and Zenith—will put it in all FM-AM-stereo &

TV-FM-AM-stereo console combinations.

In most cases, adapters or FM stereo tuners will be in production in August or September. Several manufacturers are using GE- or Crosby-made adapters, but most of the majors are making their own. Completely transistorized units will be used by Admiral, Stromberg-Carlson & Westinghouse. Pilot's high-end adapter at \$79.50 is completely automatic—when a stereo program is tuned in, the receiver operates stereophonically without the use of a manual selector switch. Most adapters designed for use in consoles have no controls and are not visible from the control panel.

In most cases, many or all hi-fi models made in the last year or 2 can be adapted by using the specific manufacturer's stereo adapter. Almost all sets made to accommodate plug-in adapters can be adapted by the consumer without a serviceman.

This table shows the variety of approaches, prices & availability dates being quoted by manufacturers for FM stereo in phono consoles:

### Manufacturers' Plans for FM Stereo Phono Consoles

Manufacturer	Policy	Adapter Price	Deliveries Start
Admiral .....	optional	under \$50	August
Bell Sound (own sets) .....	optional	\$39.95	August
Bell Sound (other makes) ..	—	59.95	August
Canadian Marconi .....	optional	39.95	September
Capehart .....	optional	47.50	August
Delmonico (Japanese) .....	optional	15-18 range	August
Delmonico (German) .....	optional	20.00	August
Dominion Electrohome .....	optional	69.95	September
Du Mont .....	optional	approx. \$30	August
Emerson .....	optional	approx. \$30	August
Fisher (consoles) .....	included	\$50.00	August
Fisher (components) .....	optional	89.50	now
GE .....	optional	39.95	now
	(included in 3 high-end consoles)		
Grundig-Majestic .....	optional	50.00	now
Magnavox .....	optional	30.00	summer
Motorola .....	optional	29.95	September
	(included in Drexel model)		
Olympic (present line) .....	included	\$30.00	now
Olympic (past sets) .....	—	29.95	now
Philco .....	optional	under \$50	late Sept.
Pilot (consoles) .....	included	\$49.50 & 79.50	August
Pilot (components) .....	optional	49.50 & 79.50	August
RCA .....	optional	29.95	September
Ravenswood .....	optional	probably \$29.95	September
Stromberg-Carlson .....	optional	35-45 range	September
Symphonic .....	included	*20 & 30	August
V-M .....	optional	45.00	September 1
Webcor .....	probably op.	about \$39.95	September
Westinghouse (pres. line) ..	optional	39.95	September
	(included in one console series)		
Westinghouse (past sets) ..	—	59.95	September
Zenith .....	included	*25.00	September

\*Approximate amount added to list price.

**TV-RADIO PRODUCTION:** EIA statistics for week ended July 14 (28th week of 1961):

	July 10-14	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	86,259	78,142	48,075	2,965,218	3,062,960
Total radio .....	215,396	181,889	196,175	7,927,288	8,897,533
auto radio .....	67,641	65,286	68,608	2,527,545	3,467,348

## Music Show Highlights

**T**APE RECORDERS got their biggest whirl in recent years at the NAMM Music Show last week in Chicago (see p. 16). Particular emphasis was placed on stereo-record-stereo-playback units, and manufacturers indicated that they believed FM stereo broadcasting would boom their products as consumers become increasingly aware of opportunities to tape stereo music directly from the air.

Two TV-radio-stereo manufacturers made their tape-recorder debuts—Magnavox, which showed a \$179.95 unit made by its British affiliate Collaro, and Westinghouse, which is beginning test-marketing of 3 models at \$169.95 (monaural), \$249.95 & \$349.95. These moves follow Emerson's acquisition of the Telectro line through a loan to the company with option to buy control.

Although most of the play went to standard open-reel tape recorders, RCA continued to demonstrate its cartridge-tape machines and Bell Sound Div. of Thompson Ramo Wooldridge announced the start of marketing of its newly redesigned compact cartridge units (which use same type cartridge as RCA). The 2 basic models: monaural record & playback, \$139.95; stereo record & playback, \$199.95. Bell's distribution will be mainly through appliance & photographic distributors.

"If tape recorders are ever to become a mass market, the cartridge is the only approach," Bell ad mgr. Andrew Lorant told us, pointing out that the average consumer wants an automatic device as easy to load as a phonograph. He added: "I think FM stereo will open the consumer's eyes to the tremendous uses for tape in building a home music library."

**Ravenswood TV-Stereo Line:** An unconventional loud-speaker system and magnificent furniture are the keystones of the brand-new Ravenswood line, shown to Music Show attendees in the appropriate setting of an Ambassador East penthouse. The division of Annapolis Electro-acoustic Corp., staffed in top positions largely by former Stromberg-Carlson officials and financed through Drexel & Co., Philadelphia investment brokers, was recently restrained by legal action from using the Scott Radio Labs name, which it had acquired (Vol. 17:26 p18).

The line features the "reflection-coupler" sound principle, using rear-firing speakers which bounce sound off the wall, eliminating front speakers and grille cloth and making it possible to use for storage hi-fi cabinet space formerly occupied by bulky speakers (the speakers are mounted in back of the set). The furniture-styled stereo line runs from \$379.95 to \$1,700 (including 23-in. TV). TV sets start at \$239.95 and include portable, console & combo.

Ravenswood board chmn. is John Remer, gen. partner of Drexel & Co. Officers are: Pres., Leon J. Knize, ex-Capehart & Stromberg-Carlson; vp, Richard W. Jones, ex-Stromberg-Carlson; vp, Stanley C. Bogart, co-founder of Philharmonic Radio; treasurer, Edward M. Kriz, treas. of Chesapeake Instrument Corp.

**Philips Entering U.S. TV Market?** North American Philips Co., affiliate of the huge Netherlands-based electrical-electronics manufacturer, was seeking dealer reaction to a TV set displayed by its High Fidelity Products Div. The 23-in. table-model, which would be marketed here under the Norelco tradename, is claimed to have broadcast-monitor quality, 4.75-mc bandwidth, with 7-in. speaker and 50-60-cycle frame-frequency switch to adapt it to certain Latin-American line-power standards. If sold here, it would list at \$395.

Other foreign-made TVs demonstrated at the Music Show, in addition to the Japanese sets mentioned elsewhere in this issue included Grundig, Fonovox and Kuba, all German.

\* \* \*

**Wireless Remote Stereo Speakers:** System which can put stereo in every room of the house without wire connection to the phonograph or radio was demonstrated at the show by Capehart. The system uses a special transmitter, which can be installed in any phono console, and one (for monaural) or 2 (for stereo) auxiliary speakers which plug in any power outlet. Each of the auxiliary speakers has its own receiver, amplifier, on-off switch and volume control.

The broadcast chassis (for installation in the hi-fi set) plus one auxiliary speaker lists at \$159.95; a 2nd-channel speaker for stereo lists at \$109.95.

\* \* \*

**Stromberg Completes Stereo Line:** A new 5-console series of stereo instruments was premiered by Stromberg-Carlson in the \$595-695 range, bridging gap between its medium-priced "Young America" series (\$199.95-499.95) and its packaged-component "Integrity" line which is priced up to \$1,100. The introduction now gives Stromberg-Carlson the most complete stereo line in its history. It will be further broadened by the later addition of a portable phono line. A decision on whether to re-enter TV hasn't yet been made, we were told, but if the company decides to do so, it will be with a full line featuring a TV chassis made in its own plant.

\* \* \*

**"TV Line Eliminator":** Some TV manufacturers would like to see competitive lines eliminated, but that isn't the type of line Saba Electronics (Germany) was talking about when its representatives discussed the company's invention at the Music Show.

The line eliminator, previewed in Germany at a press showing July 4, removes scanning lines from the TV picture through an optical process. A transparent plastic sheet containing a special optical system of lenticulated grooves with tiny lenses spreads the light to fill in dark spaces between the lines, according to Saba representatives. The plastic lens-mask can be installed by tube or set makers, possibly by the set owner at home. A 625-line version, being developed for the U.S., will be demonstrated in this country in 6-8 weeks. Saba officials said it will be low enough in cost to be installed as a regular TV picture-tube feature.

\* \* \*

**New Projection Set:** Saba also demonstrated a projection TV with a remarkably clear & bright picture which

can be viewed at a wide angle. It will be aimed at clubs, schools, hotels, bars, with a price of \$1,000-1,250 in the U.S. The projector uses a Schmidt optical system. One of the secrets of the good picture is a specially designed 3½x4½-ft. curved aluminum screen, Saba spokesmen said.

\* \* \*

**Don't Oversell Stereo, EIA Told:** Record Industry Assn. of America exec. secy. Henry Brief met informally with EIA's Phono & Radio Sections during the Music Show to discuss common problems of the phono & record business. Brief urged manufacturers not to "oversell" FM stereo as some manufacturers did with stereo phonos through tricky demonstration records, etc., leading consumers to misunderstand stereo's real purpose—to provide better music reproduction.

\* \* \*

**Hold the Fort Dept.:** Zenith, as one of 3 major manufacturers which will not provide FM-stereo adapters for radio-phono systems, will supply only complete drop-in FM-stereo-AM radio tuners for its phono consoles. Consoles displayed at the Music Show had space inside for the drop-in tuners, with a label reading: "This compartment has been provided for installing your Zenith AM-stereophonic FM radio." Zenith plans to begin stereo-tuner deliveries in September.

\* \* \*

**EIA FM-Stereo Booklet Sponsors:** Manufacturers contributing to & cooperating in production of EIA's *A New World of Broadcast Sound* (see p. 18): Arvin, General Dynamics/Electronics (Stromberg-Carlson), GE, Motorola, Olympic, Packard Bell, Philco, Pilot, RCA, Sylvania, Warwick, Wells-Gardner, Westinghouse.

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**Glidden Case Goes to Supreme Court:** Is seniority a vested right earned by employees or is it a negotiated benefit which exists only as long as the union contract which guarantees it? The Glidden Co. of Cleveland last week referred this vital question to the U.S. Supreme Court by requesting a review of a recent adverse ruling by the U.S. Court of Appeals. Glidden, in 1957, after the expiration of its contract with the General Warehousemen's Union, transferred the operations of its Elmhurst, N.Y. plant to Bethlehem, Pa. Five Elmhurst employees sued for damages, contending that their seniority rights were still effective despite expiration of the union contract and that Glidden should have offered them jobs at Bethlehem with continuing seniority rights. Glidden contended that their seniority, pension, insurance and other benefits stemmed from a specific contract for a specific plant and expired with the legal termination of the contract. A lower court ruled in Glidden's favor but was reversed March 28 by the Court of Appeals which held that seniority is a "vested" right "earned" by employees, which cannot be "unilaterally annulled." Pointed out July 21 *Wall St. Journal*: The issues in the Glidden Case "could have an impact not only on most of the 125,000 collective bargaining agreements in force in the U.S. but indirectly on scores of communities now seeking to bring new industries into their areas."

**Sylvania Offers Color TV Entry:** After abstaining from color TV for 5 years, Sylvania last week announced that it is readying a color console for mid-September availability—with an \$825 price tag. Home Electronics Corp. Pres. Peter J. Grant described it as "the cheapest color set with doors." The conventional color receiver (21-in., 3-gun, shadow-mask tube) is a TV-only, Scandinavian-styled console (Model 21LC7) with tambour doors. The cabinet measures 33 x 52 x 26 inches.

**Trade Personals** A. Robert Baggs resigns as mgr., Magnavox radio products & mktg. development. He had formerly been merchandising mgr., RCA radio & "Victrola" products (Vol. 16:52 p23) . . . Jules Bereut, ex-Fuller & Smith & Ross, named to new post of ad & sales promotion dir., Magnavox.

William F. Rueger named vp & gen. counsel, Sylvania. He'll continue as secy. . . . Arthur L. B. Richardson, formerly senior vp, Sylvania, named vp-gen. counsel, C.I.T. Financial Corp.

James S. Farnell named product mgr., Westinghouse Electric's radio-phonograph dept., succeeding E. D. Smithers, resigned . . . D. C. Fulton named a vp, Canadian Westinghouse Co. . . . William E. Slusher named to new post of electronics dir., Transitron Electronic Corp.

M. J. Johnson named vp, Electronics Corp. of America's military div. . . . Paul J. Colleran named engineering vp, International Rectifier Corp. . . . Harry Finkel named ad & sales promotion mgr. for the Merchandise Mart.

Charles E. Wolf promoted from mfg. mgr. to plant mgr., Warwick Mfg. radio products plant. Morton Sherman promoted from quality control engineering supervisor to quality control mgr. . . . William P. Gallagher promoted from sales vp to new post of mktg. vp, Columbia Records . . . Robert E. Peterson, Philco, named chmn., Mktg. Data Committee, EIA Industrial Electronics Div. . . . Dr. James B. Fisk & Dr. William O. Baker of Bell Labs named by President Kennedy to 11-man *ad hoc* panel on nuclear testing . . . F. E. Rushow named vp, Giannini Controls.

Mark Shepherd Jr. has been promoted from head of the defunct semiconductor-components div., to operations vp, Texas Instruments. Two new divisions have been formed to conduct the former division's operations. James R. McDade will head the new transistor-products division. Jay Rodney Reese will head new components division. Other realignments: S. T. Harris, mktg. vp, will take charge of long range planning. C. J. Thomsen, in charge of control & finance, will also assume responsibility for corporate communication with customers, suppliers, shareholders, employees & the community.

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**Patent Index Revised:** Govt.-owned patents in the electronics field, released for licensing from July 1958 through December 1960, are listed in *Electrical & Electronic Apparatus*, published by the Commerce Dept.'s Business & Defense Services Administration. Copies of the supplement (PB171-676) to BDSA's *Patent Abstract Series* are available for \$1.75 from the Office of Technical Services, Commerce Dept., Washington 25, D.C. Said OTS Dir. John C. Green: "The ideas contained in these patents are yours for the asking, but you have to supply the imagination & initiative to realize the latent benefits involved."

**Electronics Growth Rate On Decline?** More than one-third of today's electronics companies may be out of business by 1975, Lab for Electronics Pres. Henry W. Harding predicted recently. He said that the electronics growth rate is diminishing and the industry will find it increasingly difficult to absorb the R&D costs of so many firms working on product prototypes. Harding said that the military share of Lab for Electronics sales has dropped from 98% in 1950 to 80% in the first half of 1961.

**Revised Guide Published:** A new edition of the Commerce Dept.'s *Directory of National Associations of Businessmen*, updating listings of 2,000 trade organizations, is available at 50¢ from the U.S. Govt. Printing Office.

Enter the "Banana Tube": An entirely different type of color tube which has been generating interest in England is described in the July *Wireless World* (London). Dubbed the "Banana Tube" because of its shape (and presumably inspired by Philco's "Apple Tube," which it doesn't resemble), the display was developed by big British tube-maker Mullard with aid from Dutch Philips. Basic principle of Banana: Three continuous horizontal phosphor lines (red, green & blue), less than the width of a single scanning line, are on a metal radiating fin inside a cylindrical one-gun cathode-ray tube. The phosphor lines run the full length of the horizontal dimension of the picture. The electron beam lights up the appropriate phosphor bands by vertical "spot wobble." Three cylindrical lenses (glass rods) rotate around the phosphor stripes at about 1,000 rpm, constructing the full picture on a viewing mirror. Among advantages of the system are said to be "very high brightness" (40 ft.-lamberts) and absence of adverse effects from high ambient light.

Compactron Use Spreads: 19 manufacturers are known to have definite plans to employ GE Compactron multi-function tubes in consumer & industrial electronic equipment. So said GE receiving tube mktg. mgr. Walter F. Greenwood last week in a letter to leading electronics manufacturers. He listed some of the uses: "One large TV manufacturer" (presumably Admiral) already is using them; another is scheduling a 2-Compactron & a 5-Compactron set; a 3rd plans a completely 'Compactronized' set. Other uses now planned by manufacturers: intercoms, audio amplifiers, electronic organs, auto radios, amateur radio equipment, home radios.

BBB Issues Tape Recorder Guide: "Things You Should Know About the Purchase & Servicing of Tape Recorders," a 12-page illustrated guide, has been published by the National Better Business Bureau for public distribution. The Magnetic Recording Industry Assn. cooperated in producing the publication. Explained NBBB exec. vp Allan E Bachman: "In non-technical terms we have described the recording process, mechanics of the equipment, how it should be maintained, how to edit tape, new developments in the field, what to look for in guarantees & service, and, finally, a glossary of tape terms."

RCA Color TVs Headed for Nippon: If Tokyo-based Okura Trading Co. can obtain the approval of the Japanese govt., it will import for sale in Japan 1,000 RCA 21-in. color TV sets (Vol. 17:28 p16), according to RCA sources. Okura, an RCA distributor, awaits only an official go-ahead to pull off the neatest reverse play of the year—hitting Japanese TV-set makers with made-in-America color competition before their long-heralded color TV sets reach U.S. markets.

Sylvania Making Photoconductors for TV: Volume production of cadmium sulfide photoconductors for automatic contrast control in TVs is now underway at Sylvania's Emporium, Pa. plant. The light-sensitive photoconductors also can be used to trigger controls in a variety of commercial & industrial applications. Among the 1962 TV lines, RCA, Magnavox and Du Mont include models with automatic brightness & contrast devices.

Transistor FM Circuits Reduced: 12% price cut in transistorized tuners for FM radios has been announced by Waller Corp., Crystal Lake, Ill. The new prices vary from \$4.75 to \$5.75—down from a top of \$6.52. Said vp Charles A. Richmann: "The lower prices will allow American manufacturers to more easily build transistor FM radios in the popular price range."

## Finance

**Zenith Expects 2nd-Quarter Gains:** Sales & earnings in the June quarter should top the \$50.1-million volume & \$1.5-million profit recorded in April-June 1960, Pres. Joseph Wright forecast last week. He said the 2nd-quarter performance had made up some of the ground lost in the first quarter (Vol. 17:18 p18), but "at this point we don't know whether the 6-month figures equaled a year ago." Wright predicted that 3rd-quarter sales & earnings would be "fine" despite heavy preparation costs of 3 new product lines: color TV, FM stereo radios, subscription-TV equipment. Re FCC's recent extension of the starting date of the Hartford pay-TV test to July 1, 1962 (Vol. 17:27 p3), Wright explained: It "was nothing more than formality and did not constitute a delay. No one had contemplated operations starting on August 23, 1961, the original date set by the FCC." (See p. 6.)

**Taft Bcstg. Stock Offer Delayed:** A secondary offering of 376,369 shares of Taft Bcstg. common stock, registered with SEC in May (Vol. 17:23 p19), has been postponed because of market conditions, underwriters Harriman Ripley & Co. and associates announced last week.

**National Video Proposes 2-for-1 Split:** Shareholders will be asked to vote on a split of the common stock at the September 19 annual meeting. National Video presently has 616,667 common shares outstanding—349,979 Class A shares, 266,688 Class B.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, July 20, 1961

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

Stock	Prev.			Stock	Prev.		
	Bid	Bid	Asked		Bid	Bid	Asked
Acoustica	18	18½	20%	Magna Th.	3%	3%	4%
Adler Elec.	16	15%	17%	Magnetics Inc.	9½	9	10½
Aerovox	11½	12	13%	Maxson	22½	20%	22%
Allied Radio	29½	29¼	31½	Meredith Pub.	33	34	37½
Astron Corp.	2	2	2½	MetroMedia	17½	17%	19¼
Babcock	27½	26	28%	Microdot	28¼	25	27¼
Baird Atomic	21¼	19¼	21¼	Milgo Elec.	20	18½	21%
Cannon Elec.	23	24	27¼	Narda Micro	6%	6%	7%
Caphart	8½	8%	9%	Newark Elec.	13%	13%	14%
C-E-I-R	53	53	59½	Nuclear Chi.	41	38½	42
Chicago Aer.	27	24½	27¼	Official	3½	3½	3-15/16
Control Data	92	89	95	Pacific Aut.	5%	5%	6%
Cook Elec.	107%	9%	10%	Pacific Merc.	7	6%	7½
Craig	14¼	13½	14%	Phillips Lamp	136½	134¼	139
Crosby Tel.	5%	6	6%	Pyramid	1%	3%	2%
Dictaphone	34½	33%	36%	Radiation	21½	20½	22%
Digitronics	26	24	27¼	Rek-O-Kut	2½	2	2%
Eitel-McC.	15¼	15½	16%	Research Inc.	4%	4½	5¼
Elco Corp.	13	12	13%	H. W. Sams	42	44	47½
Electro Instr.	17	17½	19%	Sanders Assoc.	56	51	55
Elec. Voice	11¼	10%	11½	Silicon	12	12	13%
Elec. Assoc.	32½	31	33½	H. Smith	11½	10	11½
Elec. Cap. Corp	34	34½	37	Soroban	61	63	67%
Erle Resistor	14¼	13½	14%	Soundscriber	11	11	12%
Executone	18½	17	18%	Speer Carbon	31	31	33½
Farrington	13%	13½	14%	Sprague	85	75½	80¼
Foto Video	6¼	6¼	7%	Sterling	3%	3%	3-15/16
Four Star	20½	18½	20%	Svstron-Don.	39	38	40%
Gen. Devices	11¼	10	11¼	Taft Bcstg.	19½	19	20%
G-L Elec.	8¼	8½	9%	Technology	6½	5%	6%
Granco	3¼	3	3-9/16	Tele-Bcstrs.	1%	1%	2%
Gross Tel.	21	21½	23%	Telechrome	10¼	9¼	10¼
Hallicrafters	20	21	22%	Telecomp.	6%	6%	7%
Hathaway	22	21¼	23¼	Time Inc.	88	85	89¼
High Voltage	162	150	165	Tracerlab	10%	9%	11
Infrared	16¼	16½	18%	United Art.	6%	6%	7%
Interstate Eme.	17	16½	17%	Universal	¾	½	1-1/16
Ionics	27	24	27¼	Vitro	26½	23%	25%
Itek	43½	42	46%	Vocalline	2	2	2½
Jerrold	8%	8%	9	Wells-Gardner	32½	31	33½
Lab for Elec.	46%	43%	46%	Wilcox Elec.	9½	9½	10%
Leeds & North.	34½	34	36%	Wometco	24	24	26%
Lel Inc.	8	7%	8%				

