

E. P. R.

Television Age

Colgate-Palmolive:

Now no. 2 and holding fast

NOV 14 1969



IN 47401
BLOOMINGTON



Gateway urban renewal area. **A** New KDAL Broadcast Center **B** Radisson-Duluth Motor Hotel **C** Gateway Plaza **D** Site of proposed Library **E** Arena/Auditorium

Center of the Second Largest Market in both Minnesota and Wisconsin

The Duluth-Superior market's showplace neighborhood is Duluth's Gateway area. KDAL Radio and Television serve this great and growing market from one of the nation's most modern communications facilities.



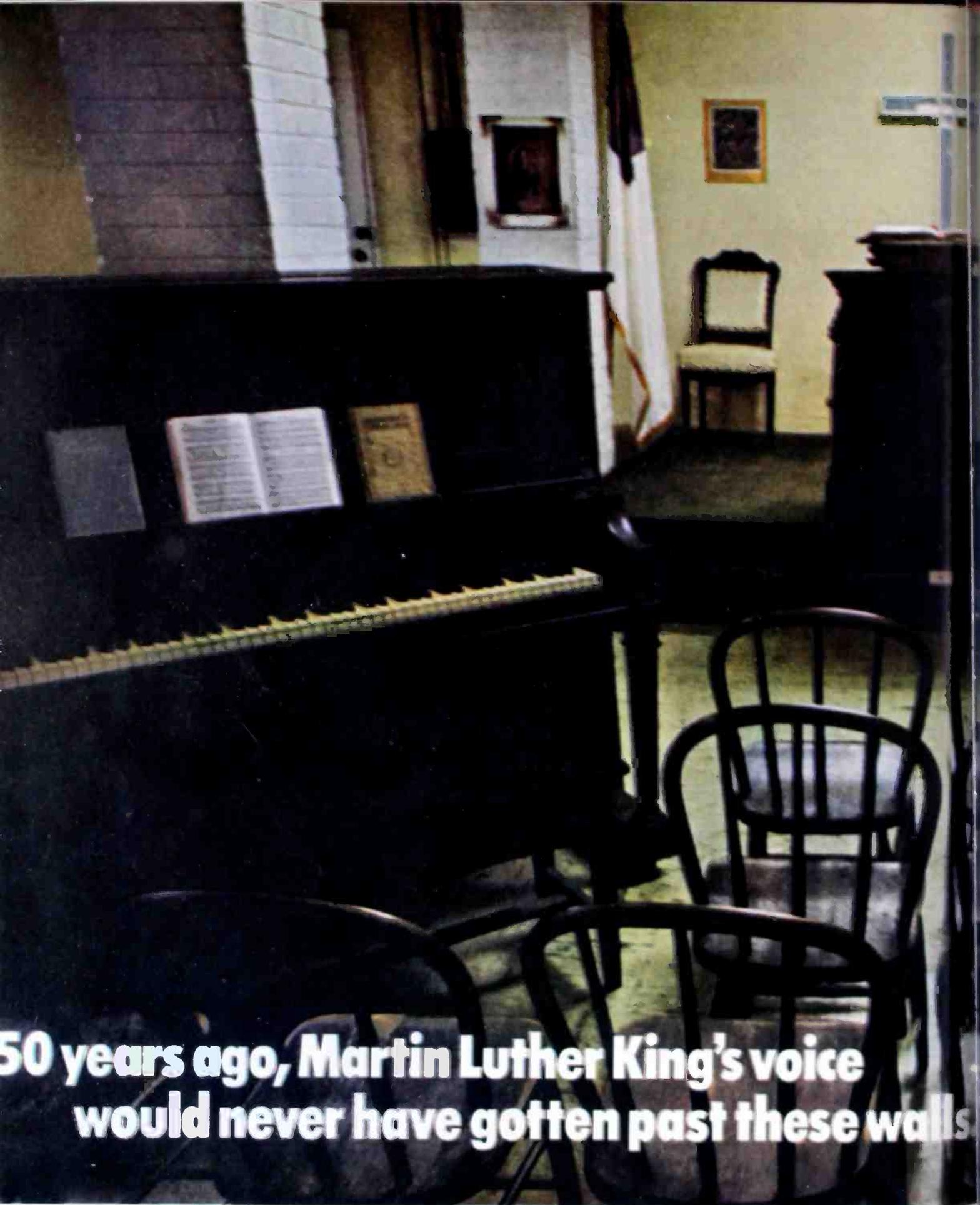
COMPLETING FIRST YEAR IN NEW BROADCAST CENTER