# TV-Radio-Electronics Rankings Among 1960's 500 Largest U.S. Industrial Corporations

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RANK '60	RANK '59	COMPANY	SALES <sup>1</sup> (\$000)		ASSETS <sup>2</sup> (\$000)		NET PROFITS <sup>3</sup> (\$000)		CAPITAL <sup>4</sup> (\$000)		EMPLOYEES <sup>5</sup> RANK			
			'60	'59	'60	'59	'60	'59	'60	'59	'60	'59		
4	4	General Electric	4,197,535	2,551,258	11	11	200,072	9	7	1,513,416	12	12	250,621	2
10	11	Western Electric	2,640,358	1,664,796	16	19	124,490	16	18	1,092,003	15	17	140,238	6
15	17	General Dynamics	1,987,749	842,388	44	34	(27,056)	496	74	289,235	87	70	105,700†	10
16	15	Westinghouse Electric	1,955,731	1,521,138	19	17	79,058	22	20	964,136	20	18	114,842	9
25	24	Radio Corp. of Amer.	1,486,200	815,503	47	44	35,117	70	60	432,914	55	72	88,000†	17
27	27	Int'l Business Mach.	1,436,053	1,624,462	18	20	168,181	11	13	972,790	19	21	70,050†	21
32	34	Gen. Telephone & Elec.	1,178,475	2,204,859	13	13	72,430	24	26	1,013,597	17	20	90,000†	15
34	42	Sperry Rand	1,173,051	849,215	43	51	37,236	65	94	360,057	68	67	104,490	12
51	52	International Tel. & Tel.	811,449	923,944	35	31	38,472 <sup>6</sup>	61	85	415,814	59	54	132,000	8
53	62	Bendix	787,025	407,174	96	95	26,188	96	97	245,469	101	100	49,094†	35
58	64	General Tire & Rubber	753,948	386,333	102	106	22,785	110	99	162,132	141	147	41,794	44
81	86	Minnesota Mining & Mfg.	549,675	447,259	86	98	70,692	27	28	331,938	75	90	26,500	83
82	90	Raytheon	539,975	225,794	162	167	11,537	195	185	92,138	245	256	40,724	46
111	123	Minn. Honeywell Reg.	426,183	330,028	119	122	26,228	95	84	200,282	115	115	39,872†	49
113	109	Thompson Ramo Wool.	420,421	239,534	151	145	12,137 <sup>7</sup>	187	229	123,972	180	188	26,132†	85
121	122	Philco	389,522	231,927	156	169	2,287 <sup>8</sup>	427	288	110,274	207	202	25,000	91
123	127	Burroughs	387,474	334,216	117	112	9,236	228	292	125,711	177	178	37,850†	54
124	146	Textron	383,188	271,829	132	162	14,168	166	151	119,175	189	186	29,000	71
145	148	Avco	322,745	176,460	209	183	10,022	216	231	111,406	200	205	18,555	111
157	158	Motorola	299,066	162,935	224	230	12,634	182	175	97,167	228	249	14,500	148
165	177	Time Inc.	287,121	235,189	153	161	9,303	227	248	95,671	236	227	5,500	360
180	252	ACF Industries	263,611	182,883	199	214	3,933	364	464	119,081	190	182	13,246	165
198	212	Gen'l Precision Equip.	244,428	163,976	221	235	5,313	319	384	69,017	307	304	17,100	122
204	194	Zenith Radio	235,772*	131,659	285	252	15,226	155	152	88,179	255	261	8,500	259
206	234	Texas Instruments	232,713	118,665	276	290	15,488	152	176	72,481	292	340	16,000	129
222	221	Corning Glass Works	214,871	174,378	211	211	19,720 <sup>9</sup>	125	111	132,006	171	175	15,034	140
246	337	Collins Radio	190,835	132,290	256	324	6,561	286	403	41,857	415	459	14,850†	146
249	322	Litton Industries	187,761	119,004	275	352	7,455	262	325	50,568	379	442	17,400†	119
257	244	Admiral	176,547*	104,396	304	280	(2,493) <sup>10</sup>	484	388	61,428	338	314	7,438	292
285	386	Ling-Temco Elec. <sup>11</sup>	148,447	93,460	335	493	3,051	400	479	28,533	472	495	10,303†	218
329	333	American Bosch Arma	125,309	64,498	431	429	1,038	460	410	29,882	467	456	8,959	250
330	409	Magnavox	124,879	64,728	429	456	6,533	289	416	32,286	456	474	5,920	347
357	336	I-T-E Circuit Breaker	115,488	75,051	392	366	(286)	477	434	44,355	407	381	8,253	264
368	394	Times-Mirror	111,100	81,014	371	377	4,618	343	366	50,162	381	400	4,532†	403
375	347	Stewart-Warner	107,348	79,305	380	360	6,180	297	274	57,924	348	343	7,544	287
389	•	Federal Pacific Electric	100,194	73,147	397		2,768	414		34,144	453		9,100	245
406	489	Standard Kollsman	95,569	44,768	484	494	3,460 <sup>12</sup>	385	468	20,596	485	493	7,670	282
411	443	Clevite	94,012	75,322	391	400	6,826	277	311	53,853	358	370	7,296†	295
415	432	Cons. Electronics Ind.	92,940	79,135	382	371	3,573	380	354	51,372	373	364	5,565	358
420	431	Lear	90,979	59,993	440	465	3,624 <sup>13</sup>	378	447	21,136	483	492	5,774†	352
424	475	Daystrom	90,609	55,096	459	470	2,271	428	487	31,095	458	457	7,111†	304
458	472	Siegler	84,095	45,634	483	489	3,201	396	450	25,522	477	486	3,600	447
459	435	Mallory (P.R.)	83,586	57,414	448	437	4,367	351	380	36,380	442	444	5,797	351

Note: A bullet (•) in the 1959 sales rank column indicates that company was not in the 1959 list.

\*Does not include excise taxes.  
<sup>1</sup>Net sales, including service & rental revenues for companies that derive at least 50% of their revenue from manufacturing or mining, for fiscal years ending not later than Jan. 1, 1961. Sales of consolidated subsidiaries included; excise taxes collected by the manufacturer not included. <sup>2</sup>Total assets employed in business net of depreciation & depletion, but including govt. securities offset against tax liabilities. <sup>3</sup>After special charges or credits; non-recurring items of a non-operating nature are footnoted when they are 10% of total profit or loss.

Figures in parentheses are losses. <sup>4</sup>Capital & surplus (i.e., net worth). <sup>5</sup>Average employment for year unless followed by dagger (†), in which case year end. <sup>6</sup>Includes non-recurring profit of \$7,902,032. <sup>7</sup>Includes special credit of \$1,960,646. <sup>8</sup>Includes special credit of \$700,000. <sup>9</sup>Includes special charge of \$2,334,924. <sup>10</sup>Includes special charge of \$750,000. <sup>11</sup>Includes all 1960 sales of Temco Aircraft (1959 rank: 386), which was acquired by Ling-Altec Electronics in July, 1960. Acquisition of Chance Vought (rank: 223) pending, with enlarged company to be called Ling Temco Vought. <sup>12</sup>Includes non-recurring profit of \$348,926. <sup>13</sup>Includes non-recurring gain of \$801,743.

**FORTUNE'S 500:** The nation's 500 largest industrials—including 43 in electronics & related fields—"weathered last year's downturn significantly better than lesser corporations," concludes *Fortune* in its annual charting of corporate ups & downs (see table).

It was an up & down year for the TV-radio-electronics-appliance manufacturers. They were represented by only one of the 18 newcomers to the "500" rankings (Federal Pacific Electric). But on the other hand, they lost only Tung-Sol Electric among the 26 firms that were displaced from 1959's list (Vol. 16:28 p18).

They posted these 1960 vs. 1959 median gains & losses: Profits down 1.1%, sales up 6%. Return on invested capital slipped to 10.3% from 11.6% in 1959. Return on sales also slipped—to 4% from 4.4% in the preceding year. On sales

per dollar of invested capital, electronics-appliance makers ranked 3rd (\$2.77) among 16 industrial categories.

Three electronics firms were among the 10 corporations with the biggest 1960-over-1959 sales increases: Collins Radio, 6th with a 61.9% gain; Federal Pacific Electric, 8th, 59.7%; Litton Industries, 10th, 49.6%.

The top 500 industrials also had the ups & downs. Their combined sales rose 3.7% over 1959 to a record \$204.7 billion—but profits slumped 3% to \$11.6 billion from \$12 billion in the preceding year. The median return on invested capital slipped to 9.1% from 10.3%; return on sales also was down, to 4.4% from 4.9%.

General Motors continued its role as the nation's largest corporation, with sales of \$12.7 billion, profits of \$959 million. Runners-up to GM (and retaining their 1959 ranks): Standard Oil, Ford, GE, U.S. Steel.

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Boston Herald-Traveler Corp. <sup>1</sup>	1961—6 mo. to Jun. 30	—	—	\$ 867,203	\$1.93	\$ 449,328
	1960—6 mo. to Jun. 30	—	—	539,193	1.26	427,931
Cohu Electronics	1961—6 mo. to Jun. 30	5,417,204	\$ 638,341	404,341	.28	1,425,591
	1960—6 mo. to Jun. 30	3,211,945	13,632	13,632 <sup>6</sup>	.01	1,414,441
	1961—qtr. to Jun. 30	3,315,697	407,186	195,186	.14	1,425,591
	1960—qtr. to June. 30	1,719,658	8,534	8,534 <sup>6</sup>	.01	1,414,441
Fairchild Camera & Instrument	1961—6 mo. to Jun. 30	\$ 44,570,000 <sup>3</sup>	—	2,299,000 <sup>3-4</sup>	1.85 <sup>5</sup>	1,243,475
	1960—6 mo. to Jun. 30	30,285,000	—	1,682,000	1.35 <sup>5</sup>	1,039,140
	1961—qtr. to Jun. 30	23,915,000 <sup>3</sup>	—	1,422,000 <sup>3-4</sup>	1.14 <sup>5</sup>	1,243,475
	1960—qtr. to Jun. 30	16,447,000	—	881,000	.71 <sup>5</sup>	1,039,140
Oak Mfg.	1961—6 mo. to Jun. 30	11,009,138	—	187,520	.28	655,794
	1960—6 mo. to Jun. 30	9,646,813	—	401,568	.61	655,894
	1961—qtr. to Jun. 30	5,825,208	—	120,608	.18	655,794
	1960—qtr. to Jun. 30	4,936,817	—	249,891	.38	655,894
RCA Story below.	1961—6 mo. to Jun. 30	721,800,000	33,400,000	17,600,000	.97 <sup>2</sup>	16,557,000 <sup>7</sup>
	1960—6 mo. to Jun. 30	707,000,000	35,400,000	18,100,000	1.14 <sup>3</sup>	14,436,000 <sup>7</sup>
	1961—qtr. to Jun. 30	360,100,000 <sup>3</sup>	10,800,000	5,600,000	.29 <sup>2</sup>	16,557,000 <sup>7</sup>
	1960—qtr. to Jun. 30	345,800,000	10,000,000	5,100,000	.29 <sup>2</sup>	14,436,000 <sup>7</sup>
Storer Bcstg.	1961—6 mo. to Jun. 30	—	—	2,032,500	.82	2,474,950
	1960—6 mo. to Jun. 30	—	—	2,820,939	1.14	2,474,750
	1961—qtr. to Jun. 30	—	—	977,083	.39	2,474,950
	1960—qtr. to Jun. 30	—	—	1,397,860	.56	2,474,750
Trav-Ler Radio	1961—year to Apr. 30	—	—	211,078	.23	865,765
	1960—year to Apr. 30	—	—	706,227	.78 <sup>3</sup>	827,445
Westinghouse Story below.	1961—6 mo. to Jun. 30	920,381,000	34,661,000	19,561,000	.54 <sup>2</sup>	34,843,536
	1960—6 mo. to Jun. 30	953,844,000	73,954,000	40,454,000	1.14 <sup>2</sup>	34,753,648
	1961—qtr. to Jun. 30	484,277,000	19,693,000	10,493,000	.29 <sup>2</sup>	34,843,536
	1960—qtr. to Jun. 30	495,027,000	37,758,000	20,958,000	.59 <sup>2</sup>	34,753,648

Notes: <sup>1</sup>Includes WHDH-TV & WHDH Boston. <sup>2</sup>After preferred dividends. <sup>3</sup>Record. <sup>4</sup>Includes special non-recurring \$315,000 credit reflecting part of the net operating-loss carryover from the merger of Allen

B. Du Mont Labs last year. <sup>5</sup>Based on 1,243,475 shares outstanding June 30, 1961. <sup>6</sup>Tax provision not required because of loss carry-forward. <sup>7</sup>Average. <sup>8</sup>Adjusted to reflect Nov.-1960 5% stock dividend.

**Westinghouse Slumps in First Half:** The first 6 months of 1961 brought no solace to antitrust-troubled Westinghouse (see financial table). Earnings tumbled 51.6% from a year earlier to \$19.6 million on a 3.5% sales skid. Earnings in the 2nd quarter fell 50.1% to \$10.5 million as sales dropped 2.2%.

Explained Pres. Mark W. Cresap Jr.: "Operating results for most of the 2nd quarter continued to reflect factors which we had forecast would adversely affect earnings, although there was considerable improvement in June." The adverse factors: Soft prices, higher labor & material costs and lower sales volume resulting from the general business decline, he said.

Although Westinghouse failed for the 2nd consecutive period to cover its quarterly dividend requirements of 30¢ a common share, it is not considering any change in its dividend policy. Cresap forecast that Westinghouse's total 1961 earnings will exceed its annual dividend needs of \$1.20 a share, if the economy continues its recovery.

The outlook for the 2nd half is much brighter, he said. Second-quarter orders were up 19% over those recorded in 1961's first 3 months. The appliance market is on the mend and the trend is expected to continue in the final half. Appliances account for the bulk of sales by the Consumer Products Div., which in turn represents about 25% of Westinghouse's total volume. Cresap also noted a firming of prices in some product lines, but said "this has been spotty rather than a general movement."

**RCA Profit Lags at Halftime:** Despite record sales in the June quarter and a resultant 10% profit rise over April-June 1960, RCA passed 1961's halfway point with earnings trailing the year-ago pace—\$17.6 million vs. \$18.1 million (see financial table). Sales for the half gained to \$721.8 million from \$707 million.

Earnings in the 2nd quarter climbed to \$5.6 million from \$5.1 million as sales rose 4% to a peak \$360.1 million—up from \$345.8 million in 1960's June quarter. (The 2nd-quarter profit was down sharply from the \$12 million earned on \$361.7 million sales in 1961's first quarter, Vol. 17:19 p24.)

"The rise in [2nd quarter] earnings was stimulated primarily by improved business in the home-instrument area," Chmn. David Sarnoff & Pres. John L. Burns noted in a joint statement. "Sales rose across the board—in color and b&w TV, radios & phonographs. The profit improvement trend also reflects the turn-around in the national economy generally and the substantial operating savings made possible through our recent consolidation of home-instrument activities in Indiana [Vol. 17:11 p15]."

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
National Video "A" ...	Q	\$0.25	Aug. 25	Aug. 11
Sperry Rand .....	Stk.	2%	Sep. 28	Aug. 10
Thompson Ramo Woold.	Q	.35	Sep. 15	Aug. 31
Whirlpool .....	Q	.35	Sep. 10	Aug. 18

# WEEKLY **Television Digest**

JULY 31, 1961

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VOL. 17: No. 31

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

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**WITH THIS ISSUE:** January-June 1961 Index to Television Digest

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## SUMMARY-INDEX OF WEEK'S NEWS

### **FCC**

**ALLOCATIONS PROPOSAL**—deintermixture & drop-ins—issued by FCC. Eight markets due to lose vhf's, 8 to gain. Vhf's finally added to Grand Rapids, Syracuse and Rochester (pp. 2 & 5).

**MIAMI'S WKCT OUT, SUNBEAM IN**, in FCC's final Ch. 7 "influence" decision. WKCT must quit on date to be set. Sunbeam gets a 4-months license, winning by default (p. 3).

**FIRST FORFEITURE ORDERED BY FCC** in disciplinary action against Crowell-Collier's St. Paul radio, which must pay \$2,500 for operating above authorized power (p. 7).

**CLOSE SHAVE ON KMBC-TV SALE** as FCC grants MetroMedia purchase in 4-3 vote, dissenters preferring hearing to explore "concentration" (p. 7).

### **Congress**

**SENATE APPROVES FCC REFORMS** in Commission-drafted Pastore reorganization bill after voting 3 minor changes. Companion House bill held up in Rules Committee (p. 2).

**JFK SETS SATELLITE POLICY** in line with FCC plans for private ownership & operation of space-communications system, but monopoly issue is raised in Congress (p. 3).

**CONGRESSMAN'S GOOF GIVES MINOW PR VICTORY**. Rep. Michel (R-Ill.) accuses FCC Chairman of favoring political buddy in Moline Ch. 8 case—but it turns out he didn't vote (p. 4).

**DODD WANTS FCC CENSORS** to police TV. Senate juvenile-delinquency prober calls for law giving Commission "regulative & coordinative" control of networks (p. 8).

### **Advertising**

**1961 AD BUDGETS STATIC**—but TV keeps climbing. Printers' Ink predicts 7% gain in TV billings this year (pp. 3 & 9).

**ADMEN ON FM STEREO**: Most see it as "another refinement," not strongly influencing the course of FM as an ad medium (p. 9).

### **Consumer Electronics**

**TV SET SHORTAGE** likely in fall, EIA market chief Mansfield warns, predicting retail sales of more than 6.2 million sets, with inventories inadequate to meet demand (pp. 1 & 16).

**"COMPACT COLOR TUBE"** dispute rages as Motorola demonstrates 23-in. 90-degree prototype "due next year." RCA snaps back: Years away, if at all (p. 16).

**MOTOROLA SEES GAIN** on industry front, Taylor predicting sales of 6.25 million sets at retail, and healthy 2nd-half profits for Motorola (p. 19).

**FM STEREO FOR N.Y.** due in Sept., as new station owned by Friendly Frost strives to be first on air. San Francisco, Boston, Grand Rapids markets to open soon (p. 20).

### **Programs**

**CBS-NFL TV CONTRACT**, ruled out as antitrust by federal court, sparks action by NBC to sign up 2 teams. NFL request for postponement is denied (p. 10).

**NEW GAC-TV CHIEF EYES TV**, predicts swing away from 60-min. shows in 1962-63 season, more 15-min. & 2-hour programs, new show types in 7:30-8:30 p.m. slots (p. 11).

### **Networks**

**CTV SIGNS PACT** for Canadian microwave service for its 3,900-mile, coast-to-coast TV network (p. 13).

**CANADIAN PRODUCTION BOOM BEGINS**, to meet anticipated demand this fall from new 2nd Canadian network (p. 13).

**CBS REVAMPS DAYTIME SCHEDULE**, adding a 30-min. daily public-affairs show aimed at women and 2 newscast strips. "Captain Kangaroo" is being expanded to an hour (p. 13).

### **Other Departments**

**FILM & TAPE** (p. 12). **STATIONS** (p. 14). **CATV** (p. 14). **AUXILIARY SERVICES** (p. 14). **PERSONALS** (p. 14). **FINANCE** (p. 21).

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**MANSFIELD WARNS OF TV SET SHORTAGE:** TV sets are selling again—at a far faster clip than the industry is producing them. And the TV-manufacturing fraternity's top market researcher—Sylvania's Frank Mansfield, chairman of EIA's Marketing Data Policy Committee—predicts retail TV sales this year will be the highest since 1957.

Mansfield estimates retail sales of at least 6,220,000 sets this year—up from 5,945,000 last year. But inventories of sets in the stocks of retailers, distributors & manufacturers are at the lowest point since 1954, while sets were selling at a 7.1-million-a-year pace in April & May, and an indicated 8-million rate in June. The only thing that can head off a shortage of sets by fall, Mansfield warns, is a rapid increase in the industry's TV-production rate.

For details of Mansfield's EIA report, see Consumer Electronics section, p. 16.

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JUL 31 1961

**ALLOCATIONS PROPOSAL—DEINTERMIXTURE & DROP-INS:** FCC's plan for solving the TV allocations problems, announced last week, is precisely as forecast in these pages last January (Vol. 17:5 p1). Most of FCC's action is in the form of proposed rule-making, with industry comments due Oct. 2. But 3 final actions were taken: addition of Ch. 13 to Grand Rapids, Ch. 9 to Syracuse, Ch. 13 to Rochester. Herewith, in brief, is FCC's proposal to lick the old problem of station scarcity:

(1) Deintermixture in 8 markets, making them all-uhf—Madison, Rockford, Hartford, Erie, Binghamton, Champaign, Columbia, Montgomery. Other markets may be proposed in the future.

(2) Short-spaced vhf drop-ins for 8 markets—Baton Rouge, Ch. 11; Dayton, Ch. 11; Birmingham, Ch. 3; Jacksonville, Ch. 10; Knoxville, Ch. 8; Johnstown, Ch. 8; Charlotte, Ch. 6; Oklahoma City, Ch. 5 (shifting KOCO-TV's Ch. 5 from Enid).

(3) Renewed push for all-channel-set legislation.

(4) Eased uhf station technical requirements.

(5) Dual vhf-uhf operations by existing vhf stations.

(6) Earmarked uhf channels for ETV.

(7) Eliminated uhf table of assignments and eliminated uhf hearings—granting CPs on first-come first-served basis.

(8) Use of uhf translators for dead-spot fill-ins.

Vote was a tenuous 4-3 for most of foregoing—Hyde, Craven & Cross dissenting. But Commission was unanimous for short-spaced vhf drop-ins, though Minow would like to give educators a chance to plump for reservation of the new assignments.

It's understood that Commission came close to impasse again. Ford argued vigorously against deintermixture, but changed his mind when he concluded Commission would do nothing unless he went along with deintermixture.

Commission intends to get 3rd channels on air fast in Grand Rapids, Syracuse and Rochester. It said it would grant "interim" CPs quickly—pending customary years-long contests for the valuable facilities—the interim to end when final winners are selected.

Announcing its proposals, Commission made clear that major thrust is to invigorate uhf. Heading on public notice was titled: "Comprehensive Actions to Foster Expansion of Uhf TV Broadcasting."

"It is not yet clear," FCC said, "whether a nationwide, competitive system can be achieved through the use of the uhf channels only. Though this may eventually be found to be feasible, present efforts must be concentrated upon developing a system involving greatly expanded use of the uhf channels in combination with the now virtually saturated 12 vhf channels." (For further details, see p. 5.)

**SENATE APPROVES FCC REFORMS:** FCC-written legislation (S-2034), revamping Commission procedures & cutting red tape, sailed through Senate July 27, as expected (Vol. 17:30 p2), but companion reorganization bill in House (HR-7856) ran into unexpected trouble.

Senate bill was cleared by almost listless voice vote in nearly empty chamber after 3 minor amendments were tacked on to take care of questions raised by Sens. Lausche (D-O.) & Dirksen (R-Ill.). Otherwise, Commerce Communications Subcommittee Chmn. Pastore (D-R.I.), who sponsored measure, had easy job steering it to passage on floor.

House bill hit Rules Committee snag. Seeking quick clearance of his FCC bill for vote on House floor, Commerce Committee Chmn. Harris (D-Ark.) went before Rules Committee July 26 for hearing on it. Supporting him in arguments for measure as written was Commerce member Younger (R-Cal.). Two other members of Harris Committee—Reps. Flynt (D-Ga.) & Rogers (D-Tex.)—also showed up to urge further polishing of language, however. They said bill needs tightening to safeguard rights of litigants in cases delegated by FCC to staffers. Result: Rules Committee Chmn. Smith (D-Va.) pushed Harris bill aside, postponing any Committee action on it until at least Aug. 1.

Pastore avoided any such delay in Senate by quickly accepting amendments to his bill as urged by Lausche & Dirksen—the only other Senators who spoke on FCC plan. Pastore himself added language to make sure—as Lausche put it—that Commission "would never make a delegation [of case-review authority] to an irresponsible subordinate." Amendment said only "especially qualified" staffers may handle reviews. Dirk-

sen's amendments provided that: (1) Staffers who make case decisions will be disqualified from reviewing their own rulings if litigants challenge them. (2) Ex-parte prohibitions apply at all stages of cases designated for hearings.

There was no real Senate debate on Pastore's measure. In speech clinching passage, he said it carried out "objectives" of President Kennedy's FCC reorganization plan, which House rejected on "czarism" grounds. Pastore pointed out that "one major exception" in Senate bill was elimination of White House proposal to give FCC Chmn. Minow authority to assign work to other FCC members.

**MIAMI'S WCKT OUT, SUNBEAM IN:** FCC continued its stern march of decisions in "influence" cases last week, completing its proposal (Vol. 17:12 p1) to take Miami Ch. 7 (WCKT) from the Cox-Knight-Trammell group and give it to Sunbeam TV Corp.

Decision was very similar to Miami Ch. 10 case. Commission concluded that WCKT principals had attempted to influence FCC's original decision and should therefore lose channel. In addition, of WCKT's original competitors—Sunbeam, East Coast TV and South Florida TV—only Sunbeam wasn't charged with attempted influence. Sunbeam is to be given a 4-month license.

In Ch. 10 case, WPST-TV was ordered to quit, and L. B. Wilson was left as the only "clean" applicant. Only difference in the 2 decisions: WPST-TV was given a termination date but WCKT must quit "on a date to be later specified," and effectiveness of whole decision is held in abeyance "until further order of the Commission." It's understood that Commission wants to avoid repetition of problems in Ch. 10 case—namely, that Wilson built quickly and has had to stand by expensively while awaiting court appeals. Presumably, it wants to clean up litigation before requiring Sunbeam to build.

It is assumed Sunbeam got 4-month license for same reason Wilson did. Sunbeam won Ch. 7 only by default, and Commission serves notice that other qualified applicants may compete for channel soon.

Full text of decision isn't available yet, so Commission's full analysis isn't available. Vote was 5-1, Lee dissenting, Craven not participating. Noteworthy is Chmn. Minow's majority vote in view of his close political relationship with Cox Stations' managing dir. J. Leonard Reinsch, TV-radio advisor to President Kennedy. Of course, as one FCC source put it: "If Minow voted otherwise on this one, he'd be done for."

**1961 AD BUDGETS STATIC—BUT TV KEEPS CLIMBING:** Despite almost-unchanged ad-expenditure totals, TV is nevertheless expected to show a healthy 7% gain in gross time billings for 1961 over 1960, according to Printers' Ink estimates released last week.

Total ad volume will hit "nearly \$12 billion" in 1961 as it did in 1960. PI's estimate for all of 1961 (based on first-quarter activity) forecasts \$11,945,000,000 for this year—which represents a step-up of only 1/10 of 1% over the 1960 final estimate of \$11,931,700,000. (For further details see p. 9.)

**JFK SETS SATELLITE POLICY:** Kennedy administration's space-communications program, centered on FCC's plans for private-company ownership & operation of satellite system (Vol. 17:30 p15), was placed officially on launching pad last week—and Congressional critics promptly took up kibitzing posts around it.

"It is for the Congress to decide whether to go along with the program as developed or whether to insist on particular changes," House Commerce Committee Chmn. Harris (D-Ark.) warned FCC Chmn. Minow and other administration spokesmen who testified at hearings on the program, which was formulated by Vice President Johnson's National Space Council.

Dangers of monopolization of space by AT&T, RCA—or other international communications carriers favored by FCC for satellite ventures—were cited by Committee members at 4-day sessions. Hearings coincided with July 24 release by President Kennedy of his space-policy statement & next-day release by FCC of its implementing plans, which had been adopted July 21.

Similar monopoly questions already had been raised by House Space Committee in earlier hearings—and more Congressional inquiries into issues were scheduled. Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.) called Minow for questioning Aug. 1. Senate Small Business Committee Chmn. Sparkman (D-Ala.) put Minow on top of his witness list for August 2-4 hearings and extended them into next week (Aug. 9-11). In House, Rep. Ryan (D-N.Y.) introduced measure (H. Con. Res. 360) calling on govt. to "retain & exercise ownership & responsibility" for satellite systems for at least 2 years.

NASA plans for communications-satellite launching tests moved ahead meanwhile. Govt. space agency signed agreement July 27 with AT&T by which 2—and perhaps 4—satellites built at company expense will be sent up next year. AT&T will reimburse NASA for launching & tracking cost—estimated at about \$6 million per shot—and AT&T will give NASA all scientific data gathered in experiments. "We feel we have effectively prevented any possibility of AT&T developing or increasing a monopolistic position during this period," said NASA's gen. counsel John A. Johnson. Satellite being built for NASA by RCA under contract also is scheduled for 1962 launching.

Possible hazards of Communist infiltration of any worldwide system were also mentioned by Rep. Hemphill (D-N.C.), in Harris Committee proceedings. If Russia & Red China are invited to co-operate with U.S.-sponsored system—as contemplated by administration—they could be counted on to "steal everything they can & take credit for it," Hemphill said.

"Private ownership & operation of the U.S. portion of the system is favored," President Kennedy said in the key section of the White House policy directive, which nevertheless laid out some strict govt. requirements which companies must meet. Among them: (1) "Make the system global in coverage." (2) "Provide opportunities for foreign participation." (3) Insure "non-discriminatory use." (4) Set up "competitive bidding in the acquisition of equipment." (5) Observe antitrust laws and "regulatory controls of the govt."

FCC stressed anti-monopoly space safeguards in its implementing statement, which called on AT&T, RCA and 8 other international common carriers to form ad hoc committee to devise plans for "joint venture" into space and report back to Commission not later than Oct. 13. FCC instructed group "to prevent any single participating carrier from being in a position to dominate or control the development, construction, management, operation or use" of system. FCC also warned against any "favoritism" in equipment procurement.

Safeguards also were emphasized in House testimony by Minow, who said Commission "regards the establishment of a communication-satellite system of the greatest urgency & national importance." In answer to questions by dubious Commerce Committee members, he argued that FCC's restrictions may be so tight that combine couldn't reap much profit—although he conceded it's "too early to tell" how much money companies may find in space. Harris Committee was given this tentative satellite timetable by FCC Comr. Craven: First experimental launching, 1963. First telephone-message relays, 1964. Regular TV programming in space, 10 or maybe 20 years later.

Industry Committee will meet for first time Aug. 3, with Comr. Craven presiding under rules limiting discussion to "agenda approved in advance by the Commission" and forbidding company representatives to engage in space negotiations among themselves outside FCC-sanctioned meetings. Invited to participate, in addition to AT&T & RCA: American Cable & Radio Corp., Hawaiian Telephone Co., Press Wireless Inc., Radio Corp. of Puerto Rico, South Puerto Rico Sugar Co., Tropical Radio Telegraph Co., United States-Liberia Radio Corp., Western Union Telegraph Co.

FCC turned down GE and General Telephone & Electronics as participants in combine—at least for now. Reaffirming initial position adopted in May—that only companies with overseas communications business should be involved at outset in satellite development—FCC said it would take another look at the case for GE and other non-qualified companies after ad hoc committee reports in October.

**CONGRESSMAN'S GOOF GIVES MINOW PR VICTORY:** One of most bumbling political backfires in recent memory last week gave FCC Chmn. Minow a public-relations break. GOP Rep. Michel (Ill.) got up on House floor July 27 and delivered a bitter attack on Minow, taking 2½ pages of Congressional Record with this charge: After examiner recommended a winner in Moline's 5-way contest for Ch. 8, favoring Community Telecasting, Minow voted to reverse—to give channel to Moline TV Corp., whose principals include Richard Stengel. Minow, Michel went on, had stumped for Stengel when latter was Democratic nominee for U.S. Senate in 1956. Ergo, Michel concluded, Minow voted for his political buddy.

Only thing wrong with Michel's argument, as Minow noted next day, was that he (Minow) didn't vote at all in the case—precisely because Stengel was involved with one of the applicants.

FCC keeps secret its votes in instructions to staff in such cases as foregoing, doesn't release votes until final decision. Michel made fatal assumption that Minow voted for Stengel group. Much of Michel's attack centered on assertion that Stengel group hadn't searched out Moline's broadcast needs and that Minow (& FCC majority) violated their own principles by favoring it.

All Commissioners were so worked up by Michel's gaffe that they decided to disclose vote in the case.

It turns out that not only had Minow not voted but 3 FCC Republicans & one Democrat (Ford, Hyde & Lee plus Bartley) had favored Stengel group. Democrat Cross voted for examiner's choice—Community Telecasting—and Craven had abstained because his former engineering firm worked for one contestant.

Minow was testifying on space communications before Harris Committee day after Michel attack, read his response to Committee. He said, in part: "I decided after attending oral argument not to vote in the case nor to participate in the deliberations about it because I knew one of the applicants and had worked in his behalf when he was a candidate for public office. For that reason I stayed out of the case. On behalf of the Commission & myself, I resent this type of careless accusation. We make every effort to decide each case fairly & squarely—that's the only way to conduct this important work before the Commission." Michel's answer to that was that Minow shouldn't even have listened to oral argument.

**FIRST-HALF INDEX TO NEWSLETTERS:** With this issue, to all Television Digest subscribers goes our index covering all 1961 issues through the end of June (Vol. 17:1-26). This index is cumulative and replaces the Jan.-March index, which may now be discarded.

The index enhances the permanent reference value of Television Digest—the only fully indexed publication in the TV field. Indexed under broad subject categories (and names of companies in the manufacturing field) are all the significant events covered & interpreted in the Digest.

## The FCC

### More about

**ALLOCATIONS DETAILS:** Though full texts of FCC's final proposed allocations actions aren't to be released until this week, the Commission last week issued a long public notice summarizing what it did. Herewith is an elaboration of the quick checklist on page 2:

(1) Deintermixture. "The Commission believes it is of prime importance to increase the number of communities where all TV stations are confined to the uhf band. Elimination of vhf-uhf intermixture would be most practicable in markets where there is only one vhf station operating in competition with one or more local uhf stations, and where considerable numbers of receivers in the hands of the public are capable of using uhf signals. It initiated deintermixture proceedings in 8 markets where it appears that the uhf service areas of local stations would be sufficiently free from competition from outside vhf stations to promise meaningful improvement in the possibilities for enhanced uhf services through the removal of the local vhf channel assignments. It contemplates additional deintermixture proceedings in further markets."

The Commission thus proposed deintermixture of the 7 markets we disclosed (Vol. 17:30 p4) as recommended by the staff as "more favorable," plus one from the "less favorable" group (Montgomery). The stations proposed to be shifted to uhf are WISC-TV (Ch. 3) Madison, WREX-TV (Ch. 13) Rockford, WTIC-TV (Ch. 3) Hartford, WICU-TV (Ch. 12) Erie, WNBF-TV (Ch. 12) Binghamton, WCIA (Ch. 3) Champaign, WIS-TV (Ch. 10) Columbia, and WSFA-TV (Ch. 2) Montgomery. With one exception, the Commission didn't say what it planned to do with the deleted vhf's. It intends to let industry make its recommendations. The exception is Hartford. It's understood that the FCC will say that Ch. 3 could be used commercially or for ETV in Providence, for ETV in Hartford or for ETV elsewhere in Connecticut.

(2) Short-spaced vhf drop-ins. Here are the important factors involved, according to the Commission: (A) That the markets selected be included in the 75 major TV markets, (B) that 2 vhf's are operating in the markets, (C) that there be "minimal dislocation to existing stations," (D)

that there be no "significant adverse effect" on uhfs, (E) that potential service gains outweigh losses, (F) that minimum spacings be 120 miles co-channel, 40-miles adjacent, (G) that assignments conform with international agreements.

FCC said it would issue engineering tables "in the interest of orderly procedure and simplification of the process of calculating required radiation suppression." It turned down pending petitions inconsistent with its decision.

As with the vhf drop-ins finalized last week, FCC said it would welcome proposals for "interim" operations of the short-spaced drop-ins (if they're also ultimately finalized) to provide service quickly while waiting for final decisions in the usual protracted comparative hearings.

(3) All-channel sets. "The Commission has requested Congress to enact legislation giving it authority to prescribe all-channel receivers to be shipped in interstate commerce. Resultant improvement in respect to receivers' incompatibility would encourage the building of more uhf stations and make possible further steps by the Commission to provide for substantially all-uhf assignments in certain areas of the country where population is dense and communities capable of supporting TV stations are located close together, thus permitting multi-channel all-uhf service in sparsely populated areas or where terrain makes vhf service more appropriate. Unless it be found later that all TV can be shifted to . . . uhf . . . such a regionally deintermixed system may permit the most efficient possible use of the 82 channels now allocated to TV."

The Commission is bitterly disappointed by Congress's failure even to schedule hearings on the proposed legislation. It's understood that White House spokesmen explained the long delay in sending the measure to Congress thus: "It was lost." Suspicion at the Commission is that Commerce Secy. Hodges persuaded the administration to bottle it up as long as possible.

(4) Based uhf technical standards—to eliminate lower sideband attenuation, modify DA restrictions, allow remote control, allow aural power as low as 10% of visual.

(5) Dual vhf-uhf operations. "One of the potentially significant means whereby uhf service may be introduced in communities which are now primarily or completely vhf would be the operation by vhf station licensees of an ancillary uhf outlet. It would (1) make provision for

waiver of the duopoly rule to permit such dual operation by the same licensee and (2) insure the continued reservation of adequate spectrum space for the future development of educational television. To meet these two needs, it would insure that wherever a commercial vhf channel is assigned and wherever there is an authorized vhf educational TV station or an unused vhf or uhf educational channel assignment, there will remain available sufficient uhf spectrum space to accommodate an equivalent number of uhf stations. If studies, which the Commission understands are being made, lead to proposed revisions of present provisions for educational television, any such proposal will receive attentive consideration by the Commission in reaching its decision herein.

"The Commission appended a table showing numbers of uhf channels to be earmarked in individual community 'pools,' subject to amended substitutions, until three years after the effective date of legislation concerning all-channel sets or until Dec. 31, 1965, whichever date shall first occur. This will give the Commission time to make further decisions in light of intervening experience including results obtained in its New York City uhf-TV project. The dual operation would work this way: An applicant who is within the class of persons for whom pooled channels are earmarked (*i.e.*, the holder of a local vhf authorization or an educator) may apply for any of the local pool earmarked unapplied-for channels, or for any other channel locally available. In the latter case, one of the earmarked channels will be dropped from the pool. An applicant other than a holder of a local vhf authorization or an educator would be permitted to apply for an earmarked channel or for a channel causing short separations to an earmarked channel provided that, when he so applied, he proposes an acceptable substitute channel for the earmarked pool. By this means, it would be possible to avoid reducing the number of pooled channels required for holders of vhf authorizations and educators and at the same time avoid preferential earmarking for persons eligible to participate in the pool as against other applicants prepared to go forward with the building and operation of the local station."

#### Uhf Allocations Table To Be Dropped

(6) Elimination of uhf TV table of assignments. "The Commission proposes to amend the rules to enable a qualified applicant to designate and apply for any uhf channel available for local assignment meeting prescribed separation rules. In this connection, the Commission invites comments on methods and restrictions it should take to safeguard against the taking up of uhf channels in a manner which would result in ultimately inefficient distribution of uhf assignments and earlier saturation than would occur under the present system of fixed assignments. One method which may have merit, and which the Commission is studying, would be to make groups of channels available alternatively to major markets or smaller outlying cities to help preserve equitable distribution and avoid undue concentration of all the more desirable uhf assignments in the larger cities to the deprivation of smaller communities. Such a system might retain the advantages of a fixed city-by-city table of allocations and at the same time provide the degree of flexibility needed to stimulate the development of uhf TV by making low channels more easily available to early starters. The first applicant for a locally available channel would tentatively pre-empt it as against subsequent applicants, and the pre-emption would be confirmed upon any subsequent grant of the application. The Commission would rigorously require such grantees to build

and start operating within the prescribed time, with extensions to be considered only for brief periods when good cause is amply shown. At such time as local availabilities approach saturation, the opportunity to so pre-empt a channel would be discontinued and the Commission would then recur to the traditional system of comparative hearings for mutually exclusive applications."

(7) Use of TV translators. "The Commission favors the use of uhf channels for translator use in supplement service from major uhf stations. After the pattern of major use of the uhf band emerges more clearly, the Commission will then be prepared to consider making additional uhf channels (now limited to the upper 14 channels) available to translators, consistent with preservation of needed uhf spectrum space for full-fledged TV stations."

Springfield Case Revived: "A fresh start" in FCC's tangled Springfield, Ill. deintermixture case (Vol. 17:8 p15) has been ordered by the Court of Appeals. In & out of court since 1957, when Ch. 2 was shifted from Springfield to St. Louis and then awarded to KTVI, the case was remanded to the Commission "with instructions to conduct an entirely new proceeding." FCC had urged limited reopening of the case, in which it scored *ex parte* conduct by KTVI Pres. Harry Tenenbaum, but did not "absolutely disqualify" owner Signal Hill Telecasting Corp. Ordering the new start instead, the Court of Appeals said: "In all the circumstances, we think it would not be appropriate for the Commission to determine in 1961 on the basis of a somewhat supplemented 1957 record where vhf Ch. 2 ought to be assigned." The Court added that it had no doubts that "conduct of the type Tenenbaum engaged in, occurring since the Commission's earlier decision on this point in this case, would be grounds for disqualification." But it gave FCC discretion to continue KTVI's operations.

Spartanburg Case (cont.): Marathon litigation over the site-move case of WSPA-TV (Ch. 7) Spartanburg, S.C., produced an unusual action last week. FCC agreed with the objections of protestant WAIM-TV (Ch. 40) Anderson, S.C. and ordered the hearing record reopened for further testimony—on the ground that chief examiner James Cunningham had improperly stopped cross-examination of WSPA-TV principals by WAIM-TV counsel. WAIM-TV was trying to prove its allegations that *ex parte* contacts had been attempted with an FCC Commissioner. Though Cunningham's initial decision recommended that WSPA-TV be denied a shift from Hogback to Paris Mountain because coverage would suffer, WAIM-TV is attempting to go further & get WSPA-TV disqualified as a licensee—on the *ex parte* charges. Comrs. Lee & Cross dissented in last week's action.

"Notice" Rules Amended: With Comrs. Hyde, Ford and Cross dissenting on one point or another, FCC has altered its rules (Sec. 1.359 & 1.362) requiring broadcast applicants to give local notices of filings or designations for hearings: (1) Renewal applicants must advise the public that letters can be written to the Commission "to call its attention to facts for consideration." (2) If there's no daily newspaper in an applicant's community, a weekly paper will do for publication of notices. (3) If there's no other operating station of its kind in the community, broadcast notices—without publication—will do. (4) If broadcast announcements are permitted, they must be made between 7 & 10 p.m. on TV, between 7 & 10 a.m. on AM & FM.

CP Granted: Ch. 32, Montgomery, Ala., to First Alabama Corp., Columbia, S.C.

**FIRST FORFEITURE ORDERED:** In the first such disciplinary action of its kind against a station under the Harris-Pastore Act, FCC has ordered Crowell-Collier's radio KDWB St. Paul to forfeit \$2,500 to the U.S. Treasury for "repeated failure" to operate under license conditions.

Cited by the Commission in proceedings which ended in collapse of Crowell-Collier's \$11-million deal to buy radio WMGM N.Y. (Vol. 17:29 p4), the St. Paul station had operated since August 1959 with power in excess of that authorized, FCC said.

FCC Chmn. Minow voted for the forfeiture but said it should have been the full amount—\$10,000—specified in FCC's March 22 notice of liability to Crowell-Collier.

In a covering opinion, FCC said: "We intend to use the forfeiture proceeding, as we believe it was intended to be used, to impel broadcast licensees to become familiar with the terms of their licenses & the applicable rules . . ."

In other get-tough disciplinary actions, FCC:

Ordered Edwin H. Estes to show cause why the license for his radio WPGA Pensacola shouldn't be revoked and a renewal hearing for his WMOZ Mobile shouldn't be held. FCC said WMOZ submitted "false & forged program logs" with its renewal application, misrepresented its finances, "compelled employes to violate the Commission rules under threat of dismissal."

Limited radio WILD Boston to a one-year renewal only to Aug. 1, 1962. FCC said the station hadn't been paying employe withholding taxes and that other questions about its financial condition hadn't been resolved.

Gave radio WAVA Arlington, Va. a one-year renewal. FCC called on it to "demonstrate continued improvement of its programming and commercial policies & practices."

Rejected a plea by radio WIRA Fort Pierce, Fla. for reconsideration of a limited renewal of its license and FM CP to May 1, 1962. FCC said the station's petition may have cleared up some citations against it, but that others remained unexplained. Comrs. Bartley & Lee voted to give WIRA a full 3-year license.

**JFK's Code Issued:** The White House has followed up President Kennedy's May message to Congress on ethics in govt. (Vol. 17:19 p15) by distributing copies of *Minimum Standards of Conduct* to FCC Chmn. Minow and heads of all other federal depts. & agencies. The code was prepared by the Civil Service Commission, approved by the President and handed out by his special asst. Frederick G. Dutton. Designed to prevent govt. employes from profiting personally from their job connections, the primer rules warn them against conflicts of interest—whether real or apparent.