Both KDAL Radio and KDAL Television rank first in audience. Duluth-Superior ARB, Feb. 12-Mar. 11, '69 shows KDAL Television No. 1 in prime time (6:30-10:00 p.m.), No. 1 overall (first in metro rating, share, and total homes, Sun.-Sat., 9:00 a.m.-midnight) average quarter-hour estimates. / Latest (Oct.-Nov. '68) Pulse shows KDAL Radio far ahead in daytime adult audience. (Estimates subject to qualifications in reports.)

KDAL

National representative
Edward Petry & Co.

TELEVISION 3 / 610 RADIO



50 years ago, Martin Luther King's voice would never have gotten past these walls.

Martin Luther King, Jr. started out in a simple Alabama church. With a congregation no larger than his father had before him.

Unlike his father, he was heard throughout America. At a time when

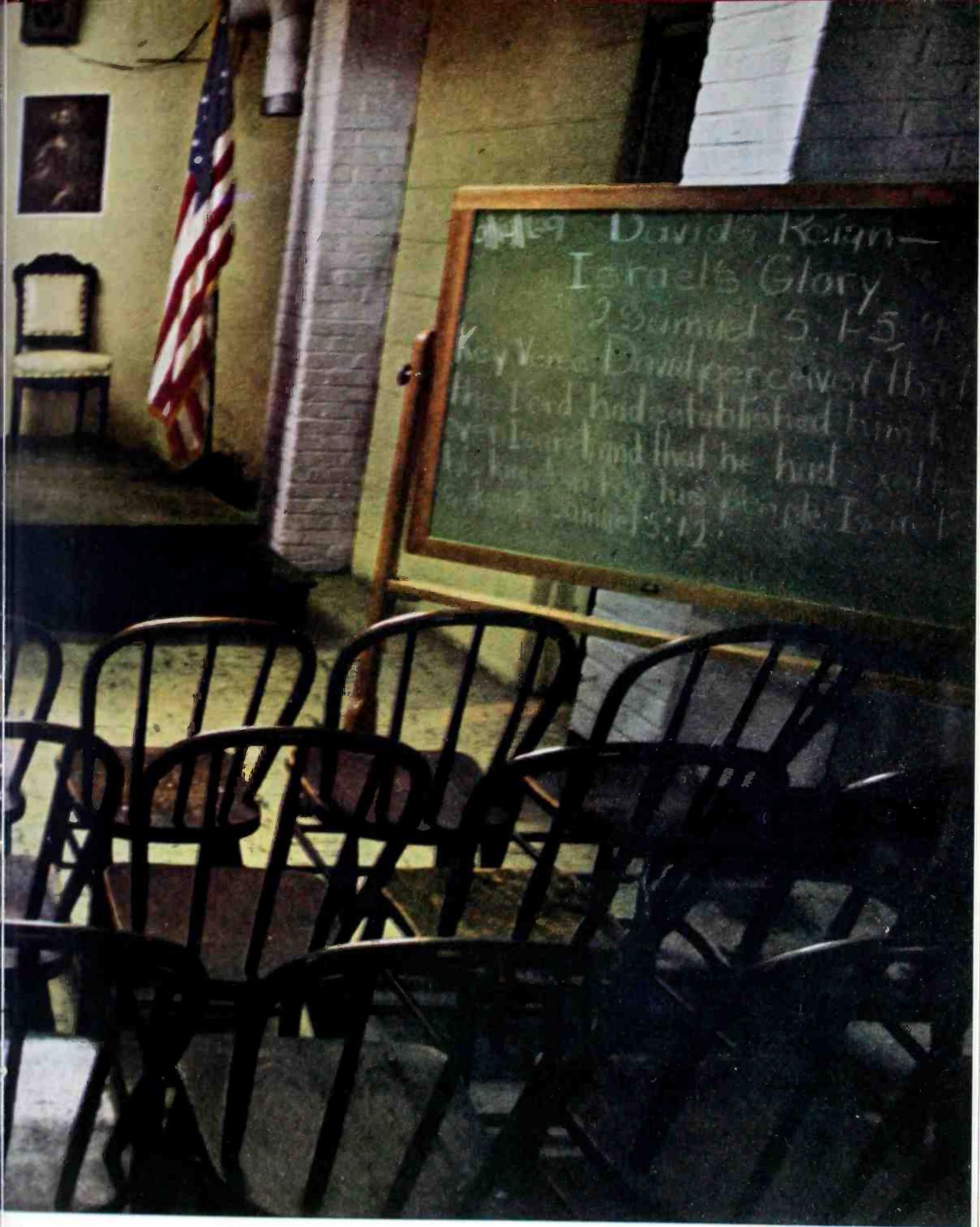
Americans of all races had need of hearing him.