**N.Y. Uhf Progress Report:** FCC has recapitulated the contracts signed for its N.Y. uhf projects, issuing a public notice (No. 8145) describing each. In addition, it reported that it's seeking "cooperation of all facets of the TV industry," has received consent of all N.Y. stations to repeat their programs, has been given gratis licenses by ASCAP, BMI and SESAC, requests "assistance of the various labor unions & guilds concerned." "The FCC has no funds," it explained, "to pay any of these groups for their contributions to the project."

**Network Hearing Resumption:** FCC has set Sept. 26 for the next phase of its network hearing, resuming with a to-be-announced list of national advertisers as witnesses in the N.Y. sessions.

**CLOSE SHAVE ON KMBC-TV SALE:** MetroMedia's \$9,650,000 purchase of KMBC-TV (Ch. 9) & KMBC Kansas City from Cook Bestg. Co. squeaked by on a 4-3 vote last week. Dissenters Minow, Bartley & Cross would have had the principals justify the sale in a hearing.

The close vote serves as definite warning to multiple owners of difficulties in hiking their holdings which may lie ahead in next few years, as FCC membership changes.

Though the dissenters didn't specify why they wanted a hearing, it's understood they were concerned about "concentration"—whether MetroMedia would own too many major outlets in major markets. Last month (Vol. 17:23 p3), FCC wrote parties about its concern—and last week, the Commission majority showed it was satisfied with response. The Commission letter had noted that the Kansas City buy would give MetroMedia 3 vhfs in the top 25 markets & 4 AMs in the 25—implying this might be too many.

Associated with the Kansas City deal was FCC's approval of MetroMedia's: (1) Purchase of radio KFRM Concordia, Kan. for \$400,000 and resale to KFRM Inc. for \$201,000. (2) Sale of tangible property of KMOS-TV (Ch. 6) Sedalia, Mo. to KRCG (Ch. 13) Jefferson City for \$200,000. Cook is assigning the license of KMOS-TV to KRCG without monetary consideration.

**FCC Budget Restored:** The Senate Appropriations Committee has voted to give FCC its full budget estimate of \$12.5 million for the fiscal year started July 1. Reflecting a favorable reception given FCC Chmn. Minow at a June hearing (Vol. 17:25 p2), the Committee recommended that a House-voted cut of about \$125,000 in the Commission's appropriation (Vol. 17:24 p13) be restored. It said a reduced budget would "create problems" for FCC in such areas of stepped-up operations as space communications (see p. 3) and field hearings on license renewals. The amended House appropriations bill (HR-7445) covering FCC and a host of other agencies was called up for a Senate vote July 29 at an unusual Saturday session.

**FCC Pay Raises Proposed:** Salaries of FCC members would be increased \$2,000 under a bill (S-2307) by Senate Commerce Committee Chmn. Magnuson (D-Wash.). It provides \$22,500 for the Chairman, \$22,000 for the other 6 Commissioners. Members of FTC, FPC, CAB and ICC would get similar raises. Magnuson's proposal was referred to the Post Office & Civil Service Committee headed by Sen. Johnston (D-S.C.).

**Manufacturers' "Law Practice":** TV equipment-maker Electron Corp., Dallas, seeking to abide "by the letter of the law," last February asked FCC if it was violating Commission rules by helping customers fill out applications. Last week, the Commission answered by saying that Electron Corp. "may not furnish legal services to an applicant" and "may perform the ministerial function of furnishing an applicant the technical information required to complete an application." The Commission concluded: "The applicant continues to bear the ultimate responsibility for the correctness & accuracy of the information contained in the application."

**Uhf Translator Grant:** Cowles Magazine & Bestg. Inc. has been given a CP by FCC for a uhf translator on Ch. 70, Fort Dodge, Ia., to carry programs of its KRNT-TV (Ch. 8) Des Moines.

**Salisbury Sale Okayed:** FCC has approved the \$1,211,246 sale of WBOC-TV (Ch. 16) & WBOC Salisbury, Md. to WMAR-TV Baltimore.

## Congress

**DODD WANTS FCC CENSORS:** Chmn. Dodd (D-Conn.) of the Senate Judiciary Juvenile Delinquency Subcommittee, who said in June that he'd give TV networks 6 months to clean up violence & sex in their programming (Vol. 17:27 p7), decided last week that he was tired of waiting.

"The time has come to stop this nonsense," Dodd said as he started another round of hearings on TV's effects on children (Vol. 17:30 p14). He called on Congress to broaden the Communications Act so that FCC can regulate the networks & assume the role of program censor.

In what amounted to a rerun of Subcommittee testimony in June—when TV film producers & admen charged that the networks forced them to spice shows with plenty of girls & action (Vol. 17:25 p7)—Dodd put a string of Hollywood & N.Y. witnesses on the stand to buttress his complaint. Their theme was set by Ziv-UA producer Maurice Unger, who said network chiefs exercise "virtually complete control of the airwaves."

Dodd proposed authorizing the Commission "to assume a regulative & co-ordinative function over the networks in order to eliminate broadcasting of violence for its own sake, in order to enable TV to develop to its true capacity, and in order to assure that networks & independent stations operate in the best interests of the American people."

His new blast at TV also brought in another indictment of TV shows, which have been charged at Subcommittee hearings with everything from dullness to lewdness. The networks, Dodd said, are not only guilty of exploiting sex; they are promoting "eccentric sex."

### Clergyman Scores TV's Influence

Dodd got some support for his latest charge from Msgr. Joseph E. Schieder, who heads the Youth Dept. of the National Catholic Welfare Conference. He cited a case on which he had worked, involving a 16-year-old boy who mutilated his body with acts of sexual masochism.

The clergyman testified that the boy watched a TV show in which a character took pleasure in performing sadistic acts on a man he was guarding. The boy then started "experimenting" on himself, Msgr. Schieder said, maintaining that TV was directly responsible for the self-mutilation.

The Catholic social worker also recounted a case in which he said a youth ended up by raping & murdering a girl after watching demonstrations of masculine strength on TV. The youth's own girl had rejected him as a weakling, Msgr. Schieder said, agreeing with Dodd that prompt action is needed to halt TV's "fantastic variety of bloody or brutal offerings."

More restrained testimony came from HEW Secy. Abraham Ribicoff, who said TV can't be blamed for all social evils. Moreover, he assured Dodd, TV deserves recognition for presenting good programs which show imagination and concern for culture & public understanding of world affairs.

"Let's be perfectly frank about it," Ribicoff said. "We cannot say with certainty that a bad program causes a child to do bad things. Or that a good program guides him towards better things." The Cabinet officer urged that parents take a stronger hand in controlling their children's viewing habits.

"Parents must learn to get tough with themselves & their children, as well as with the TV industry," Ribicoff went on. He said that more detailed research will be required before TV critics can establish relationships between

episodes "which darken our TV screen" and anti-social behavior by children.

A cautionary statement for the Senate Subcommittee's record also came from the American Civil Liberties Union. Citing opinions by N.Y. criminologist Donald E. J. MacNamara and N.Y.U. law teacher Paul W. Tappan, the ACLU said no TV shows—or books, or movies—should be censored "unless a direct causal relationship" to illegal acts can be proven.

But these go-slow statements were topped in newspaper-headline coverage of the hearings by livelier evidence—such as the anti-network testimony by Ziv-UA's Unger and letters & memos put into the record by Dodd.

Unger maintained that heads of the 3 TV networks are far more powerful than the 7 FCC members under present law, that they maintain a virtual programming monopoly which should be cracked by Congress. He said the networks use their power to strangle creativity in shows and keep the sex-&violence content high. Sometimes, he told Dodd, TV producers get formal letters from network officials calling for a hold-down, then receive follow-up telephone calls asking for more action. He recalled that one such call urged not only more sex but "blacker villains so we can kill everybody off at the end."

One piece of 1959 Ziv-NBC correspondence produced by Dodd summed up what Dodd said was a conversational understanding about the content of *Man & the Challenge*. "The 2 major story facets to be stressed in the new concept of *Challenge* are sex & violence," said the Ziv letter.

Dodd also exhibited a Ziv memo on *Challenge* which quoted unnamed NBC officials: "We would undress [the hero] as much as possible in every episode . . . His rippling muscles should be displayed at every opportunity for women viewers. As for the men, it's that old standby—girls."

The ultimate *Challenge* product was defended by vp Joseph R. Daly of Doyle Dane Bernbach, N.Y. agency which handled the show. "We never had anything but a clean show," he said, explaining that the producers disregarded some instructions in the memos.

ABC-TV's *The Untouchables* also was featured in documents unearthed by the Subcommittee's staff. In one, exec. producer Quinn Martin complained in January 1960 about repetitious scenes in which men were run down by automobiles. "I like the idea of sadism, but I hope we can come up with another approach to it," Martin said. Another Martin memo commented on the gunning-down of a group of prostitutes: "This scene is the roughest I have ever seen. I don't know if we can get away with it, but let's leave it in. Have a feeling you may have to kill the girls off camera."

ABC-TV's continuity dept. was represented in another memo as being "revolted" by the number of killings in *The Untouchables*.

Science Aide Sought: The Senate has approved a bill (S-1456) by Commerce Committee Chmn. Magnuson (D-Wash.) authorizing appointment of a new Asst. Secy. of Commerce for Science & Technology. Requested by Commerce Secy. Luther H. Hodges, the measure would put such science-related offices as the Bureau of Standards, Patent Office and Weather Bureau under over-all supervision of the new official. He also would help co-ordinate govt. & private research in development of new products.

"Conflict" Bill Advances: The House Judiciary Committee headed by Rep. Celler (D-N.Y.) unanimously approved a bipartisan bill (HR-8140) updating laws governing private activities of govt. officials & former federal employes (Vol. 17:29 p13).

# Advertising

## More about

**TV's 1961 CLIMB:** The estimate of total 1961 ad volume (see p. 3) released last week by *Printers' Ink* indicates that TV's 7% gain over 1960 is to be accompanied by only one other media gain—the magazines, with 1%. All other media listed are down—news-papers, radio, outdoor, and business papers. Television's outstanding gain is attributed by *PI* largely to stepped-up national daytime business.

At the end of May 1961, national ad dollars were 1% under the same 5-month period of 1960, the study further informs, but adds that increased activity will reverse this into a 2% national-advertiser gain by the end of the year. What will water the 2% gain down to 0.1% is the reduced spending expected from local advertisers.

Getting away from estimates, the ad trade paper is able to point out that the final total for 1960, now available, runs 6% above 1959 and establishes a record high.

Here's the table:

Medium	Expected 1961	1960	'61 vs. '60 % change
	ad volume (\$ millions)	final estimate (\$ millions)	
Newspapers (national) .....	\$ 810.0	\$ 836.1	-3%
Magazines .....	950.0	940.8	+1
Television (network & spot) .....	1,420.0	1,325.0	+7
Radio (network & spot) .....	245.0	253.0	-3
Business papers .....	585.0	609.3	-4
Outdoor (national) .....	125.0	137.2	-9
Other investments by national advertisers .....	3,285.0	3,194.5	+3
Estimated total investments by national advertisers .....	7,420.0	7,295.9	+2
Estimated total investments by local advertisers .....	4,525.0	4,635.8	-2
<b>Grand Total .....</b>	<b>\$11,945.0</b>	<b>\$11,931.7</b>	<b>+0.1</b>

**Top 20 Air Agencies:** The advertising agencies doing the greatest amounts of billing in TV & radio are presented in the July 24 *Sponsor* as follows:

Rank	Agency	Air Billings (in millions)
1	J. Walter Thompson Co. ....	\$151.4
2	Young & Rubicam .....	112.7
3T	Ted Bates & Co. ....	105.0
3T	McCann-Erickson .....	105.0
5	Batten, Barton, Durstine & Osborn .....	92.5
6	Benton & Bowles .....	88.0
7	Leo Burnett Co. ....	65.6
8	Dancer-Fitzgerald-Sample .....	62.0
9	William Esty Co. ....	60.0
10	N. W. Ayer & Son .....	57.0
11	Compton Advertising .....	50.0
12	Kenyon & Eckhardt .....	47.6
13	Lennen & Newell .....	45.1
14	Foote, Cone & Belding .....	44.1
15	Campbell-Ewald Co. ....	36.0
16	Cunningham & Walsh .....	34.5
17	Sullivan, Stauffer, Colwell & Bayles .....	32.0
18	Erwin Wasey, Ruthrauff & Ryan .....	29.1
19T	Grey Advertising Agency .....	26.2
19T	Needham, Louis & Brorby .....	26.2

**Ad People:** William B. Templeton, ex-Cunningham & Walsh TV-radio vp, appointed TV programming consultant, Ted Bates . . . Dick Feldman, former TV dir. (*Bell Telephone Hour*, *Perry Como Show*, others), and commercial TV dir., Campbell-Ewald, named TV producer, Doyle Dane Bernbach.

Alice Moseley named a McCann-Erickson vp . . . William P. Gordon appointed vp, Dancer-Fitzgerald-Sample . . . Frederic Lyman Horton, ex-NBC-TV network sales exec., named vp, Norman, Craig & Kummel.

**AD AGENCIES VIEW FM STEREO:** Madison Avenue has mixed emotions about FM stereo as an ad medium. This was evident from the assorted reactions to an NAB survey of advertisers & agencies, as reported by NAB radio vp John F. Meagher in his July 19 address to the EIA FM stereo symposium at the Music Show in Chicago (Vol. 17:30 p18). Selected quotes from ad agency responses, as reported by Meagher:

An executive of a leading ad agency: "Stereo is not going to have much effect on advertising. Stereo gives FM an added plus, but I don't think the public understands stereo thoroughly enough to appreciate it. The cost of converting monaural equipment to stereo will hold up listener enthusiasm for a while."

An official of another agency: "Stereo will stimulate buyer interest in FM, but I don't think the coming of stereo will change the FM audience character. The listener will still be in a select high-income group. Therefore, FM's virtues for an advertiser will remain the same as before."

Still another agencyman: "Stereo won't make that much difference. The FM listener is the same FM listener with or without stereo."

Another concurs, with this statement: "How stations program is far more important than whether they broadcast in stereo or not. FM is there now for any advertiser who is interested. Stereo will not make enough difference."

A timebuyer for a big N.Y. agency: "Stereo will spark much more FM interest. Stereo is the excitement the medium has been looking for. The FCC's indecision on stereo systems has probably held people back from buying sets. When stereo receivers reach the market, these people will be there to buy them. The stereo-record industry has had such a boom that I am sure the same people who buy the records will want FM stereo receivers. If the switch to stereo catches on with listeners, then advertisers will take more interest. We have already found FM to be an excellent medium."

Another N.Y. agencyman: "Color TV has been held back by its cost and lack of technical perfection. Black-&-white is there and the viewer is satisfied with it. FM stereo may have the same problem. The cost factor is important here. It may be 5 years before the real effect of stereo will be felt in FM."

### U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WBBM-TV Chicago .....	\$4750 to \$5000	\$1000 to \$1200 <sup>1</sup>	Jun. 3
WNAC-TV Boston .....	3000 (no change)	650 to 700 <sup>1</sup>	Jul. 1
WBZ-TV Boston .....	2600 to 2800	650 to 675 <sup>1</sup>	Jun. 1
WEWS Cleveland .....	1900 to 2000	625 to 725	Apr. 16
WTAE Pittsburgh .....	1800 (no change)	500 to 525 <sup>1</sup>	Jun. 1
WMAR-TV Baltimore .....	1650 to 1700	425 to 450	Jun. 1
KTVI St. Louis .....	1400 to 1650	325 to 350	Jul. 1
WFBM-TV Indianapolis .....	1300 to 1400	350 to 400	Jun. 1
WBTV Charlotte, N.C. ....	1250 to 1350	325 to 330	Jun. 1
WSAZ-TV Huntington .....	1000 to 1300	220 to 240	Jun. 1
WTVN-TV Columbus, O. ....	1000 to 1050	260 to 300	Jun. 1
WLAC-TV Nashville .....	950 (no change)	200 to 225	Jun. 1
KLZ-TV Denver .....	900 (no change)	270 to 300	Jun. 1
KARD-TV Wichita .....	800 (no change)	130 to 195	Jun. 24
KUTV Salt Lake City .....	750 (no change)	125 to 168	May 1
KONO-TV San Antonio .....	700 (no change)	200 to 210	Jun. 1
WSTV-TV Steubenville, O. ..	600 (no change)	140 to 180	Jun. 10
WCSC-TV Charleston, S.C. ..	400 to 500	100 to 110	Jun. 1
WKBM-TV San Juan, P.R. ..	265 to 325	65 to 90	May 15
WNOK-TV Columbia, S.C. ....	200 (no change)	25 to 60	Jun. 1

<sup>1</sup>20 Sec. only.

### Obituary

Hyland L. Hodgson, 69, former vp of Ellington & Co. and partner in J. M. Mathes until 1945, died July 24 after a long illness. In the early 1930s, he had been head of N. W. Ayer's radio-advertising section. Surviving are his wife, a daughter and 6 grandchildren.

**BRICKBATS (& BOUQUETS) FROM PINKHAM:** Any poll of TV admen would put Ted Bates high on the list of agencies least likely to take a critical swipe at network TV in its present form. Its clients are participation sponsors in a long string of action-adventure shows (*The Untouchables*, *77 Sunset Strip*, *SurfSide 6*, *Roaring 20s*, *Checkmate*, et al.), rarely buy "prestige" shows, and the agency has achieved considerable fame for its hard-sell commercial approach. But it was a Bates TV executive—senior TV-radio vp Richard Pinkham—who launched a blast at TV last week before a N.Y. meeting of the Magazine Promotion Group.

Most of what Pinkham had to say had already been said this year by other critics of the medium, from FCC Chmn. Minow to syndicated columnists. The story, however, was not so much in what was said but who said it. TV, Pinkham told the print-media promotion executives, was "a sick medium," and its present programming was due to "decision-making executives who tend to play it safe because the stakes are so high."

Hollywood (chief source of most shows bought by Bates) came in for some knocks. The TV medium, said Pinkham, was in "Hollywood's velvet embrace," and the result was "imitativeness." What was needed was more "imagination & courage" on the part of program producers, he added. Pinkham cited the recent small-but-steady decline in nighttime viewing in the average TV home (Vol. 17:28 p2) as evidence of "public disenchantment in the quality of TV programming."

But although Pinkham's words were likely to bring a happy gleam to the eyes of magazine executives, he warned his audience that TV "must remain the top medium . . . because it's free, it amuses and it sells merchandise." The impact of TV (and its ability to compete with magazines for ad revenue) was likely to increase, said Pinkham, because of technical advances in the medium. "If you think you have competition now, this competition is going to get worse & worse," said the Bates vp.

**Magazine Flurry:** Magazines are not limiting their attacks to TV; they pick on each other as well. The announcement by *McCall's* that in addition to its 7-million circulation guarantee this fall it would deliver an additional 1-million bonus at no charge was met last week by an indignant *Ladies' Home Journal* which refused to play "the numbers game," but instead announced a 10% slash in its ad rates in December. Both magazines currently guarantee 6.5 million; both will advance to the 7-million guarantee in the fall. *McCall's* has promised no rate increase until the summer of 1962.

**MacIntyre Hearing Continued:** The Senate Commerce Committee meets again Aug. 1 on President Kennedy's FTC nomination of A. Everette MacIntyre, who was given a preliminary hearing July 26 on his qualifications for the advertising-policing job (Vol. 17:30 p14). Appearing in MacIntyre's behalf at the initial hearing was his House boss—Chmn. Patman (D-Tex.) of the Small Business Committee, for which the nominee has been gen. counsel.

**Dialogue on "Who Do You Trust?":** Johnny Carson (to aspiring guest vocalist who has just sung): *Do you sing much?* Guest: *Only to kill time.* Carson: *You've got a fine weapon.*

**WOR-TV to Expand Schedule:** In the 7-channel N.Y. market, WOR-TV will add more than 12 program hours a week, effective Sept. 18, said vp & gen. mgr. R. J. Leder.

## Programming

**CBS-NFL TV Contract (cont.):** CBS-TV will appeal the ruling by a federal court that the network's 2-year package contract with the National Football League is an anti-trust violation (Vol. 17:30 p3). If CBS loses the appeal, its loss may be NBC's gain, for the latter has begun conditional negotiations with 2 individual NFL clubs—the Baltimore Colts and the Pittsburgh Steelers—whose games NBC carried during the 1960-61 season. (The court ruling permits individual teams to make TV deals, but so far denies NFL the right to make a package deal in which TV income is split equally among all the league's teams.) NBC's proposed deal would feed the Baltimore & Pittsburgh games to the network, but would have blackouts in NFL cities except for the "away" games of the 2 teams in their home towns.

In an unsuccessful fight from behind its own legal goal line, NFL took the first steps toward appealing the verdict of Federal Judge Allan K. Grim. It filed 2 petitions for reversal which (1) asked for a modification of a 1953 decree to permit a single network to televise the non-home games of a single team, and (2) requested a go-ahead on the current CBS-NFL contract until Dec. 31 because the present ruling would cause "competitive disadvantages." Judge Grim denied both of them.

The long shadow of further govt. crackdowns on other TV contracts was also cast in Philadelphia. Asked in U.S. District Court if he thought other TV sports contracts (World Series, American Football League, pro basketball, etc.) were legal, U.S. atty. Samuel Gordon replied that there was "grave doubt" that they were. He added that "some" of these contracts were being probed by the Dept. of Justice. Gordon, who presented the U.S. case against the NFL contract, termed the league's appeal as an attempt "to snatch victory out of the jaws of defeat."

In N.Y. meanwhile, ABC-TV—which holds a contract with the new American Football League—was singularly unruffled. Although ABC declined (on advice of counsel) to make any official prediction about its pro football deal, an ABC source pointed out a legal factor that is strongly in ABC's favor. The AFL came into existence to challenge NFL's monopoly in pro football, and thus has a sort of friendly blessing from the Dept. of Justice which has been snapping at NFL's heels for several years. AFL, at the same time, is so new & untried that its sports contract with ABC will provide crucial revenues this year. Squelching the ABC-AFL contract, our ABC source said, would "put NFL right back as the only pro football major league—which is exactly what the govt. doesn't want." ABC admitted the possibility, however, that its AFL contract might be modified to conform to govt. rulings.

**Producers Won't Crawl on Credits:** Branding a plan to separate the usual producer's TV screen credit from those of director & writer as "discriminatory & preposterous," the TV Producers Guild in Hollywood last week pledged a "fight to the very end." The separation of credit "implies a reduction of rank . . . degrades the producer . . . and threatens to disturb an historic relationship between the 3," charged TPG in a July 18 resolution demanding that producer credit directly precede writer & director credits. This indignation was officially expressed to the 3 networks, DGA, WGA, SAG, the Assn. of Motion Picture Producers and the Alliance of TV Film Producers. Should the resolution be violated, TPG has threatened to "convene a special meeting to consider appropriate action, however drastic."

**New GAC-TV Chief Eyes TV:** There'll be fewer 60-min. network shows during the 1962-63 season, in the opinion of one authority. And there'll be a revival of the 15-min. nighttime show as well as a sprinkling of 2-hour programs. The 7:30-8:30 p.m. period, now generally occupied on all 3 networks with comedies and/or action-adventure series, will be a "new area of program development, and not necessarily by film companies."

These predictions were voiced to us last week by Don W. Sharpe, newly-named senior exec. vp of General Artists Corp. and new pres. of GAC-TV. Asked whether GAC would follow the TV formulas of its bigger talent-agency rivals, Music Corp. of America or William Morris, Sharpe said: "We're going to combine some of the elements of both. Like MCA, we will become financially involved in production & development partnerships with independent TV producers. But unlike MCA we won't be in actual production of our own shows at our own studio. In that respect, we'll be more like William Morris which stays out of production and sticks to representation."

Sharpe wouldn't disclose the name of any production firm besides Desilu which GAC-TV will represent with network packages groomed for the 1962-63 season (Vol. 17:30 p9). "We won't try for the mid-season replacement market," said Sharpe. "We'd rather take our time and concentrate on the live & film market next year." He added that GAC-TV was not eyeing the syndication market "at this time."

Sharpe also said that he'd like to see "a greater variety" of shows on network TV, but that he operated on the premise that TV is an entertainment medium, not an art form. "The key reason TV is turned on in the average household," said Sharpe, "is that the guy in the house doesn't want to be reminded of how bad things are. He wants to romanticize. He wants to escape. He doesn't want to be hit over the head with what he can read in his newspaper."

**Too Much Film, Says AFTRA:** Repeats of filmed shows, old feature movies, the lack of showcases for new young talent—all these have "radically" affected employment opportunities for members of AFTRA, the live-talent union's exec. secy., Donald F. Conaway, told delegates to the 24th annual AFTRA convention in Detroit last week. Conaway also pointed out that "this fall, average amount of film programming [on the 3 networks] will have risen to 85%." Despite the film trend, there's been a growth of AFTRA membership until it now numbers "about 16,000," Conaway said. What he described as "the biggest proportion" of AFTRA's members earn their living making taped or transcribed commercials for TV & radio. Other AFTRA convention news: Art Gilmore, Hollywood announcer who has been West Coast chapter pres. of AFTRA, was elected national pres., with Bernard Lenrow, N.Y. chapter pres., elected first vp. Announcer Ken Carpenter was given the George Heller Memorial Foundation award (gold-card life membership) for "outstanding service" to AFTRA.

"TV and the Teaching of English" (Appleton-Century-Crofts, 138 pp., \$1) is by NYU associate prof. of English education Neil Postman and the Committee on the Study of TV of the National Council of Teachers of English. Part One of the book describes the nature, scope and impact of TV & programming. Part 2 "suggests to teachers specific methods, materials, and activities for teaching about TV" and reviewing & analyzing programs.

**Stations in Editorial Battle:** WTVJ (Ch. 4) and WCKT (Ch. 7), both Miami, have been putting on a war of words over the issue of city government. Last week WTVJ claimed a victory in its campaign for Miami City Manager Melvin A. Reese when that municipal official was reinstated. WCKT had opposed Reese with a public-affairs documentary entitled "Condemned" which had criticized the city's delay in slum clearance and had led to the tem- July 30, 12:30 p.m.) on the CBS-owned station.

**Another Station Becomes Press Critic:** KMOX-TV St. Louis is the newest station to set up a critique of the press ("newspapers & magazines in this area"). Said vp & gen. mgr. Gene Wilkey: "*KMOX-TV Views the Press* will examine just how well the press bears its responsibility, and each program will be an appraisal & analytical review of the printed page." The show premiered last weekend (Sun. July 30, 12:30 p.m.) on the CBS-owned station.

**Williamsburg Documentary:** WBNS-TV Columbus, O. featured the world premiere of "Music of Williamsburg" last week (July 27, 10:30 p.m.). The 30-min. film documentary, concerned with colonial Williamsburg and pre-Revolutionary America, is available free to TV stations from Hugh DeSamper, Colonial Williamsburg Press Bureau, Williamsburg, Va.

**Community-Service Show:** *Focal Point* is the name WJZ-TV has given to its "continuing conference on community progress," a series of 26 programs to run every other week for a year. The show is conducted in co-operation with the Greater Baltimore Committee and Johns Hopkins University. Mayor J. Harold Grady and Sen. Harrison Williams will participate in the kick-off Oct. 2.

**Public-Service Booklet:** WJXT Jacksonville, Fla. (Post-Newsweek station) has described its news, public-affairs, cultural and documentary programs in a 20-page booklet called *Awareness*. This 2nd annual report is an account of the 1,225 hours (equivalent to 68 broadcasting days) of public-service programming (local & CBS) carried in 1960.

**WDSU-TV Covers City Council:** The New Orleans station's cameras moved twice into the chambers of the City Council for live coverage of the deliberations of the city officials to find a replacement for Mayor deLesseps S. Morrison who had resigned to become Ambassador to the Organization of American States.

**WJXT Local Teenage Idea:** The Jacksonville station put on "A Chance to be Heard" last Thursday at 10:30 p.m. The show, part of WJXT's documentary *Project 4* series featured a local psychologist, Dr. Edward Flemming, leading a discussion among 6 teenagers. They discussed sex attitudes, school cheating, drinking, parental discipline.

**Flexible ETV at CBS:** Unlike NBC-TV's early-a.m. *Continental Classroom*, which is carried by stations on a strict live-network basis, CBS-TV's *The College of the Air* (produced in conjunction with Learning Resources Institute) will operate this fall on a flexible schedule. CBS will feed the 30-min. daily ETV show at 1-1:30 p.m. starting Sept. 25, but stations will be able to tape it, play it when they find a convenient regular slot, and even pick their own starting date with as much as a full month's leeway. As a result, CBS estimated last week, *The College of the Air* will be "on the air somewhere in the U.S. virtually throughout the daylight hours and into the evening." First course in the series will be "The New Biology," taught by Dr. Ray Koppelman of U. of Chicago.

## Film & Tape

**Our Man in Havana Dept.:** When Al Lanken, Southern regional sales rep for Official Films, boarded an Eastern Air Lines Electra in Miami July 24, he was headed—as far as he knew—for a sales call in New Orleans. Under his arm was the audition print of the Official Films-distributed reruns of *Peter Gunn*—an episode titled “The Long, Long Ride.” What Lanken got, though, was the wrong, wrong ride, for presently his plane—hijacked by a Cuban gunman—had landed in Havana and, on the other side of the field, Soviet astronaut Yuri Gagarin was making a triumphant arrival. Lanken got back to Miami with the plane’s other passengers after a couple of days of sitting around the Havana airport hotel and proceeded to New Orleans, still clutching his *Peter Gunn* print. (NBC News correspondent Herb Kaplow, in Cuba last week to cover Gagarin’s visit, got an exclusive interview with Castro following the plane hijacking. Reported Kaplow: “Castro [at a reception for the Russian spaceman] said he did not know the man who hijacked the plane.”)

**Office of Civil & Defense Mobilization’s *Retrospect*** (13-episode, 15-min. documentary series based on famous newsreel footage and narrated by Douglas Edwards) has been requested by some 200 stations since its release 2 months ago. Prints are issued free, providing the interested station carries the complete series.

Canadian Bestg. Corp.’s 12-station French-language TV network has bought 15 MGM pre-1948 feature films. Other MGM pre-1948 Canadian sales include: CKCO-TV Kitchener, Ont. (the complete feature library—over 700—plus MGM’s complete short subject library), CFTO-TV Toronto (125 feature films and short subject library), and CFCY-TV Charlottetown, P. E. I. (48 features).

## HOLLYWOOD ROUNDUP

**“Blacklist” Writ Refused:** U. S. District Court Judge Edward A. Tamm in Washington has refused to order the motion-picture industry to lift its ban against employment of writers & actors suspected of being Communists. He turned down a plea for a temporary injunction by a dozen plaintiffs in a \$7.7-million damage suit against alleged “blacklisting” by the industry (Vol. 17:12 p9). The writ had been sought as a preliminary move by the plaintiffs in their antitrust action. The validity of the ban will be tested later in actual trial of the suit.

**Videotape Productions** has joined with tape producers International Video Tape (Beverly Hills) and WFAA-TV Dallas to form the first video-tape recording “network.” To cut costs of transporting production people to a client’s home city, the network “affiliates” will make their facilities available to each other as needed.

**Westrex’s New California Address:** 335 N. Maple Drive, Beverly Hills. After 25 years at 6601 Romaine St. in Hollywood, the Westrex Recording Division of Litton Systems has moved to a larger, 30,000-sq.-ft. building adjoining the hq of parent Litton Industries.

**Screen Gems** has completed a pilot for *The Seekers*, a Clarence Greene-Russell Rouse-produced adventure series dealing with research scientists. Casting is now under way and production is slated for fall.

## NEW YORK ROUNDUP

**Filmaster**, one of the few film companies with a first-run show in syndication, has signed 2 regional sponsors in multi-market deals for *Beachcomber*, a 30-min. action-adventure series now in production at Winter Park, Fla. The deals: American Stores (a supermarket chain) has bought the series for 4 large Eastern markets, including Philadelphia and Baltimore. Stretmann Biscuit has signed for 6 Southern cities, including Nashville and Birmingham. TV Stations Inc., the film-buying advisory organization owned by a large group of stock-holding stations, has been instrumental in launching *Beachcomber* by recommending it to TSI stations in exchange for some market exclusivities and production supervision.

**CBS Films** cartoon characters Mighty Mouse, Deputy Dawg, Muskie the Muskrat and Vincent Van Gopher have been chosen by the U.S. committee for UNICEF to promote its 1961 fund-raising campaign. A 15-min. recording explaining the drive will be distributed to radio stations next fall. The continued commercial appeal of Deputy Dawg was also noted by CBS Films. Recent orders for a 2nd run on the 26-episode, 30-min. series total 58, including sales to H. W. Lay Co. in 46 Southeastern markets, to MetroMedia’s 5 stations, and to 7 other stations.

**MGM Telestudios**, formerly the NTA-owned tape-production concern, expects soon to make a bid for TV commercials now shot on location by film producers. The MGM subsidiary has acquired a location area at New Hope, Pa. and has equipped a small truck as a field unit containing an Ampex recorder, sound facilities and a single camera. The unit does not have the control-room facilities associated with multi-camera remote units, but MGM Telestudios claims it has the advantage of extreme mobility. A package rate of \$4,900 has been established by MGM at New Hope, covering a 10-hour shooting day.

**Video-Tape Standards Group:** The American Standards Assn. has accepted a request by SMPTE for the establishment of an ASA committee on video-tape recording. To be known as the ASA Sectional Committee on Magnetic Visual-Aural Recording Systems, the committee will be composed of manufacturers, consumers & representatives of other groups. It will consider all proposed American standards for magnetic tape recording.

**Add Syndication Sales:** Ziv-UA’s *King of Diamonds* has added 7 sponsors & 10 stations, reaching its season high of 171 markets. New stations signing for the series: KGO-TV San Francisco, WJAR-TV Providence, WMCT-TV Memphis, WINK-TV Ft. Myers, Fla., KHSL-TV Chico-Redding, Cal., KOLN-TV Lincoln, Neb., WEHT Evansville, Ind., WTVH Peoria, Ill. and WSFA-TV Montgomery, Ala.

**Niles Broadens Name:** Fred A Niles Productions Inc., Chicago & Hollywood film & “business theater” producer, has changed its name to Fred Niles Communications Centers. A company announcement said the new name reflects expansion & diversification of the firm’s business since its start as a movie-maker.

**Seven Arts** scored its 100th station sale of the Vol. I Warner Bros. post-1950 features last week with the signing of WSAZ-TV Huntington, W. Va. Sales for 7 Arts’ Vol. II package are now up to 34 markets, with WHP-TV Harrisburg, Pa. and WJAC-TV Johnstown, Pa. the latest buyers.

## Networks

**CTV Signs Pact for Microwave Service:** Canada's new private TV network (Vol. 17:17 p11) last week signed an \$11-million, 7-year contract with Bell Telephone of Canada (an AT&T subsidiary) to furnish microwave facilities for its 3,900-mile, coast-to-coast operation. CTV Television Network Ltd. is slated to commence telecasting between Montreal & Toronto early in August and will expand into national service by June 1963.

When completed, the coast-to-coast network will bring CTV programming to 65% of Canada's TV viewers, according to CTV Pres. Spence Caldwell. The network's long leg from Toronto west to Vancouver is scheduled to be operative by the fall of 1962—a year earlier than anticipated. The final network link, from Montreal east to Halifax, will be completed by June of the following year.

CTV will use the \$50-million microwave radio relay facilities completed in 1958 and operated by the 8 companies that comprise the Trans-Canada Telephone System.

### NETWORK SALES ACTIVITY

#### ABC-TV

The Steve Allen Show, Wed. 7:30-8:30 p.m., part. eff. Oct. 4.  
*Sandura* (Hicks & Greist)

Daytime programming, Mon.-Fri. part. eff. Sept. 24 & 26.  
*Chemstrand* (Doyle Dane Bernbach)  
*Standard Brands* (J. Walter Thompson)

Alcoa Presents, Tue. 10-10:30 p.m., part. eff. Oct. 4.  
*Alcoa* (Fuller & Smith & Ross)

All Star Football, Fri. Aug. 4, 10 p.m.-conclusion, parties.  
*Alberto-Culver* (Compton)

American Football Post Game Scoreboard, Sun. & Thu., part. eff. Sept. 17.  
*Bristol-Myers* (DCS&S)

#### CBS-TV

Daytime programming, Mon.-Fri., part. now & fall.  
*P. Lorillard* (Grey)

*Nozzema* (SSC&B)  
Daytime programming, Sat., part. eff. Oct.  
*Luden's* (J. M. Mathes)

The Garry Moore Show, Tue. 10-11 p.m., co-sponsorship eff.  
*Oldsmobile* (D. P. Brothier)

#### NBC-TV

Bullwinkle, Sun. 7-7:30 p.m., part. eff. Nov.  
*Idcal* (Grey)

Laramie, Tue. 7:30-8:30 p.m., part. eff. Oct.  
*Luden's Inc.* (J. M. Mathes)

World of Bob Hope, Sun., Oct. 29, 7:30-8:30 p.m., full spon.  
*Purex* (Edward H. Weiss)

Hallmark Hall of Fame (Macbeth), Fri. Oct. 20, 8:30-10:30 p.m., full sponsorship.  
*Hallmark* (Foote, Cone & Belding)

Sugar Bowl Game, Mon., Jan. 1, participations.  
*Brown & Williamson Tobacco* (Ted Bates)

Daytime programming, Mon.-Fri., part. eff. Aug. 28.  
*H. J. Heinz* (Maxson)

Pro championship game, Sun., Dec. 31, participations.  
*George Wiedemann Brewing* (DCS&S)

*Speedway Oil* (W. B. Doner)

*American Oil* (D'Arcy)  
Dinah Shore Show, Fri. 9:30-10:30 p.m. (monthly), co-sponsorship eff. Oct. 6.  
*Sperry and Hutchinson* (SSC&B)

Reassurance at CBS-TV: A July 26 *Variety* story suggesting that CBS's William Paley might be selected for the Kennedy cabinet and that Frank Stanton would also move on to government, education, or public service, elicited the following terse memo "from Messrs. Paley and Stanton" to personnel at CBS: "In case you are bothered by today's *Variety* article on page 21, it's utter nonsense."

**Canadian Production Boom:** With an eye toward filling the coming live & film TV program demand from Canada's 2nd network (Vol. 17:17 p11), Canadian production sources are busily expanding. Added impetus (and production) is provided by (1) BBG's authorization to Canadian TV Network to provide at least 10 hours of programming weekly, and (2) a favor-Canada quota which requires that 55% of the network's programming be of Canadian production.

NBC Canada Ltd., a subsidiary of NBC Enterprises div., last week established a Toronto production unit with which it hopes to make a bid in the Canadian live-program field. Roger Muir and Robert (Nick) Nicholson have been named exec. producers of the unit's first group of live shows offered to both CBC and CTN: *It's a Hit* (musical), *Celebrity Crosswords* (panel show), *For the Love of Mike* (situation comedy), *I Predict* (interviews), *Family Classic Theatre* (drama), and *Big News* (news game).

On the film-TV side, Ottawa's Crawley Films Ltd. has received what amounts to a strong boost from BBG in setting up a Canadian TV-film industry. Crawley Films is no stranger to telefilm production, having been co-production partner (with, incidentally, NBC Films) in *R.C.M.P.*, an action-adventure series now in U.S. syndication. Crawley now has a co-production deal for a follow-up "Mountie" series with Mark VII Productions, Jack Webb's firm. Crawley's latest venture is the production of *The Wonderful Wizard of Oz*, a Videocraft International Inc. 5-min. animated series originally scheduled for production (mostly because of low costs) in Japan. The production contract came to Crawley, in part, because BBG agreed to give Videocraft Canadian-quota approval for another animated series, the Japanese-produced *Pinochio*, if the *Oz* series were to be produced in Canada. A cast of Canadian actors has been assembled by Crawley for the *Oz* soundtracks and the firm is rounding up 35 Canadian animators.

The prospect of an upbeat in Canadian production is attracting production executives from the U.S. Ted Cott, who recently resigned as NTA bcstg. div. vp (Vol. 17:28 p4), has organized Oakland Co. to serve as an independent production source for CTN. Cott also intends to produce Canadian radio shows & records. CTN's original deal with Cott called for his services as a consultant. Also planning to invade Canadian production is Filmways, a N.Y. film commercial firm whose activities have recently been expanded to include program production & studio ownership.

**CBS Revamps Daytime Schedule:** A daily public-affairs show aimed at women, 2 newscasts and the expansion of a juvenile-appeal morning show were highlights of a revamped daytime program structure announced last week by CBS-TV.

Starting Oct. 2, the 10-10:30 a.m. reruns of *I Love Lucy* will be dropped. In their place will go a new program series from CBS News, tentatively titled *Calendar*. Backbone of the series will be features & news, with guest authorities, and CBS correspondent Harry Reasoner as acting newscaster.

Two new daily 5-min. news programs—the first at 11:55 a.m. and the 2nd at 3:55 p.m.—will also start on Oct. 2, and will also be slanted to distaff viewers.

A 15-min expansion of *Captain Kangaroo*, currently scheduled Mon.-Fri. 8:15-9 a.m., was also announced by CBS. The change, however, means the loss of a newscast series, since *Captain Kangaroo's* new 8-8:15 a.m. segment absorbs the present *Richard C. Hottelct With the News*.

## Stations

**TV Saturation Confirmed:** Supporting industry estimates of the degree of saturation of U.S. homes by TV sets, the Census Bureau estimates that 86% of 53 million households had at least one set last year. Based on preliminary findings in the govt.'s 1960 census of housing, the figure is just a shade under the 87.1% saturation point reported for 1960 by NBC (TELEVISION FACTBOOK No. 32, p. 28). The Census Bureau tabulation shows that about 10% of the households had 2 or more TV sets last year, that 91% had at least one radio and 1/3 had 2 or more radios (excluding car sets). Other 1960 household-appliance census data: Washing machines were in 62% of households, electric dryers were in 10% of homes last year, home freezers were in one household in 6.

**Fluorescent Tower Paint Lauded:** Better visibility & durability can be obtained by painting TV & radio towers with Day-Glo orange fluorescent paint. So said ABC engineering vp Frank Marx, in terming a 2-year experiment on the WABC radio transmitter in Lodi, N.J. "an unqualified success." The top 100-ft. section of the tower, painted with Day-Glo, has shown no signs of wear, he said, while the rest of the tower (painted with standard paint) has faded and soon will need repainting. Marx said airplane pilots have praised the Day-Glo paint for outstanding visibility and ABC Radio is recommending it to its affiliates because of its maintenance cost advantages. Special FCC approval is required for the use of non-standard tower paint.

**Collins Weighs Top Assistants:** Word in Washington is that NAB Pres. Collins is strongly considering recommending to the Board the advancement of Govt. Relations vp Vincent Wasilewski to exec. vp. Also reportedly in the running for the job is station-relations mgr. William Carlisle. For vp & dir. of the proposed new Code Authority, with responsibilities for both TV & Radio Codes, Collins is understood to be considering Robert Swezey, ex-pres. of WDSU-TV New Orleans.

**McLendon Buys Buffalo Radio:** McLendon Corp. of Dallas has purchased WBNY Buffalo (250 watts, 1400 kc, unlimited) for \$650,000 from Peter Straus and associates. The purchase is contingent on McLendon's sale of its present Buffalo area radio, WYSL (1 kw, 1080 kc, daytime only). Other McLendon radio stations are KLIF Dallas, KILT Houston, KTSA San Antonio, KEEL Shreveport, WAKY Louisville, and KABL Oakland-San Francisco.

**Mutual Now in 49 of Top 50:** Radios KLIV San Jose and WRVM Rochester, N.Y. joined MBS July 23 and 31 to give that network outlets in 49 of the top 50 U.S. markets. In the week of July 17, Mutual added KHAK Cedar Rapids, WJRL Rockford, Ill. and WCMA Corinth, Miss. Mutual shifts Aug. 14 from WINF Manchester to WCCC Hartford.

**Seeking Community Needs:** KHOL-TV Kearney & KHPL-TV Hayes Center, Neb. have formed a permanent 8-member committee of leading citizens within their areas to meet periodically and advise station executives on the needs of their communities and how the stations may best serve them. On the committee are farming leaders, educators, scientists and clergymen.

**Station Facility Changes:** KOOL-TV (Ch. 10) Phoenix, Ariz. placed its new GE 35-kw transmitter with a 10-kw driver into operation July 21 • WITN (Ch. 7) Washington, N.C. has set a Sept. 1 target for move to new 1500-ft. tower • WPRO-TV (Ch. 12) Providence, R.I. has Oct. 1 target for move of transmitter to Rehoboth, Mass.