If television and radio could bring his voice to millions, they can also help fight the things he spoke out against.

On a local level, there are issues like unequal housing and schooling. From Los Angeles to New York, Group W stations are among the many

committed to tackling them.

The neglected heritage of black scientists, writers, and leaders must be brought to light. Through series like Group W's "The Great Ones" and "A Matter of Pride," broadcasters are helping do just that.



1449 David, Keian -
Israel's Glory
2 Samuel 5: 1-5, 9
Key Verse: David perceived that
the Lord had established him
in his land that he had
conquered his enemies.
2 Samuel 5: 17

Blacks and whites need a chance
to put their hates, fears, and
prejudices together, before it's too
late to talk. Last year, for 3½ hours in
the cities, our "One Nation,
Under a God" was one program that gave
them a chance.
Broadcasting's responsibility to
show a look at today's problems.

And we at Group W want to be part of
that growing effort.

Nobody's saying 300 years of ugly
history can be cleaned up by radio
and television documentaries.

But they can get people to do
the job.

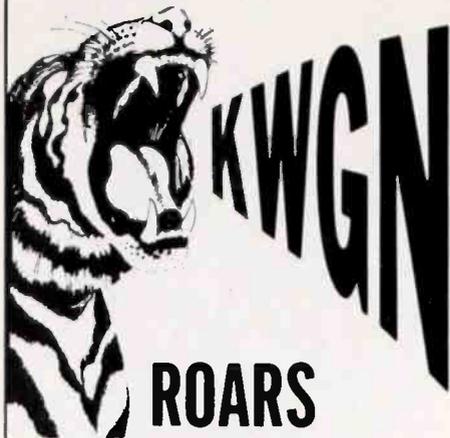
GROUP



WBZ · WBZ-TV BOSTON · WINS NEW YORK
KYW · KYW-TV PHILADELPHIA · WJZ-TV BALTIMORE
KDKA · KDKA-TV PITTSBURGH · WOWO FT. WAYNE
WIND CHICAGO · KPIX SAN FRANCISCO · KFWD LOS ANGELES

WESTINGHOUSE BROADCASTING COMPANY

Broadcasting does more than entertain you.



**ROARS
UNIQUELY
IN THE
DENVER TV MARKET**

**WITH
DENVER'S ONLY
Monday-Saturday
Local 7:00 p.m. Movie
"KWGN PRESENTS"**

Film masterpieces. That's the fare. KWGN Television has assembled an exceptional library of recently produced feature films for presentation at 7:00 o'clock six nights each week. We call it "KWGN Presents." But we may have left out a word—"PROUDLY."

**DENVER'S ONLY
9:00 p.m. Newscast
"THE BIG NEWS"**

News, Weather, Sports. It happens seven nights a week at 9:00 on KWGN Television. Nobody else can make that statement. And nobody else can offer Newscaster Ron Voigt, Weatherman Bowman, and Sportscaster Fred Leo. We're glad we can. The viewers must be too. Higher ratings show it.

**DENVER'S ONLY
Sunday-Saturday
10:30 p.m. Movie
"THE CHANNEL TWO MOVIE"**

KWGN Television is looking out for the late evening movie buffs. Nobody else in the Denver market is. And the offerings are out of that same fine feature film library from which our early evening movie is programmed. Everybody has a 10:30 program. Ours is the only one that's different.