## Community Antenna TV

**Another Court Attack on CATV:** Already fighting a major battle against United Artists, the Clarksburg, W. Va. CATV system Fortnightly Corp. has been hit by another suit. WSTV Inc., operator of WBOY-TV Clarksburg & WSTV-TV Steubenville, has filed in the U.S. District Court in Fairmont, charging the system with illegal pickups of WSTV-TV Steubenville and with unfair competition to WBOY-TV. The new challenge came just after a San Francisco federal court had ruled that a Twin Falls, Ida. system violated no law in picking up signals of Salt Lake City stations (Vol. 17:27 p2).

**Sammons Buys Oil City CATV:** The price of a CATV system was reported last week, a rare occurrence—\$550,000 for the 4,200-subscriber Oil City, Pa. firm. Fortnightly Corp., headed by Nathan Levin sold it to National Trans-Video Corp., owned by multiple-system operator C. A. Sammons, Dallas. The system will be operated by Systems Management Co., a subsidiary of brokers Daniels & Associates which handled the transaction.

**H&B Buys Colorado CATV System:** H&B American Corp., which owns & operates numerous U.S. CATV systems via subsidiary Transcontinent Communications System, has purchased for an undisclosed sum Trinidad Community Television, Trinidad, Colo. The system began operation in May 1953, had 2,340 subscribers in March '61.

## Auxiliary Services

**Vhf Translator Starts:** Kφ3AC Palmer, Alaska began June 30 repeating KTVA Anchorage • W13AA Monticello, Ky. started July 10 with WBIR-TV Knoxville, Tenn. • K13AI Hulett, Wyo. began July 8 with KOTA-TV Rapid City, S.D. • K10AT & K13BC Circle, Mont. started May 22 with KUMV-TV Williston, N.D. & KXGN-TV Glendive, Mont. • Kφ7AZ Hoven, S.D. began July 25 with KDLO-TV Florence, S.D. • K13AB Kadoka, S.D. started July 15 with KPLO-TV Reliance, S.D. • K11AD Loma, Mont. began July 17 with KFBB-TV Great Falls, Mont. • Kφ3AB Delta Junction, Alaska started July 15 with KTVF Fairbanks • Wφ8AA Midland, Md. began July 20 with WMAL-TV Washington, picking it up via W80AB Frostburg, Md.

**Argument Against Pay-TV Test:** Connecticut Committee Against Pay TV and other movie exhibitors, in a brief supporting their appeal against FCC's decision allowing RKO General to test in Hartford, offered the following conclusions in a 47-page document filed with the D.C. Court of Appeals: (1) FCC doesn't have legal power to grant the test. (2) Even if FCC does have the power, it erred because RKO didn't fulfill the Commission's requirements for a test. (3) RKO offered "practically non-existent program" plans. (4) The test will not give "any useful & meaningful information." FCC & RKO have 30 days within which to file their briefs.

**Green Light for Telceter:** In Little Rock, Ark., a 3-man board of the state's Public Service Commission rendered a unanimous decision in favor of Telemeter July 28, ordering Southwestern Bell Telephone Co. to file pay-TV tariff rates and to provide necessary services to Telemeter franchise-holder Midwest Video. The ruling ended several weeks of on-&-off debate as to whether pay-TV was "in the public interest." Chief opponent had been the Theater Owners of America's anti-pay-TV committee (Vol. 17:5 p3; 17:26 p9). In N.Y., Telemeter officials hailed the decision as "an important & basic victory for pay TV."

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Rodnor, Pa., MÜrray 8-3940, TWX: Rodnor 1028

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

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Annually—Spring Published Saturdays Published in January

Copyright 1961, by Triangle Publications, Inc.

**Personals:** Martin Brown elected vp & treas., ABC, continuing as AB-PT treas. Michael P. Boland named vp for financial controls . . . Peter M. Affe, ex-daytime program operations mgr., NBC-TV, appointed station mgr., WNBC-TV N.Y. . . . Daniel B. Burke named gen. mgr. WTEN Albany, succeeding Thomas S. Murphy, who is also exec. vp, Capital Cities Bestg. Charles G. Pogan appointed program dir., Capital Cities TV stations. William J. Lewis named sales dir.

Harrison E. Mulford Jr., ex-NBC, named Eastern sales mgr., ABC-TV National Station Sales. John A. McElfresh, ex-CBS Spot Sales, appointed sales mgr., ABC-TV National Station Sales Chicago office . . . May Dowell promoted from mgr., CBS News special projects dept., to dir. of the dept. . . . Keith T. McKenney, ex-WJBK-TV Detroit, named managing dir., WSPD-TV Toledo, succeeding Joe Evans, recently appointed gen. mgr., Storer Programs Inc. Floyd E. (Bud) Beaton resigned as gen. sales mgr., WSPD-TV . . . Howard Lloyd will manage Storer Programs Inc. West-ern states div.

Harold Cowgill's return as an associate of Smith, Hennessey & McDonald, Washington law firm, formally announced (Vol. 17:20 p18) . . . Arthur C. Nielsen, founder & chmn., A. C. Nielsen Co., appointed Knight of the Order of Dannebrog by the King of Denmark for his contribution to strengthening Scandinavian-American cultural relations . . . Charles Fritz, John Blair Co., named pres. of new Detroit chapter of Station Reps Assn.

Edward F. Ryan, ex-WHTN-TV Huntington-Charleston, WBZ-TV Boston and WHEN-TV Syracuse, joins WRC-TV in Washington (where another Edward F. Ryan is WTOP-TV news mgr.) as advertising & promotion mgr.

David Klinger promoted from business-affairs dir. to administration vp, CBS News. Robert Lang, CBS News vp, will concentrate on sales & sales administration of news & public affairs programs. Ernest Leiser named asst. gen. mgr. for TV, CBS News . . . Gene Thompson named ARB sales promotion mgr. He is succeeding as advertiser-service dept. account rep by Robert D. Welsh.

Anthony Reda named TV dir., U. of Detroit . . . Dick Doan appointed TV-radio editor, N.Y. *Herald Tribune*, succeeding Hy Gardner, who will devote all his time to his general news & commentary column. Marie Torre will con-

tinue her column . . . Arthur Elliott, ex-KXTV Sacramento, named program & operations dir., KOTV Tulsa . . . Jack Ware returns to KOOL-TV Phoenix as news dir., after 18 months, during which he operated his own ad agency . . . Cliff Kirtland, Transcontinent Television Corp., won the Storer Cup for low golf net score at RTES Fun Day July 25th at the Pelham Country Club. His score was 69 gross, 4 handicap, 65 net . . . Sheldon Saltman, ex-WBZ-TV Boston, appointed promotion mgr., WJW-TV Cleveland.

Sam J. Slate, vp-gen. mgr., WCBS Radio, named chmn., RTES legislative committee, succeeding Joel F. Berson.

Manolo Reyes, Latin news editor at WTVJ Miami, was cited by Miami Mayor Robert King High for "his work in promoting good will & understanding between the people of Miami & the growing Latin American colony." (The station broadcasts 2 Spanish-language newscasts daily.)

Larry Walker, exec. vp-gen. mgr., WSOC-TV Charlotte, N.C., appointed to the N.C. State Board of Education's Advisory Committee on Educational TV . . . Herb Dudnich and Don Bustard, reporter & soundman respectively, for WRCV-TV & WRCV Philadelphia, were injured last week while covering the community meeting that turned into a riot when Mayor Richardson Dilworth arrived to discuss his plan to charge \$40 a year for overnight parking on the street.

Frank Bourgholtzer, who has served as an NBC Bureau chief in Paris, Bonn & Vienna, has been assigned to Moscow as the network's correspondent. He replaces John Chancellor, who has returned to N.Y. as Dave Garroway's replacement on *Today*.

Bernard H. (Pop) Linden, 67, engineer-in-charge of FCC's Los Angeles office, retires July 31 after 44 years of federal service which started with Commerce Dept.'s radio field office in San Francisco. J. Lee Smith will serve as acting chief.

### Obituary

John B. Kennedy, 67, radio commentator, writer & editor, died in a Toronto hospital July 22 after an intestinal operation. He earned the title of the first TV personality when he served as master of ceremonies for RCA's first TV transmission in Camden, N.J. As managing editor of *Collier's*, his introduction to broadcasting came in the early 1930s, when he served as director of a radio program sponsored by the magazine. As announcer, newscaster & commentator, he served on the staffs of all 4 radio networks, and since his 1950 retirement he did four 5-minute commentaries weekly for MBS. He is survived by his wife & 2 daughters.

James T. Brennan, 46, FCC attorney in the general counsel's office, died of a heart attack July 25 while on vacation at Rehoboth Beach, Del. Last December, the Commission awarded him a commendation for his work, including activities as FCC counsel in several important TV hearings which explored charges of *ex parte* representations. His wife, son and daughter survive.

Edwin J. Paxton Sr., 84, owner & publisher of the *Paducah Sun-Democrat*, died July 22 at Lourdes Hospital, Paducah, Ky. (The Sun-Democrat owns WPSD-TV Paducah and is part-owner of radio WFRX West Frankfort, Ill.) Paxton leaves his wife, 2 daughters and 3 sons.

Bernard W. Cruger, 59, mgr. of transmitters & technical maintenance, WRGB and radios WGY & WGFM Schenectady, died of a heart attack July 23. He had been with WGY for 34 years.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**6.2-MILLION SALES, SHORTAGE LIKELY—MANSFIELD:** Retail TV sales this year will total at least 6,220,000, "and we can expect either a rapid increase in production rate for the industry by midsummer, or a shortage of sets this fall." So said industry's "Mr. Statistics," EIA Marketing Data Policy Committee Chmn. Frank Mansfield in a report to EIA's Consumer Products Div., released last week (p. 1).

More emphasis is added to Mansfield's report—prepared June 16—by preliminary retail sales estimates for full month of June. They show retail TV sales about 32% ahead of June 1961, and at an annual rate (seasonally adjusted) of more than 8 million sets. Mansfield pointed out that April-May sales were at a 7.1-million-set-a-year pace. As of June 1, inventories at all levels totaled about 1.7 million, down from all-time high of 2.8 million late in 1956.

Industry's tight inventory control has resulted in cutting stocks down to about 2.8-month supply at all levels—in sharp contrast to previous occasions when the figure went as high as 5½ or 6 months' supply. During first 5 months of this year, Mansfield notes, retail sales have totaled 2.15 million, while production totaled 2.18 million (or an average of 435,000 sets a month). He estimates that during the last 7 months of year, 4.07 million sets will be sold to public, requiring 7-month production of 4.44 million (680,000 sets a month). Inventories, which stood at 1,705,000 on June 1, will have to be built up to 2,075,000 at year's end to support the anticipated level of sales—in short, an inventory increment of 370,000.

With TV sales now mainly a more-or-less-predictable replacement & 2nd-set market, Mansfield anticipates that retail sales will level off in the 6.2-6.4 million area annually from now through 1970.

Much of Mansfield's report was devoted to explanation of EIA's decision to discontinue collection of TV-radio-phono retail sales statistics after the July tabulation (Vol. 17:22 p16). He cited principally the inequities in budgeting the high cost of retail sampling among EIA members (some of whom had no use for them) as well as rising costs of sampling the increasingly complex retail trade. He pointed out that there is "considerable interest" in his Committee's proposal that manufacturers who still need retail sales figures join together to gather it through a market research organization, either directly or through EIA.

EIA began compiling retail sales figures in 1951, when inventories were fluctuating wildly. Mansfield credits this statistical service with having helped to develop the "astute & mature industry" which now exists, in which inventory excesses have almost disappeared. Nevertheless, he adds:

"It is perhaps a bit ironic that the program was started by EIA at a time when the industry was worried about the large size of its total inventory, and that we are making a change in techniques when inventories are probably much too low to support the inevitable demand for sets that will accrue as we depart from a demand that was primarily for initial installation and move into a market which, in the future, will be primarily activated by demand for replacement sets and those needed for multiple set ownership."

**DISPUTE RAGES OVER 'COMPACT' COLOR TUBE:** Motorola taunted RCA last week by displaying to newsmen a working model of its developmental 23-in. rectangular color tube with 90-degree deflection angle—5 inches shorter than RCA's 21-in. round 70-degree tube (Vol. 17:27). "We would like to force the industry to move a little faster," Motorola consumer-products exec. vp Edward R. Taylor told us. "With a tube like this, the industry could sell 300,000-600,000 color sets a year at present prices."

Retorted RCA group exec. vp W. Walter Watts in a later interview: "Anybody can make a few samples of anything. We do not know how to make a rectangular tube that will perform as well and cost as little as the round tube." It would take years of development, millions in tooling, to make such a tube in production, he added—and it would result in more expensive color sets.

Tube-industry people took skeptical stand, not yet having seen Motorola's tube—but they tended to side with RCA, lacking anything to convince them otherwise. Here are both sides of last week's story:

Motorola showed the tube to newsmen, large dealers and some competitors (including RCA) in N.Y. It was mounted in a Drexel cabinet no bigger than a 23-in. b&w set. Both color & b&w pictures were demonstrated. Showing was followed up with full-page ads in Wall Street Journal and other papers proclaiming: "Motorola Announces a New & Significant Advance in Color TV."

Tube was developed in 44-day period between May 16 & June 29 by Motorola engineers working with Chicago tube maker National Video. It uses shadow-mask principle employed in RCA tube. "A decided improvement, but not the breakthrough," was the way Taylor frankly characterized it. "We showed it can be done," he said. "We've put nearly \$100,000 into it. It's up to the tube industry to take it from here."

"We're sure somebody's going to make this tube," said Taylor. He added that Motorola believes bulkiness of present sets is prime obstacle to color-TV sales—and his company has been the sole big-volume hold-out against the color-TV bandwagon. Taylor claims industry color sales totaled less than 125,000 last year.

Why did Motorola choose to demonstrate & publicize a color tube at this time? Replied Taylor: "We've been after RCA for several years to come up with a thinner tube. At first we got some encouragement, but now we're told it will be 2 years before they have a 90-degree tube and another year before there's a rectangular version. Everyone's looking to RCA to do it, but RCA apparently wants to work off the tooling investment in its 21-inch tube. The rest of the industry is asleep. We're not new in color work. One out of 3 Motorola employes is an engineer, and we are now making more money on color-set production than anybody in the business—because of royalties from 14 basic patents we own."

The tube could be in production within a year, Taylor said. "Of course, if somebody comes out with something better in the meantime—like a 110-degree tube, for example—we'll go for it." In the meantime, no color from Motorola.

Color set using 23-in. wide-deflection tube can be produced for about same price as current 21-in. sets, Motorola engineers said. The set shown used standard 23-in. b&w tube bulb, doctored up, and with wider neck affixed, but they said slightly different bulb would have to be engineered for production color use, and another 1½ inches could be taken from length. However, explained chief color-TV engineer Karl Horn: "This tube can be produced by any tube manufacturer now making 23-in. black-&-white tubes. It would keep investment costs at a minimum. It's based on tube makers' present equipment & know-how."

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RCA's reaction was immediate. "We have experimented with a number of different color tubes, including 23-in. rectangular tubes," said Watts, "but the color tube currently in use is the only one that meets our rigid standards." If samples of Motorola's tube are made available, he continued, "we shall be happy to evaluate its ability to meet our high specifications."

We asked Watts to elaborate. "In the first place, we learned long ago that you can't make a color tube out of black-&-white glass. Special glass is required for color tubes, because the voltages used would otherwise cause glass browning, and 'poison' the phosphors & cathode. Regular black-&-white glass can't meet the precision requirements for the close tolerances required in color. As to a 90-degree tube, the increase in deflection angle requires more power and greatly increases the difficulty of laying the color dots on the screen and controlling the electron beam."

What effect would a "compact" color tube have on sales? "We've been through all the arguments, and have concluded that the success of color depends on a combination of 2 things—a good picture, and good programming & lots of it."

Price of "compact" color set, if it could be made in production now, would be considerably higher than present sets, said Watts. He said Corning had given RCA a price of \$19 for rectangular 90-degree color bulbs in production quantities, as opposed to \$15 for present round bulbs. In addition, component costs would go up because of higher voltages required.

"Even if all the problems were licked, I don't think anybody could get into production before 1963." "You wouldn't be able to get the tube mold before the middle of next year," he said. "We're willing to look at the tube, if they'll give us a sample to evaluate in our own labs, but we were told we'd have to look at it at their plant," he added. "If they really want the tube industry to make it, why don't they include us?"

Is RCA's indignation a cover-up for a top-secret plan to change tube sizes & shape later? Replied Watts: "As of this moment, I know of no method to make a tube which would give a picture as good as the one we have. I'm not naive enough to think we'll never change, but I now can foresee nothing to change the type or shape of the color tube. There's nothing in sight to even make it possible to name a speculative date."

Will Motorola's compact-tube campaign affect sales of current-style color-TV sets? "Not one iota," snapped Watts.

We went to 3 other tube-industry officials for their views. Harold Cole, sales vp of National Video, which worked with Motorola on the compact tube, conceded that special glass & special tube molds would be required if tube went into production. "It would take many hundreds of thousands of dollars & many months, but we proved it can be done. We once thought it was impossible to make a rectangular black-&-white tube, but we've learned that things we think are improbable today are practical tomorrow." He estimated it would cost about \$500,000 more to fully develop the tube. This, he said, would have to be backed by set makers.

Two other tube-industry figures thought Cole was a little optimistic. Said one: "From the glass standpoint alone, there's millions of dollars to be spent & years of work to be undertaken in a venture like this."

Said a very large tube maker (not RCA): "We haven't seen their tube yet, but a lot of people have thought about the general concept of a rectangular color bulb. Recognizing that using a 90-degree rectangular bulb multiplies the problems involved, I don't think a lot of people are going to jump into this. Could it be done? Of course it could. But my guess is that if you put a real task force on this problem, you'd still be several years from the solution."

The compact color set will be shown to tube & set makers during next few weeks. Style-conscious Motorola insists the lack of an available "modern-shaped" picture tube is its only reason for abstaining from color now, and its developmental set is a challenge. It hopes somebody will accept the challenge. Preferably somebody whose initials are R.C.A.

**TV-RADIO PRODUCTION:** EIA statistics for week ended July 21 (29th week of 1961):

	July 17-21	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	111,100	86,259	69,944	3,076,318	3,133,488
Total radio .....	305,206	215,396	241,005	8,232,494	9,140,538
auto radio .....	78,949	67,641	93,638	2,606,494	3,561,206

**Color Sales Rising:** *Wall Street Journal* took a look at color TV last week and found that set sales this year are ahead of last year, but that even if 1961 sales reach 225,000 sets, this will be only 4% of anticipated industry-total TV-unit sales of 6 million sets.

Motorola's estimate that the industry sold less than 125,000 color sets last year (see p. 16) isn't included in the story, which repeats the generally accepted figure of 150,000 sets as last year's sales total. The roundup comes up with these sales increase percentages: RCA color sales, up 20-25% from first-half 1960, with a company executive predicting that industry sales for the full year will be more than 50% greater than last year. Admiral, first-half sales up 45%. Magnavox expects its 1961 color sales to triple the number sold in 1960.

Is color TV a profitable manufacturing business? RCA and several others say it is. The *Journal* also carries some dissents: From a GE executive: "We'll lose a few bucks on color, but it's a necessary evil needed to round out the product line. You've got to protect your dealers, because if you don't have color sets, they'll go over to someone who has." From Olympic Sales Corp. Pres. Morton M. Schwartz: "Color is a break-even thing, and it will stay that way until there is a technological breakthrough enabling us to sell a color set for about \$100 more than a black-&-white set."

547,320 Color TVs in 50 Markets: So adds up July 10 *Television Age* after a joint survey with an unnamed ad agency. The top 10 color-set markets: N.Y. (92,000 sets). Philadelphia (48,000). Chicago (42,200). Los Angeles (35,000). San Francisco (28,500). Cincinnati (27,000). Detroit (19,000). Milwaukee (14,500). Atlanta (13,200). Cleveland (12,000). Among the runners-up: Boston, 12th with 10,600. St. Louis, 15th with 9,200. Washington, 19th with 7,500. Miami, 25th with 5,300.

**Hodges Calls for Color-TV Push:** One way to get the national economy moving forward again, the Commerce Secy. suggested last week, is to promote new & upcoming products. Among them: Color TV, electronic ovens, electronic refrigerators, home TV tape recorders. He said that more intensive promotion of such products & developments would create more employment among suppliers, manufacturers, retailers and other industrial & service groups.

**Suggests New Market for Sets:** English farmer Charles Pidgeon has found a way to get more out of his cows, reports AP. He mesmerizes 'em with TV. Pidgeon installed TVs in his barn, was gratified to find his appreciative cows each giving out with 2 additional gallons of milk daily. His explanation for the outpouring: "Cows like to watch & hear things. There's nothing like a contented cow for getting those extra pints."

**TAYLOR SEES 6.25-MILLION YEAR:** Motorola consumer-products exec. vp Edward R. Taylor anticipates a good year for the consumer-electronics industry in general and Motorola in particular. For the TV industry, he sees sales of 6.25 million "if retail movement continues its present pattern." For Motorola, he sees profits about equal to last year's \$26.2 million (\$3.74 per share), despite a disappointing first half (see financial table).

Taylor, who is also chairman of EIA's Consumer Products Div., told us that sales in all consumer-electronics categories are holding up well, pointing to TV's better than 30% increase in June over a year ago (see p. 16). Other comments by Taylor, who was in N.Y. for the showing of Motorola's developmental rectangular color tube (see p. 16):

**What's selling:** If today's interest in low-priced merchandise is strong, it's also "step-uppable." A customer looking at a \$229 console can often be sold a \$329 set.

**Stereo phonos:** "We're most encouraged by dealer reaction to our stereo line at the Music Show. The phono business is going to be good this fall, provided we have a good healthy economy. We're budgeted for the biggest stereo volume ever. We're still very strong for reverb, and think it's a great thing."

**Warranties:** "Let the other guys fight it out. We're going to stick to our present policy."

**That \$99.95 TV set:** Taylor conceded he was "concerned," but he pointed out that there was very little markup in the Japanese set designed to be promoted at that figure. "However, when it comes to selling \$129 Japanese TVs against \$169 American portables, we won't have any trouble."

**Transistorized TV:** Sales of Motorola's 19-in. battery-powered Astronaut are "slow, but we'll sell out." The Astronaut, said Taylor, "was a victim of its time—a luxury item introduced at a time when the public wasn't buying luxuries." However, he added, "we learned a lot about transistors in our experience with the Astronaut, and we think they'll have definite applications in TV, since they can reduce size, increase reliability, cut down power drain & heat."

Taylor said he's going to Europe in September on a "product search—to see what's going on there." Principal targets will be Scandinavia & Italy.

**Note:** Motorola Pres. Robert W. Galvin, in a letter to stockholders accompanying the firm's financial report last week, predicted that 2nd-half earnings would exceed those of last year. He said that "each of the company's principal divisions operated at a profit during the first half, and each showed an improving profit trend as the half ended."

**"TV Tune-Up Week":** Nationwide preventive maintenance campaign on behalf of independent TV-radio service dealers will be sponsored by GE Electronic Components Div. with the theme, "World Series Week is TV Tune-Up Week." The Sept. 30-Oct. 6 promotion will feature TV commercials in the nation's top 70 markets by sportscaster Mel Allen, who will educate consumers on what to look for in a test pattern. The commercials will refer viewers to 2-page ads in regional issues of *TV Guide*, which will list local service dealers. Viewers will be urged to get their sets in top operating shape to avoid breakdowns during the World Series.

**IHFM Moves:** Institute of High-Fidelity Manufacturers moves its offices Aug. 1 to 516 Fifth Ave., N.Y. 36.

**Mergers & Acquisitions:** ITT plans to acquire American Cable & Radio via an exchange of stock, if the latter's shareholders approve. ITT now owns 56.55% of American Cable's outstanding common. It now proposes to acquire the remaining outstanding shares by offering \$4 of ITT convertible preferred stock and 1/7 of a capital share for each share of American Cable • Lab for Electronics and Rome-based International Commercial Co. have organized a jointly-owned Italian production & sales company, *Compania Generale Authomazione*. Lab for Electronics will have a 70% interest in the new concern, which will have its hq in a 10,000-sq.-ft. plant in Rome • Astrex, electronics distributor in N.Y., has purchased for \$750,000 cash & 15,000 shares of Astrex common 2 Milwaukee firms & their affiliates: U-Test-M Mfg., maker of self-service test equipment for TV-radio tubes, and Midland Distributing, distributor of TV-radio tubes • Telex, St. Paul electronics concern, has acquired for undisclosed stock *Inteledata Corp.*, Detroit maker of printers for computer applications • Beckman Instruments plans to acquire via a stock exchange *Offner Electronics*, Schiller Park, Ill. manufacturer of electronic & medical instruments. Offner will be operated as a Beckman division • American Electronics has sold its Ground Support Division to *Astro-Science Corp.* The cash purchase price is expected to range between \$1.1 & \$1.3 million.

**Components Output Steady:** Total first-quarter shipments of electronic components were relatively unchanged from 1960's 4th quarter, and down less than 1% from first-quarter 1960, the Commerce Dept.'s Business & Defense Services Administration reported last week. The following changes, among specific categories, were reported for this year's first quarter from the preceding period: Capacitor shipments, up 9%; resistors, up 6%; receiving tubes, up 4%; quartz crystals, up 3%; transformers, down 8%; relays, down 5%; power & special-purpose tubes, down 2%. While unit shipments of semiconductors increased 15% to nearly 113 million, price reductions held the dollar-volume increase to only \$2 million (for a total of \$146 million). Tables of first-quarter component shipments by category are available from Electronics Div., BDSA, U.S. Commerce Dept., Washington 25, D.C.

**EMI/US Buys General Communications:** EMI/US Ltd., the American arm of British EMI Ltd., has purchased the assets of General Communications Inc., Ft. Atkinson, Wis. manufacturer of broadcast & industrial electronics equipment. GC's products, to be integrated into the EMI/US communication-equipment line, include transistorized TV switching equipment, solid-state video & pulse distribution equipment, special effects generators, monitor systems, picture monitors, studio consoles, solid-state power supplies and automation systems. GC Pres. E. D. Peterson has been retained by EMI/US under a long-term management contract. EMI/US has changed the name of its Broadcast Div. to General Communications Division. Other divisions are Magnetic Tape, Electron Tube & Consumer Products.

**Visual Intercom by Motorola:** "Visicom" system, a self-contained desk-top audio-video intercom, was demonstrated by Motorola last week at a N.Y. news conference. Using 8-in. picture tubes, the system was demonstrated as a "product of the future," but exec. vp Edward R. Taylor said the units could be produced for about \$500 a pair. Each Visicom unit contains a TV camera & receiver so that each sends & receives a picture. A switch permits the user to see either what the remote unit is receiving or to see himself in his own receiver.

**N.Y. FM STEREO IN SEPT:** A new FM station operated by a large TV-radio-appliance chain hopes to provide the N.Y. metropolitan area's first FM stereocasts when it goes on the air in September.

The unique 20-kw WTFM, owned by Friendly Frost Inc., will combine a 24-hour music broadcast operation with a hi-fi sound salon in a modern glass-walled building in Fresh Meadows, N.Y., according to Friendly Frost Chmn. Gerald O. Kaye, onetime president of WNTA-TV & WNTA, Newark-N.Y. The sound salon "will combine custom cabinetry & quality components from leading manufacturers" under the "Volare" trade name, said Kaye. Although at least 7 N.Y. metropolitan area stations are planning to stereocast (Vol. 17:27 p18), WTFM hopes to be first on the air with stereo programming.

No new stations were reported programming in stereo last week, and FCC issued no new type-acceptances for stereo-broadcast equipment. Therefore, at week's end, there were still only 6 stations broadcasting in stereo during regular program hours (for list, see Vol. 17:30 p19).

Stations now planning to begin stereocasting in August include KPEN San Francisco, WRCB Boston, WOOD-FM Grand Rapids, WUPY-FM, Lynn, Mass.

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**Fortune Smiles on Grundig:** "Perhaps the most fantastic Cinderella story in postwar Germany is Max Grundig's rise to his current eminence as one of Europe's biggest radio manufacturers," profiled August *Fortune*, adding: "In the 1930s, Grundig ran a small radio sales & repair shop. During the war he managed a small plant that made radio parts for the army. Then, in 1945, he started his own operation in a Nurnberg suburb. At the time, the occupation authorities prohibited the manufacture of radio sets, but Grundig evaded this ruling by selling assemble-it-yourself radio kits as toys. At first, his customers had to rely on the black market for the tubes to make them work. By 1952, the millionth Grundig radio was turned out. In 1953 he started producing TV sets, and soon after, portable tape recorders. (He also pioneered in German production of short-wave receivers.) Today, at 53, he has 10 major production plants, 10 additional sub-assembly operations, and his own retail outlets in every major German city. Last year his total sales amounted to \$238 million . . . [He is] the owner of the country's largest one-man operation."

**Raytheon Takes Over CBS Tube Plant:** The CBS Electronics Div., which last month announced its retirement from receiving-tube production (Vol. 17:23 p18), is selling the "specialized machinery" at its North Windham, Me. plant to Raytheon. The latter also will lease the building and expects to employ about 100 workers in the production of tube mounts. The mounts will be types formerly produced by CBS.

**New Zenith Record:** "Second-quarter 1961 unit sales of TV-radio & phonographs exceed even record-breaking 1959 & 1960 second-quarter sales—and Zenith distributors report greatest acceptance & orders from dealers in history for June, July & August." So said 2-page Zenith trade ads last week.

**Magnavox Introduces Electronic Organ:** An all-transistor model was announced last week by Pres. Frank Friemann. He said that advance orders indicated that Magnavox would sell 5,000 organs, or all it can build, by year's end.

**Trade Personals:** George A. Bradford, GE consultant on advertising & sales promotion (N.Y.), Aug. 1 heads up new division-wide marketing operation for GE's Radio & TV Div., supervising advertising, distribution planning, export sales project, industrial design and press relations. He's former ad mgr. of GE's Tube Dept. and Radio & TV Dept., and more recently was a vp of Compton Advertising.

Leonard Ashbach, chairman & president of Wilcox-Gay Corp. (parent of Majestic International), elected president, chief executive officer & treasurer of Davega Stores Corp., due to be merged with Wilcox-Gay (Vol. 17:28 p17). Wilcox-Gay gen. counsel Arthur Homans becomes Davega secy. Joseph & Melvin Axler have resigned as Davega pres. & exec. vp-chmn. . . . W. M. Meyer named gen. mgr., John M. Otter Co., N.Y. Philco distributor, succeeded as gen. sales mgr. by Arthur Ollstein, ex-Columbia Phonograph Distributors.

Lowell R. Day named to new post of exec. vp, Packard Bell. He'll continue as treas. . . . Hanno Koegel, ex-Bogen-Presto, appointed mgr., sound products engineering, General Dynamics/Electronics Commercial Products Div. . . . Dave Gerstein elected to new post of govt. & industrial relations vp, Olympic.

Norman Skier, ex-merchandising mgr., DuMont Div. of DuMont Emerson, named to new post of ad & merchandising mgr., Fedders Corp. . . . Irving Mills elected a vp, Cenco Instruments.

Maj. Gen. John A. Barclay (U.S. Army ret.), appointed vp, Lionel Corp. . . . John A. Mayberry, ex-CBS Electronics, named central-zone mgr., Raytheon's Distributor-Products Div. . . . Jack R. Fitzwater named to new post of traffic mgr., Eitel-McCullough.

Maxwell B. Bassett appointed vp for systems management, General Precision Inc. . . . John W. Johnson appointed PR & advertising dir., Ling-Temco-Vought . . . William D. Hogan, ex-Raytheon, named to new post of engineering-services mgr., Sylvania Semiconductor Div.

Andrew J. Chitica named financial analysis mgr., General Dynamics/Electronics . . . Rollin M. Russell named pres., Acoustica Associates, replacing Robert L. Rod, who continues as chmn. . . . Donald J. Arvas named Northwest regional mgr. of Antennavision's CATV equipment-manufacturing div. Ameco, headquartering in Spokane.

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**Bent Glass Manufacturers Listed:** The name of Eagle Convex Glass Specialty Co., Clarksburg, W. Va., a producer of bent tempered glass for TV, was omitted from the list of bent TV glass manufacturers in our June 26 issue (Vol. 17:26 p16). Other makers of tempered TV glass: Marsco, Chicago; Permaglass, Woodville, O.; Hordis Bros., Philadelphia; Hamilton Glass Co., Chicago; Chicago Dial Co.; Dearborn Glass Co., Chicago; Virginia Glass Products Corp., Martinsville, Va.

**Wescon Telecasts in 4 Cities:** Taped telecasts from the Aug. 22-25 Western Electronic Show & Convention will be sponsored by International Resistance Co. in 4 major markets. Featuring on-the-spot coverage of activities at San Francisco's Cow Palace, the 15-minute engineering shows will be presented on KTVU San Francisco (11 p.m. Aug. 22, 23, 24), KTLA Los Angeles (11 p.m. Aug. 23 & 24, 10:30 p.m. Aug. 25), WPIX N.Y. (11:15 p.m. Aug. 23, 24, 25), WRCV-TV Philadelphia (6:10 p.m. Aug. 23, 24, 25).

**Hazeltine Relocates Washington Office:** The Little Neck, N.Y. electronics manufacturer has moved its D.C. office to larger quarters at 1625 Eye St., NW.

**Picture & Receiving Tube Sales:** May factory sales of TV picture tubes increased modestly in both unit & dollar volume from a year earlier, but receiving tube unit & dollar sales were down slightly from May 1960. May picture-tube sales totaled 673,315 units valued at \$13,238,774—compared with 667,080 units at \$12,745,714 in May 1960. For year to date, unit & dollar volume continued ahead of the pace set in 1960's first 5 months. May receiving-tube sales totaled 29,823,000 units—down from 30,612,000 in May 1960. The dollar volume also dropped, to \$25,308,000 from \$25,904,000. For 1961's first 5 months, receiving-tube unit & dollar sales ran behind 1960's Jan.-May volume. Here are EIA's tabulations:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	707,833	\$14,430,602	26,343,000	\$22,227,000
February .....	728,989	14,395,981	25,803,000	21,865,000
March .....	936,098	18,725,011	36,635,000	30,719,000
April .....	722,110	14,293,375	28,687,000	24,392,000
May .....	673,315	13,238,774	29,823,000	25,308,000
Jan.-May 1961 .....	3,768,345	\$75,083,743	147,291,000	\$124,511,000
Jan.-May 1960 .....	3,697,969	73,093,786	160,508,000	137,352,000
	*	*	*	

**May Factory Sales of Transistors:** 15,128,181 units valued at \$25,113,042. Hewing to the established sales pattern, the May volume was sharply ahead of May 1960's 9,046,237 units at \$24,714,580. The unit sales also were slightly ahead of April 1961's 15,072,064, but dollar volume was appreciably behind the preceding month's \$27,388,278, reflecting the price constrictions in the semiconductor industry. Here are EIA's tabulations:

	1961		1960	
	Units	Dollars	Units	Dollars
January .....	12,183,931	\$22,955,167	9,606,630	\$24,714,580
February .....	13,270,428	25,699,625	9,527,662	24,831,570
March .....	15,129,273	29,815,291	12,021,506	28,700,129
April .....	15,072,064	27,388,278	9,891,236	23,198,576
May .....	15,128,181	25,113,042	9,046,237	24,714,580
<b>TOTAL .....</b>	<b>70,783,877</b>	<b>\$130,971,403</b>	<b>50,093,271</b>	<b>\$125,591,228</b>

**Union Seeks Say in Plant Moves:** United Automobile Workers has asked Ford Motor Co. for a say in any decisions to open new plants and close old ones. UAW official Ken Bannon told the auto maker that his union "does not believe the company should have the right to make a unilateral decision on the transfer of operations, location of new plants, or any other move that destroys the worker's investment in the company." He suggested that if the company & union fail to agree on a proposed move, a "responsible member of the community, or a panel from the community, should become party to the discussions" and make recommendations.

**NLRB Okays TV:** It's all right for an employer to give away a TV set as a "door prize" in a union-representation election to encourage workers to vote, the National Labor Relations Board has ruled. It reversed trial examiner Arther Reyman on the TV-raffle issue, but upheld other findings by him that an Austin, Tex. firm had threatened employees with reprisals if they joined the carpenters' union. The NLRB ruling said there was no proof that the management's "door prize" induced the employees to vote one way or another.

**8 Firms Sign Negro Job Pledge:** The presidents of 8 defense contractors, employing a total of 760,000 workers, recently signed White House agreements to ensure equal job opportunities for Negroes. Among the 8 companies: GE, RCA, Western Electric. The long-range agreements, or "plans for progress," were negotiated by President Kennedy's Committee on Equal Employment Opportunities, chaired by Vice President Johnson.

## Finance

**MUNTZ TV'S ROAD BACK:** Prospects & profits have perked up considerably at Muntz TV since that dark March 2, 1954 when the company filed a petition for reorganization under Chapter X of the Bankruptcy Act. Still making steady progress on the comeback trail, Muntz is now offering an exchange of common stock to holders of its non-interest-bearing promissory notes (Vol. 17:29 p19).

How Muntz TV survived the knockout blow and then came off the floor to get back into the TV fight is chronicled in a prospectus issued in connection with the stock offer.

When Muntz went under, it received a strong downward push from "the fixed overhead of 77 [company-owned] retail locations." The new Muntz has abandoned direct selling in favor of 3 independent channels of distribution: a limited number of volume, exclusive-franchise dealers; an unlimited number of smaller dealers operating on a non-exclusive basis; private label.

Muntz believes that this 3-channel distribution "offers a measure of protection against localized economic disturbances." Ultimately it expects each channel to account for one-third of total sales.

For the 1960 fiscal year ended last August 31, the prospectus pointed out, "exclusive volume dealers as a group purchased 53% of total dollar sales; appliance dealers purchased 35%; private-label sales amounted to 12% of total." In that fiscal year, more than 1,500 individual accounts purchased Muntz TV's output—"without any one account representing 15% or more of yearly sales."

The new Muntz has also dropped the production of air conditioners. It limits itself to the manufacture of TVs "to sell in the lowest price field." Currently the company makes 17- & 19-in. portables which "accounted for 18% of net unit sales in the last fiscal year." It also produces 21-, 23- and 24-in. table & console TVs. Combination TVs—21- & 23-in. models with stereo, radio and record players—represent 25% of over-all business. Muntz TV sales "for 1960 are estimated to have been less than 2% of the total industry sales for the year."

Muntz has not produced color TVs since 1956 and, the prospectus emphasized, "has no present plans" to re-enter the field. The company "will not consider resumption of such production until such time as it can purchase component parts at lower prices than are presently available and a technological breakthrough occurs which will permit Muntz TV to sell popular priced color TV sets in volume at a profit."

Muntz commenced production operations July 17 in a new 75,000-sq.-ft. plant in Wheeling, Ill. (Vol. 17:28 p17). The new hq combines all production, merchandising and shipping under one roof. Muntz has a 15-year lease at an annual rental of \$63,500, plus annual real estate taxes of \$12,000. The plant's maximum production capacity is 18,000 sets monthly—nearly double the output capacity of the former plant at Evanston.

In its 1960 fiscal year, Muntz earned \$860,451 on \$9,840,116 sales—compared with \$420,894 on \$6,728,906 sales the preceding fiscal year. In the 8 months to April 30, 1961, earnings totaled \$462,750 on \$6,443,000 sales, vs. \$735,666 on \$7,419,016 in the comparable 1960 period.

Muntz TV's current assets, as of April 30 this year, totaled \$2,218,955 vs. current liabilities of \$375,253. Included among the assets was \$276,456 cash. Production equipment was valued at \$313,844 before a \$245,520 allowance for depreciation. Tools & dies were listed at \$14,775.

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

Allied Artists. Roger W. Hurlock bought 900, held 24,000. W. Ray Johnson sold 300, held 1. Albert Zugsmith sold 23,700, held 139,700.  
 Ampex. Charles P. Ginsburg bought 1,125, held 1,890. John M. Leslie Jr. bought 1,500, held 1,635. Thomas L. Taggart sold 2,970, held 1,500. Erwin Tomash sold 1,050, held 11,500.  
 Amphenol-Borg. Henry Feldman acquired 40,504 in merger, held 40,504. Richard M. Purinton bought 100, held 200.  
 Arvin Industries. Fred E. Daniel sold 300, held 5,905.  
 Audio Devices. C. J. LeBell sold 1,000, held 66,814. Joseph K. McCammon sold 100, held 10,071.  
 Avco. James R. Kerr exercised option to buy 3,333, held 12,567.  
 Belock Instrument. Donald C. Walton sold 800 and 700 more for wife, held 15,071 personally, 1,043 for wife.  
 Capital Cities Bcstg. Lowell J. Thomas sold 1,000 in private transaction, held 113,567 personally, 4,267 for wife.  
 Cinerama. Sam Boverman exercised option to buy 2,000, held 4,000.  
 Morris Schecter exercised option to buy 500, held 1,000.  
 Columbia Pictures. Abraham Montague sold 200, held 3,766 personally, 97,159 in Fico Corp.  
 Consolidated Electronics Industries. Don T. McKone bought 400, held 2,275.  
 Corning Glass. William C. Decker sold 600, held 17,537.  
 Crowell-Collier. Joseph Schwarz sold 9,400 in joint venture, held 15,958 in joint venture, none personally.  
 Daystrom. John W. McLaren bought 100, held 100.  
 Desilu Productions. Edwin E. Holly sold 300, held 2,000.  
 Electronic Specialty. Clyde F. Mooney sold 396 and 10 more as trustee, held 10,770 personally, 210 as trustee.  
 Electronics Corp. Harlow F. Avery sold 4,800, held 80,200.  
 General Dynamics. Robert P. Meiklejohn sold 1,000, held 1,000.  
 Clifton M. Miller sold 9,000, held 5,000.  
 GE. Oscar L. Dunn exercised options to buy 1,963 from September 1959 through June 1960, bought 1 more, held 3,636 personally, 371 in trust. Lyman R. Fink sold 400, held 526. H. W. Gouldthorpe exercised option to buy 133, held 1,996. James F. Young received 242 in incentive compensation from April 1960 through April 1961, sold 1,200, held 1,236.  
 General Precision Equipment. E. A. Link sold 6,300, held 26,026.  
 Globe-Union. W. M. Wavsig exercised option to buy 100, held 3,000.  
 Hazeltine. Henry Reeve sold 3,100, held 17,300.  
 Indiana General. Paul R. Doelz exercised rights to buy 5,680, held 19,126 personally, 458 for wife, 12,320 in trusts.  
 IBM. Charles V. Boulton exercised option to buy 299, held 1,043.  
 Herbert T. Hansford bought 378, held 2,576. Dean R. McKay bought 1,021, held 1,205. H. Wisner Miller Jr. exercised option to buy 100 in December 1960, sold 174 in July 1959 and 50 more in June 1960, held 584. Thomas J. Watson Jr. sold 2,000, held 31,610 personally, 39,256 in trusts. Bernard F. Wiegard exercised option to buy 329, held 1,664.  
 Albert L. Williams exercised option to buy 834, held 6,574.  
 IIT. Harold S. Geneen received 619 as bonus award, held 2,855.  
 Lear. Roy J. Benecchi sold 2,000, held 2,405.  
 Ling-Temco. Lee D. Webster bought 1,000, held 2,000.  
 Litton Industries. Roy L. Ash sold 500, held 104,269 personally, 785 as custodian, 14,178 in partnership. William L. Reynolds bought 2,000 privately, held 2,000. Henry Salvatori sold 1,700, held 77,095. Charles B. Thornton sold 1,000 and transferred 2,700 more from community property interest, held 264,206 personally, 31,191 in partnership.  
 Loew's Theatres. Lewis Gruber bought 400, held 1,000.  
 Loral Electronics. Bernard R. Garrett exercised option to buy 1,968, held 2,043. Edward R. Garrett exercised option to buy 7,875, held 42,525.  
 William Lorenz exchanged 25,000 for shares of open-end investment company, held 300,050.  
 Magnavox. Jack S. Beldon sold 100, held 100.  
 P. R. Mallory. P. R. Mallory (amended report) bought 1,000 in December 1959, sold 1,500 from trust in October-November 1959, held 80,636 personally, 16,464 in trust.  
 MGM. Howard Strickling exercised option to buy 600, held 1,425.  
 Minneapolis Honeywell. Richard F. Brown sold 200, held 52,273 personally, 600 in trust.  
 Motorola. Allen H. Center bought 100, held 300.  
 Muntz TV. Wallace A. Keil bought 4,000, held 6,500.  
 National Telefilm Associates. Oliver A. Unger received 1,092 as dividend from National Theatres & TV in October 1960, sold 1,000 in April 1961, held 92.  
 National Theatres & TV. Leonard Davis bought 4,000 through holding company, held 9,000 in holding company, none personally. Samuel Firks sold 2,000 in October 1960 and 9,000 more in April-May 1961, held 39,164. Eugene V. Klein bought 6,400, held 50,223.  
 Philco. Robert F. Herr sold 500, held 22,953. David B. Smith sold 300, held 2,352.  
 RCA. Martin F. Bennett sold 175, held 1,267. David Sarnoff sold 2,500, held 23,102.  
 Reeves Bcstg. & Development. George L. Buist sold 600, held 14,524.  
 Servomechanisms. J. J. Dempsey exercised option to buy 400, held 800.  
 Siegler. Morris Sohni exercised option to buy 3,214, held 6,010.  
 TelePrompTer. Fred Barton sold 900, held 39,743. Irving B. Kahn sold 5,457, held 57,798. Edward C. Revcaux exercised option to buy 250, held 250.  
 TV Industries. Martin J. Robinson bought 450, held 450.  
 Tectron Electronics. Robert G. Tabors bought 300, held 600.  
 Thompson Ramo Wooldridge. Irwin A. Binder bought 660, held 2,700. Frederick C. Crawford sold 4,100, held 32,074. Harold L. George sold 1,600, held 21,535. Dean E. Wooldridge sold 300, held 42,563. J. D. Wright sold 300, held 9,200 personally, 4,600 in trusts.  
 Tung-Sol. Donald A. Harper bought 100, held 4,883 personally. 637 in trust. Paul J. Hemschoot bought 100, held 316. Milton R. Schulte bought 100, held 3,586.  
 20th Century-Fox. Francis T. Kelly sold 300, held 150. C. Elwood McCartney sold 200, held 450.  
 Westinghouse. M. K. Evans exercised option to buy 500, held 922. Charles H. Weaver sold 2,500, held 550.  
 Zenith. Francis W. Crotty exercised option to buy 420, held 870 personally, 270 for wife as trustee. Clifford J. Hunt exercised option to buy 600, held 1,200. Clarence E. Isgrig exercised option to buy 400, held 800. Eugene M. Kinney sold 200, held 2,191. Hugh Robertson exercised option to buy 1,500, held 9,583.