**"THE WGN
OF THE
ROCKIES"**

KWGN TELEVISION, DENVER
A WGN Continental Broadcasting Company Station

NOVEMBER 3, 1969

Television Age

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New product coups and soaring ad budgets help Colgate-Palmolive sweep past Lever Bros. and put it in lock step with P&G

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Colgate has had its problems but there's been a turnaround in the past few years

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Tv is still the company's leading pitchman, though radio, now with 10 per cent of the ad budget, is coming on fast

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The current earnings picture looks good and heavy overseas stake might be a plus if recession comes

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A unique, centralized broadcast buying operation helps reduce spot costs and coordinate brand placement

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A NEW SYMBOL OF LEADERSHIP IN WESTERN TELEVISION



MONTANA TELEVISION NETWORK
TELEVISION'S 89th LARGEST MARKET

NUMBER **1** MEDIA BUY IN MONTANA

KOOK-TV CHANNEL **2** BILLINGS

KRTV CHANNEL **3** GREAT FALLS

KXLF-TV CHANNEL **4** BUTTE



MAIN OFFICE: P.O. BOX 2557, BILLINGS, MONTANA 59103 DONALD G. BRADLEY, General Manager

Sold nationally by **K** **AVERY-KNODEL, INC.**
NEW YORK • CHICAGO • ST. LOUIS • DETROIT • ATLANTA • DALLAS • SAN FRANCISCO • LOS ANGELES

ART MOORE & ASSOCIATES, INC. - Seattle and Portland ANDY McDERMOTT SALES, LTD. - Toronto and Montreal, Canada

BOISE...MAKES NEWS:

In the past five years the Boise market has had . . .

20 per cent increase in Television homes.

37 per cent increase in net weekly circulation.

Retail sales up 33 per cent.

Food sales up 35 per cent.

KBOI-TV... MAKES NEWS IN BOISE

The KBOI-TV news department is dedicated to the service of the Boise area. (KBOI-TV leads in late afternoon news 5:30 to 6 p.m. with a 54 per cent share Source: February-March ARB).



KBOI-TV Boise, Idaho

Represented by:
PETERS GREEN WOODWARD INC.



Television Age

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No. 7

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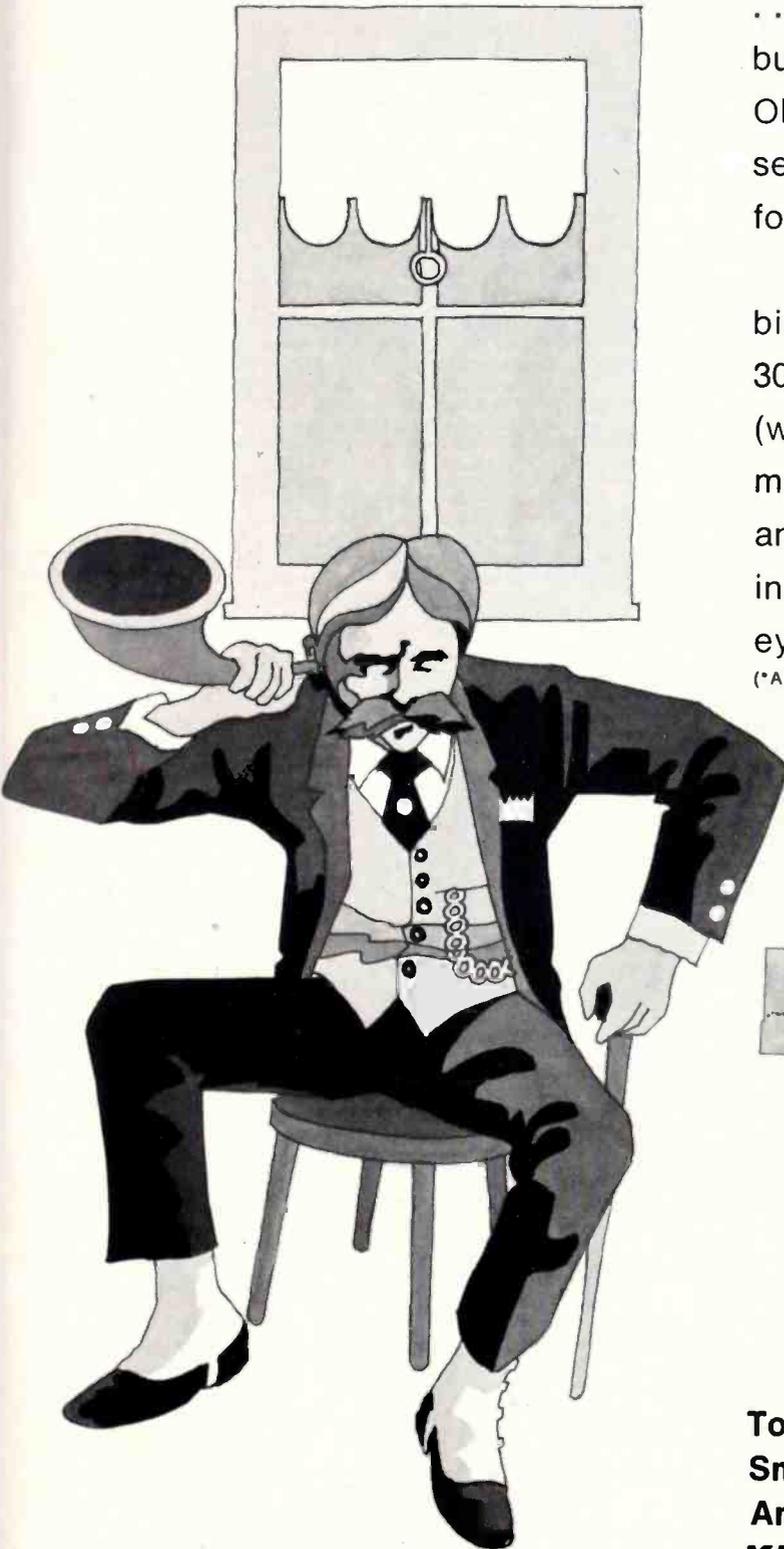
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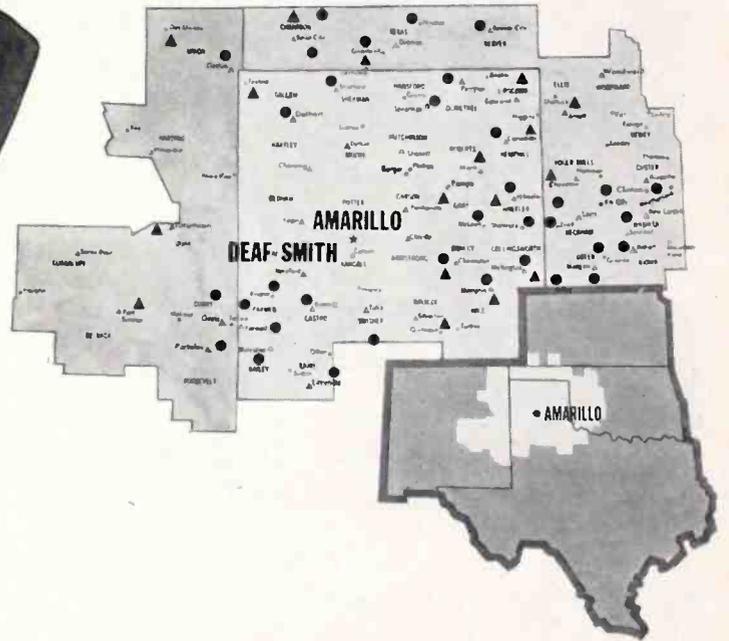
They can see us in Deaf Smith County...



... and 38 other counties of the sprawling, bustling Texas Panhandle, plus parts of Oklahoma and New Mexico. They represent the fastest growing portion of the fourth largest market in Texas*.

Of course, there are times when it's a bit difficult to hear — what with more than 300,000 head of cattle on feed in the county (world's largest concentration) . . . and more cattle being slaughtered daily than anywhere in the U. S. It's no wonder folks in Deaf Smith County perk their ears and eyes toward Amarillo TV.