Reports & Comments Available: Westinghouse, analysis, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • Jerrold Electronics, review, Suplee, Yeatman, Mosley Co., 1500 Walnut St., Philadelphia 2 • Pittsburgh Plate Glass, comments, Hemphill, Noyes & Co., 15 Broad St., N.Y. 5 • Scully Recording Instruments, offering circular, Moran & Co., 10 Commerce Court, Newark 2 • Litton Industries, profile in July 15 *Forbes* • Avnet Electronics, review, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • Ampex, analysis, Dean Witter & Co., 45 Montgomery St., San Francisco 6 • Crowell-Collier, comments, L. F. Rothchild & Co., 120 Broadway, N.Y. 5 • Clairtone Sound, comments, Stearns & Co., 80 Pine St., N.Y. 5 • Science Capital, prospectus, Blair & Co., 20 Broad St., N.Y. 5. • Texas Instruments, Transitron Electronic, Sprague Electric, discussions, Laidlaw & Co., 25 Broad St., N.Y. 4 • Lab for Electronics, report, Boenning & Co., 1529 Walnut St., Philadelphia 2 • Gilbert Data Systems, prospectus, Schriver & Co., 37 Wall St., N.Y. 5 • Servonic Instruments, prospectus, C. E. Unterberg, Towbin Co., 61 Broadway, N.Y. 6 • General Precision Equipment, review, Blair & Co., 20 Broad St., N.Y. 5 • International Cablevision, prospectus, James Anthony & Co., 37 Wall St., N.Y.

**Common Stock Dividends**

Corporation	Period	Amt.	Payable	Stk. of Record
Burroughs	Q	\$0.25	Oct. 20	Sep. 29
Canadian GE	Q	2.00	Oct. 2	Sep. 15
Electronic Investment	—	.02	Aug. 30	Aug. 1
P. R. Mallory	Q	.35	Sep. 11	Aug. 10
Siegler	Q	.10	Sep. 1	Aug. 15
Stanley Warner	Q	.30	Aug. 25	Aug. 10
Stewart-Warner	Q	.35	Sep. 9	Aug. 18
Tung-Sol Electric	Q	.17½	Sep. 2	Aug. 11
Westinghouse	Q	.30	Sep. 1	Aug. 7

**OVER-THE-COUNTER  
COMMON STOCK QUOTATIONS**  
Thursday July 27, 1961

Stock	Prev.			Stock	Prev.		
	Bid	Bid	Asked		Bid	Bid	Asked
Acoustica	18½	18½	20½	Magna Th.	3¾	3¾	4¾
Adler Elec.	15¾	17¼	19½	Magnetics Inc.	9	10	11¼
Aerovox	12	11½	12¾	Maxxon	20¾	20¾	22
Allied Radio	29¼	29¼	31½	Meredith Pub.	34	38	42
Astron Corp.	2	1¾	2¾	MetroMedia	17½	17½	19½
Babcock	26	26½	28¾	Microdot	25	27¾	30½
Baird Atomic	19¼	19	21	Milgo Elec.	18½	19½	22
Cannon Elec.	24	26½	29¾	Narda Micro	6¾	6¾	7¾
Capehart	8¾	9	10	Newark Elec.	13¾	12¾	14
C-E-I-R	53	48	54½	Nuclear Chi.	38½	38	41¾
Chicago Aer.	24½	24½	27¼	Official Films	3½	3¾	3-13/16
Control Data	89	92	98	Pacific Aut.	5¾	5¾	5¾
Cook Elec.	9¾	10¼	11½	Pacific Merc.	6¾	6¾	7¼
Craig	13½	13½	14¾	Phillips Lamp	134¼	133	138
Crosby Tel.	6	5½	6¾	Pyramid	3¾	1¾	2¾
Dictaphone	33¾	36	38¼	Radiation	20½	22	23¾
Digitronics	24	25	28¼	Rek-O-Kut	2	1¾	2¾
Eitel-McC.	15½	15½	16¾	Research Inc.	4½	4¾	5½
Elco Corp.	12	11	11½	H. W. Sams	44	44	47½
Electro Instr.	17½	18½	21	Sanders Assoc.	51	56½	61
Elec. Voice	10¼	9¾	11	Silicon	12	12¼	13¾
Elec. Assoc.	31	29½	32	H. Smith	10	10¼	11¾
Elec. Cap. Corp.	34¼	36¼	38¾	Soroban	63	62	66¾
Erie Resistor	13½	13½	14¾	Soundscriber	11	9¾	11
Executone	17	17½	19¾	Speer Carbon	31	31½	33¾
Farrington	13½	15	16¼	Sprague	75½	82½	86¼
Foto Video	6¼	6¼	7¾	Sterling	3¾	2¾	3-9/16
Four Star	18½	18½	20¾	Syston-Don.	38	40¾	43¾
Gen. Devices	10	11	12¼	Taft Bcstg.	19	18½	19¾
G-L Elec.	8½	8¾	10	Taylor Instr.	—	48½	52½
Goodwill Sta.	—	10½	12½	Technology	5¾	6¼	7¼
Granco	3	2¾	3-5/16	Tele-Bcstrs.	1¾	1½	2½
Gross Tel.	21½	23	25¼	Telechrome	9¼	9	10¼
Hallcrafters	21	21	22¾	Telecomp.	6¾	6¾	7¼
Hathaway	21¼	22¾	24¾	Time Inc.	85	82	86¼
High Voltage	150	157	172	Tracerlab	9¾	10¼	11¼
Infrared	16½	17½	19¾	United Art.	6¾	6¾	7¾
Interstate Eng.	16½	18¾	20¾	Universal	½	½	15/16
Ionics	24	29	32	Vitro	23¾	26¼	28¼
Itek	42	42	48¼	Vocaline	2	2	2½
Jerrold	8¼	9	9¾	Wells-Gardner	31	30	32½
Lab for Elec.	43½	47	50¾	Wilcox Elec.	9¾	9½	10½
Leeds & North.	34	33½	36½	Wometco	24	23¾	25¾
Lel Inc.	7¾	8	8¾				

**SEC Cites Telescript:** Anti-fraud provisions of the Securities Act were violated by Telescript-CSP Inc., N.Y., SEC has charged in an order temporarily suspending a Regulation A registration exemption for a public stock offering of 60,000 common shares at \$5 per share. The maker of Telescript prompting equipment & TV staging apparatus was accused by SEC of issuing a "false & misleading" offering circular in connection with an SEC filing last December. Among other things, SEC said, Telescript: (1) Failed to disclose that Federman, Stonehill & Co. held a 50% stock interest in the company and a controlling interest in Mangrow Industrial Corp., which was reported by Telescript to hold 70,000 of 140,000 Telescript shares then outstanding. (2) Neglected to mention a "material transaction" in which voting rights of Mangrow shareholders had been changed.

**SEC Charges Fraud:** Northeast Telecommunications Inc., N.Y., organized in 1958 to develop such electronic products as 2-way mobile radio units, has been accused by SEC of violating anti-fraud provisions of the Securities Act. Issuing an order temporarily suspending Northeast's registration exemption for a 1958 offering of 300,000 common shares at \$1 per share, SEC said the company's offering circular was "false & misleading." Alleged misrepresentations included claims regarding the "business experience" of Northeast Pres. Richmond Lisle-Cannon, principal promoter of the stock sale.

**WABC-TV N.Y. Profits Soar:** A net profit increase of 22% for the first 6 months of 1961 over last year's comparable period was reported last week by WABC-TV N.Y., marking the most profitable half-year in the station's 13-year history. In addition, the station reported a second quarter sales increase of 14% over 1960's figures for the same period. WABC-TV vp & gen. mgr. Joseph Stamler predicted that the ABC-TV flagship's 1961 third-quarter would easily surpass in station sales & net profit the comparable period of 1960.

**Adler Electronics "scored a major break-through"** in sales & earnings in the fiscal year ended June 30, Pres. Benjamin Adler reported. Sales in the year rose to about \$8.5 million from \$3.6 million in the preceding fiscal year. Net earnings topped \$200,000 (more than 30¢ per share) vs. \$17,000 (before a \$39,000 tax credit) in the year ended June 30, 1960. Adler said big factors in the company's record returns were Signal Corps & Air Force contracts.

**Faradyne Filings Challenged:** SEC has started stop-order proceedings against Faradyne Electronics Inc., questioning "accuracy & adequacy" of stock & debenture registration statements by the Belleville, N.J. electronic-component manufacturer (Vol. 17:7 p22). SEC said a 1959 Faradyne stock prospectus was "false & misleading," that a statement explaining its debenture proposals this year failed to disclose pertinent information.

**Siegler Profits Decline:** Despite a sales rise to about \$94 million from \$84 million a year earlier, Siegler Corp. (Olympic Radio & TV) earnings declined 10-15% in the 1961 fiscal year ended June 30. Earnings totaled \$3.2 million in fiscal 1960. Pres. John G. Brooks said that per-share earnings were within 10% of \$1.20 on 2,220,000 shares outstanding—compared with \$1.71 on 1,871,696 shares the preceding fiscal year.

**Unlisted Trading Sought:** The Detroit stock exchange has asked SEC to approve unlisted trading in Ampex & Raytheon common stocks.

Churchill Stereo Corp., Brooklyn assembler of TV-radio-stereo-hi-fi units in console furniture which is sold at 6 N.Y.-area retail stores, plans to go into brand-name business. The company, organized in June, filed an SEC registration statement (File 2-18514) covering a public stock offering to finance development & promotion of a Churchill stereo & hi-fi cabinet line. Lieberbaum & Co. heads the underwriters for the issue of 105,000 common stock shares with attached 5-year warrants to be offered in units at \$3.60 per unit (one share & one warrant). Outstanding now are 140,000 common shares with a book value of 86¢ per share. Pres. Jack Dubler & secy.-treas. Bernard Dubler hold 62,500 each.

**Additional Japanese Stock Offerings?** Sony Corp.'s recent success on the U.S. stock market (Vol. 17:27 p21) "is expected to be the curtain raiser for similar offerings of 15 other Japanese stocks later this year," reported July 26 *Financial World*. The publication added: "All 16 issues originally had been scheduled to bow in on the American market a few months ago. But objections raised by U.S. securities dealers in hearings before the SEC forced postponement of all but the Sony offering." Electronics representatives among the 15: Hitachi, Mitsubishi, Nippon Electric, Toshiba.

**Revenuers Push Against "Push":** Closer attention is being given to "push money" by Internal Revenue men, reported July 19 *Wall St. Journal*, adding: "This is money given a retail salesman by a wholesaler to push a specific brand. The practice recently has become more widespread in the appliance field, to mention one. Such payments are usually made without a store's knowledge, and so little if any push money, or spiff, is ever reported for tax. Revenuers say they learn about such under-the-counter compensation from informers, some of them competing firms."

**Federal Pacific Electric Has Loss Year:** Although the company will report a \$3 million net loss for its 1961 fiscal year ended June 30, Pres. Thomas M. Cole forecast profits for the succeeding year on record sales "in the area of \$115 million." He said that the Cornell-Dubilier Electronics Division did not return a profit, but is "making progress" and should be profitable in the current year. He said C-D is "going after more military R&D business and help pay the freight in areas which interest us."

**Roanwell Plans Issue:** Public sale of 150,000 common stock shares through Paine, Webber, Jackson & Curtis is proposed in an SEC registration statement (File 2-18482) by Roanwell Corp., N.Y. maker of microphone & headset components. The company would offer 50,000 shares, and Pres. Richard W. Howell & vp Donald W. Powers 50,000 each, at an unspecified price, to raise money for new equipment and possible acquisition of other firms.

**Varitron Corp.,** organized in June in Brooklyn by Vacudyne Associates Inc. to make TV & hi-fi accessories and import Japanese radios, plans a public offering of 100,000 common stock shares at \$2 per share. An SEC registration statement (File 2-18556) listed Kenneth Kass as underwriter.

**Amphenol-Borg** is setting aside 111,959 shares of common stock for use in its restricted option plan for officers & key executives, according to an SEC registration statement (File 2-18487).

**Acro Electronic Products Co.,** Philadelphia manufacturer of hi-fi amplifiers, plans a public offering of 100,000 Class A common stock shares at \$4 per share through Roth & Co., according to an SEC registration (File 2-18508).

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1961—6 mo. to Jun. 30 <sup>s</sup>	\$ 34,641,054	—	\$ 463,470	\$0.33	1,388,081
	1960—6 mo. to Jun. 30 <sup>s</sup>	35,226,005	—	1,532,948	1.10	1,390,728
	1961—qtr. to Jun. 30 <sup>s</sup>	19,413,496	—	404,200	.29	1,388,081
	1960—qtr. to Jun. 30 <sup>s</sup>	17,650,119	—	734,815	.53	1,390,728
Arvin Industries	1961—6 mo. to Jun. 30	29,934,949	\$ 717,148	378,840	.33	1,137,607
	1960—6 mo. to Jun. 30	32,476,234	1,224,652	593,333	.52	1,132,534
	1961—qtr. to Jun. 30	16,954,891	883,049	458,473	.40	1,137,607
	1960—qtr. to Jun. 30	15,181,445	98,836	47,441	.04	1,132,534
Daystrom	1961—qtr. to Jun. 30	21,845,000	336,000	186,000	.15	1,255,697
	1960—qtr. to Jun. 30	22,457,000	717,528	344,528	.27	915,813
Dynamics Corp. of America	1961—6 mo. to Jun. 30	22,226,614	1,593,945	881,840	.23 <sup>1</sup>	2,787,027
	1960—6 mo. to Jun. 30	20,675,146	1,536,409	870,926	.22 <sup>1</sup>	2,756,683
Electronic Associates	1961—6 mo. to Jun. 30	8,631,000	—	404,000	.48	759,675
	1960—6 mo. to Jun. 30	6,485,000	—	435,000	.52	722,665
Gabriel	1961—6 mo. to Jun. 30	15,459,250	591,461	345,142	.50 <sup>1</sup>	678,238
	1960—6 mo. to Jun. 30	16,889,831	(264,168)	(126,801) <sup>9</sup>	—	675,838
	1961—qtr. to Jun. 30	8,736,013	374,859	204,189	.30 <sup>1</sup>	678,238
	1960—qtr. to Jun. 30	9,225,277	(336,531)	(161,535) <sup>10</sup>	—	675,838
GT&E	1961—6 mo. to Jun. 30	\$584,640,000	—	32,538,000	.46 <sup>1</sup>	70,581,000 <sup>2</sup>
	1960—6 mo. to Jun. 30	581,310,000	—	35,180,000	.51 <sup>1</sup>	67,962,000 <sup>2</sup>
	1961—qtr. to Jun. 30	296,968,000	—	17,057,000	.24 <sup>1</sup>	70,504,000 <sup>2</sup>
	1960—qtr. to Jun. 30	290,078,000	—	17,449,000	.25 <sup>1</sup>	69,241,000 <sup>2</sup>
Giannini Controls (Conrac Inc.)	1961—6 mo. to Jun. 30	10,491,382	—	426,909	.80	532,024
	1960—6 mo. to Jun. 30	7,547,287	—	269,519	.67	383,321
Globe-Union	1961—6 mo. to Jun. 30	26,390,545	1,865,695	871,695	1.02	853,775
	1960—6 mo. to Jun. 30	28,041,516	1,770,525	836,525	.99	842,729
Goodwill Stations	1961—6 mo. to Jun. 30	2,331,870	—	154,562	.24	631,903
	1960—6 mo. to Jun. 30	2,062,958	—	166,023	.26	632,143
Hoffman Electronics	1961—6 mo. to Jun. 30	31,336,996	722,657	349,657	.22	1,534,088
	1960—6 mo. to Jun. 30	23,935,550	253,054	123,054	.08	1,524,221
	1961—qtr. to Jun. 30	15,238,681	188,989	92,989	.06	1,534,088
	1960—qtr. to Jun. 30	13,719,653	248,524	120,524	.08	1,524,221
Motorola Story on p. 19.	1961—6 mo. to Jun. 30	128,722,224	6,426,661	3,062,529	.76	4,028,652
	1960—6 mo. to Jun. 30	145,725,874	13,552,962	6,506,218	1.61 <sup>11</sup>	4,030,262 <sup>11</sup>
	1961—qtr. to Jun. 30	68,963,624	4,880,740	2,259,552	.56	4,028,652
	1960—qtr. to Jun. 30	74,647,880	7,174,495	3,469,743	.86 <sup>11</sup>	4,030,262 <sup>11</sup>
NAFI Corp.	1961—6 mo. to Jun. 30	37,916,833	3,135,057	1,635,057	1.34	1,215,755
	1960—6 mo. to Jun. 30	27,809,122	2,893,747	1,572,747	1.28	1,229,155
Sangamo Electric	1961—6 mo. to Jun. 30	24,636,000	1,544,000	811,000	.50	1,634,123
	1960—6 mo. to Jun. 30	25,616,000	1,422,000	759,000	.47	1,620,930
Screen Gems	1961—9 mo. to Apr. 1 <sup>3</sup>	40,510,183	—	1,817,752	.72	2,538,400
	1960—9 mo. to Apr. 1 <sup>3</sup>	—	—	861,000	.34	2,538,400
Standard Kollsman Industries	1961—6 mo. to Jun. 30	51,745,707	3,317,371	1,615,967	.77	2,086,891
	1960—6 mo. to Jun. 30	45,329,044	2,887,064	1,377,714	.66 <sup>4</sup>	2,006,213
	1961—qtr. to Jun. 30	27,074,984	1,740,798	845,818	.40	2,086,891
	1960—qtr. to Jun. 30	23,457,224	1,759,939	805,589	.39 <sup>4</sup>	2,006,213
Stewart-Warner	1961—6 mo. to Jun. 30	54,141,851	6,340,732	3,032,732	.91	3,322,733
	1960—6 mo. to Jun. 30	57,749,015	7,256,149	3,461,149	1.05	3,296,016
	1961—qtr. to Jun. 30	27,796,755	3,521,310	1,686,310	.51	3,322,733
	1960—qtr. to Jun. 30	27,423,884	3,189,130	1,521,130	.46	3,296,016
Technicolor	1961—26 wks. to Jul. 1	—	—	1,405,000 <sup>5</sup>	.54 <sup>5</sup>	2,598,218
	1960—28 wks. to Jul. 9	—	—	288,000	.14	2,036,235
Thompson Ramo Wooldridge	1961—6 mo. to Jun. 30	200,879,678	7,170,237	2,071,337 <sup>6</sup>	.60 <sup>1</sup>	3,292,168
	1960—6 mo. to Jun. 30	219,145,159	10,423,961	5,033,861	1.55 <sup>1</sup>	3,145,687
	1961—qtr. to Jun. 30	104,143,974	4,161,300	581,300 <sup>6</sup>	.15 <sup>1</sup>	3,186,457
	1960—qtr. to Jun. 30	107,509,667	5,438,282	2,671,582	.82 <sup>1</sup>	3,145,687
Trav-Ler Radio	1961—year to Apr. 30	19,928,831	437,078	211,078	.23	911,182
	1960—year to Apr. 30	21,447,472	1,417,227	706,227	.78 <sup>7</sup>	905,836 <sup>7</sup>
Tung-Sol Electric	1961—26 wks. to Jul. 1	31,395,690	1,247,457	641,457	.58 <sup>1</sup>	925,858
	1960—26 wks. to Jul. 1	35,559,800	2,005,057	962,057	.92 <sup>1</sup>	924,521

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Average. <sup>3</sup>From report to American Stock Exchange. <sup>4</sup>Adjusted to reflect Dec.-1960 3% stock dividend. <sup>5</sup>Includes non-recurring dividend of \$517,000 (20¢ a share) from English affiliate, Technicolor Ltd. <sup>6</sup>After giving effect to \$1.5-million inventory

adjustment. <sup>7</sup>Adjusted to reflect Nov.-1960 5% stock dividend. <sup>8</sup>Includes FXR Inc., acquired May 1961. <sup>9</sup>After \$137,367 tax credit. <sup>10</sup>After \$174,996 tax credit. <sup>11</sup>Adjusted for July-1960 2-for-1 split.