(*ARB ADI, 1969 - Houston, Dallas-Ft. Worth, San Antonio, Amarillo)



To **SELL** the sharp-eyed viewers in Deaf Smith County, contact the reps of these Amarillo TV stations:

KFDA-TV **KGNC-TV** **KVII-TV**
Blair Television Avery-Knodel, Inc. HR Television, Inc.

Amarillo, Texas

WHBF

*the call
letters of
public service
since 1925*



Maurice
Corken, *vice pres. & gen. manager*

"Serve is the key word in our motto. It challenges us to provide the best in entertainment, news and public service that our many years experience can provide."



Frank
Hicks, *AM program director*

"Our success depends on the listener. What he wants does have an effect on what he gets. We program for him. His wants make him a member of our team."



Bob
Sinnett, *vice president, engineering*

"Superior service demands superior equipment like our radar weather system, full color studio and control rooms, film labs and complete backup equipment."

WHBF

CBS for the No. 2 market in
Illinois-Iowa (Rock Island,
Davenport, Bettendorf, Moline)

Letter from the Publisher

Our first major change

The first major change in the 16-year history of TELEVISION AGE will occur on January 12, 1970.

Effective with that date, the name of the publication will be changed to TELEVISION/RADIO AGE. (See pages 14-15.)

It might be said that this transition had been 16 years in the making.

As an example of what has happened in the broadcast business over that period, in 1953 the total revenues of both radio and television were slightly under \$500 million. Last year, the total revenues of both radio and television were \$3.5 billion dollars, more than a seven-fold increase. In 1968, radio chalked up its first \$1 billion year.

The new, redesigned publication will reflect the challenges and the changes, the excitement and effectiveness of the broadcast medium. We will chart the trends and developments in radio as we are doing in television. We will continue to utilize the facilities that have made TELEVISION AGE the No. 1 publication in its field among agencies and advertisers.

Our present staff has several years expertise and background in radio as well as in tv. In addition, we are planning an expansion of our editorial team.

Radio and tv related

There is an obvious interrelationship between radio and television. Both come under the purview of the FCC, and most regulatory problems are common to both. Within the agencies, the buyers deal with and buy both radio and television.

Our special issues will have specific application to radio as well as television. These include the Economic Preview issue to be published January 12, the FCC issue published co-incident with the NAB Convention in April, the Public Affairs issue which appears in July, the News issue in September, and the Major Advertiser issue published in November (such as this current one on Colgate).

It is significant that we are making the transition in the 50th year of broadcasting in the United States.

We are not reducing our television coverage. We are adding a dimension to the broadcast business that will make TELEVISION/RADIO AGE more useful, more readable, more meaningful than ever before.

Above all, we will continue the crusade for a free, healthy, and competitive system of broadcasting.

Our dramatic change will take place against the backdrop of a new format. More on this in the next issue.

Cordially,



TRIANGLE TELEVISION'S

FALL-WINTER '69-'70 PROGRAM BUYER'S GUIDE

DEAR JULIA MEADE



The audience writes the script in letters that bare their lives. The problems are universal, and they're handled confidently by Miss Meade and her panel of experts in the kind of frank and lively discussion that makes her show a place women can turn to when they need help.

Qualifies for instructional credit under FCC logging procedures. Five half hours a week videotaped in color. Ask for the HELP show.

How about a Christmas Special? "Setting Ready for Christmas" with the swingiest, singiest, fanciest, most attractive group in show business. It's a party with music and dancing and everything you need for Christmas — including children. Perfect for a sponsor who's getting ready for Christmas.

Like the five other Doodletown specials, it's a sing-with-heart message of standards and pop hits interlaced with wild comedy.

Need a Thanksgiving show? Like a gander at Harvest Hayride. It's a riotous romp to Aunt Clara MacDonald's farm through the heart of Pennsylvania Dutchland, a country that was waiting to be discovered by color cameras.

And make note of: Spring is just in' Out, taped on the exquisite campus of Claremont College in California; An American Holiday, with scenes at Independence Hall in Philadelphia; Beach Party on the Mexican Gulf; Way Out West, also taped on location. Broad family appeal. **ASK FOR THE HOLIDAY SPECIALS.**

DOODLETOWN PIPERS



COWTOWN RODEO

This color videotape series presents all the bone-jarring action of the rodeo's gentle arts in back-to-back sequence that makes for the fastest hour in television. Produced on location at Cowtown, New Jersey, under the sanction of the Rodeo Cowboys Association, the show features the super-stars of this fast-growing sport that boasts nine million fans. **ASK FOR THE COWBOY SHOW.**



Stump The Stars



You can't argue with seventeen years and three networks worth of success. Now in a BRAND NEW half-hour strip videotaped in color, the Entertainment Establishment competes against television's New Faces — guests like Carol Burnett, Sid Caesar, Dick Van Dyke, Bob Cummings, Peter Breck, Robert Morse, Vincent Price and Deanna Lund.

ASK FOR THE MAD, MOD SERIES. YOU'LL LAUGH ALL THE WAY TO THE RATINGS.

Twenty 5-minute color videotaped show designed to help people who want to quit smoking. Hosted by E. G. Marshall with Dr. Luther Terry, former Surgeon General of the United States. The series is based on the findings of Dr. Daniel Horn of the U.S. Dept. of Health, Education and Welfare's National Clearinghouse on Smoking and Health, and relies heavily on his carefully developed method of self-analysis as the means of breaking the habit. The program takes into account the many motivations



WHY NOT QUIT?

for smoking and is thus able to communicate effectively with all smokers all the time. Very suitable as a feature in your news block. **ASK FOR THE "WHY NOT QUIT?" SHOW.**



Exercise With Gloria

In its twelfth run in Chicago, its sixth in Los Angeles. Gloria Roeder, a slim, 115-pound physical education major is a nationally-known authority on fitness. A daily half-hour of practical "slimnastics" set to music.

ASK FOR THE HEALTH SHOW.

**TRIANGLE PROGRAM SALES, 4100 CITY LINE AVENUE, PHILA., PA. 19131, (215) 878-9700
NEW YORK (212) 421-2770 / CHICAGO (312) 945-2744 / LOS ANGELES (213) 387-1296**

Announcing a **New** Publication...

Well, not *entirely* new . . .

But, on January 12, *TELEVISION AGE* will make the most significant advance in its 16 years of service to advertisers and agencies.

With that issue, we're adopting a new format to include information and in-depth features about the dynamic, ever-changing medium of *radio*. At the same time, our name changes to *TELEVISION/RADIO AGE*.

Every advertiser in the country who spends \$25,000 or more a year in television or radio will now receive *TELEVISION/RADIO AGE*.

As you should know, *TELEVISION AGE* today leads its field in agency-advertiser readers. It reaches more than 9,000 influential persons concerned with the planning of TV advertising and has a total circulation approaching 14,000 copies. In the past year alone, our own advertising lineage has risen by 26%.

The addition of radio will afford full coverage of the broadcast media, and, in 1970, *TELEVISION/RADIO AGE* will have a guaranteed circulation of 20,000.

Our editorial approach to radio information will be the same as for television . . . with the same aim of giving agencies and advertisers the kind of basic, meaningful, easily-absorbed background that makes more productive use of both media possible.

Here is what's ahead:

- An up-front *Radio News Letter*, edited for fast reading, with exclusive, late-breaking news about the radio business.
- Expansion of the well-read *Spot Report*, which regularly summarizes spot TV activity, to include spot radio placements.

- 
- Unique feature stories that knowledgeably, and in depth, probe the facts behind many important developments in today's radio business — written with the same clarity and understanding that have won *TELEVISION AGE* such a following in the agency-advertiser world.
 - An enlarged editorial staff to cover the multiple aspects of both television and radio.
 - Five important special issues each year (as in the past) — but now with valuable attention to radio as well as television. The initial issue on January 12 brings a big *1970 Economic Preview* of what's coming in broadcast advertising.

Since 1953, *TELEVISION AGE* has been recognized as the major communications link among agencies, advertisers and TV stations. Our prime concern is the economics of broadcast advertising. We have thus attracted an audience that cuts across all levels of agency and advertiser interest.

And, to this wide spectrum of decision-makers, *TELEVISION/RADIO AGE* will now be able to bring the many facets of radio as well as television.

We think you will like what you see on January 12. More than that, we believe you will find the new *TELEVISION/RADIO AGE* more essential than ever before.

Never has broadcast advertising been so complex — nor so productive for those who keep themselves informed. And information, interpretation, anticipation . . . these are what the new *TELEVISION/RADIO AGE* will now bring you, issue after issue. In a bigger, better, broader package than ever before.

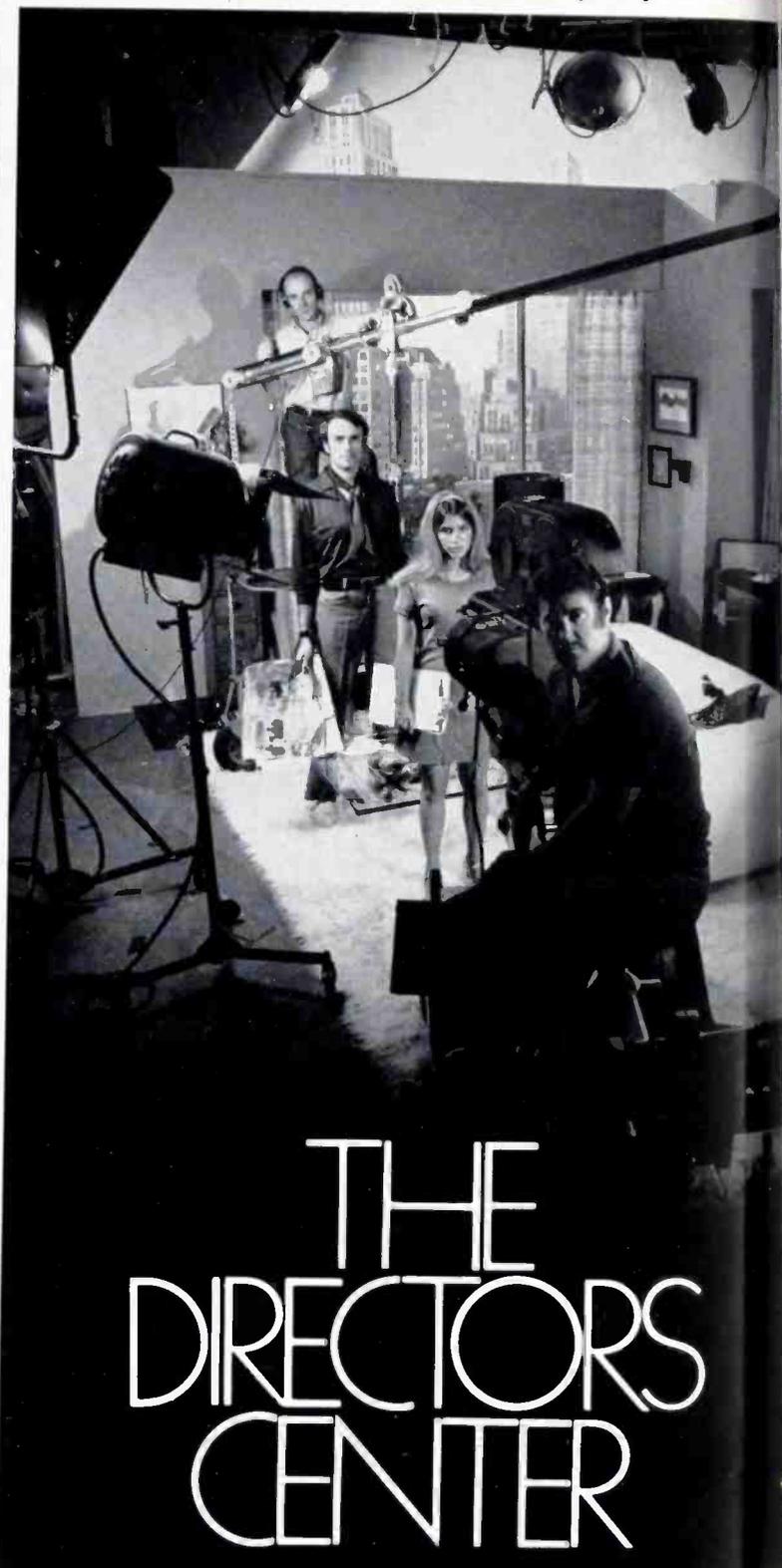
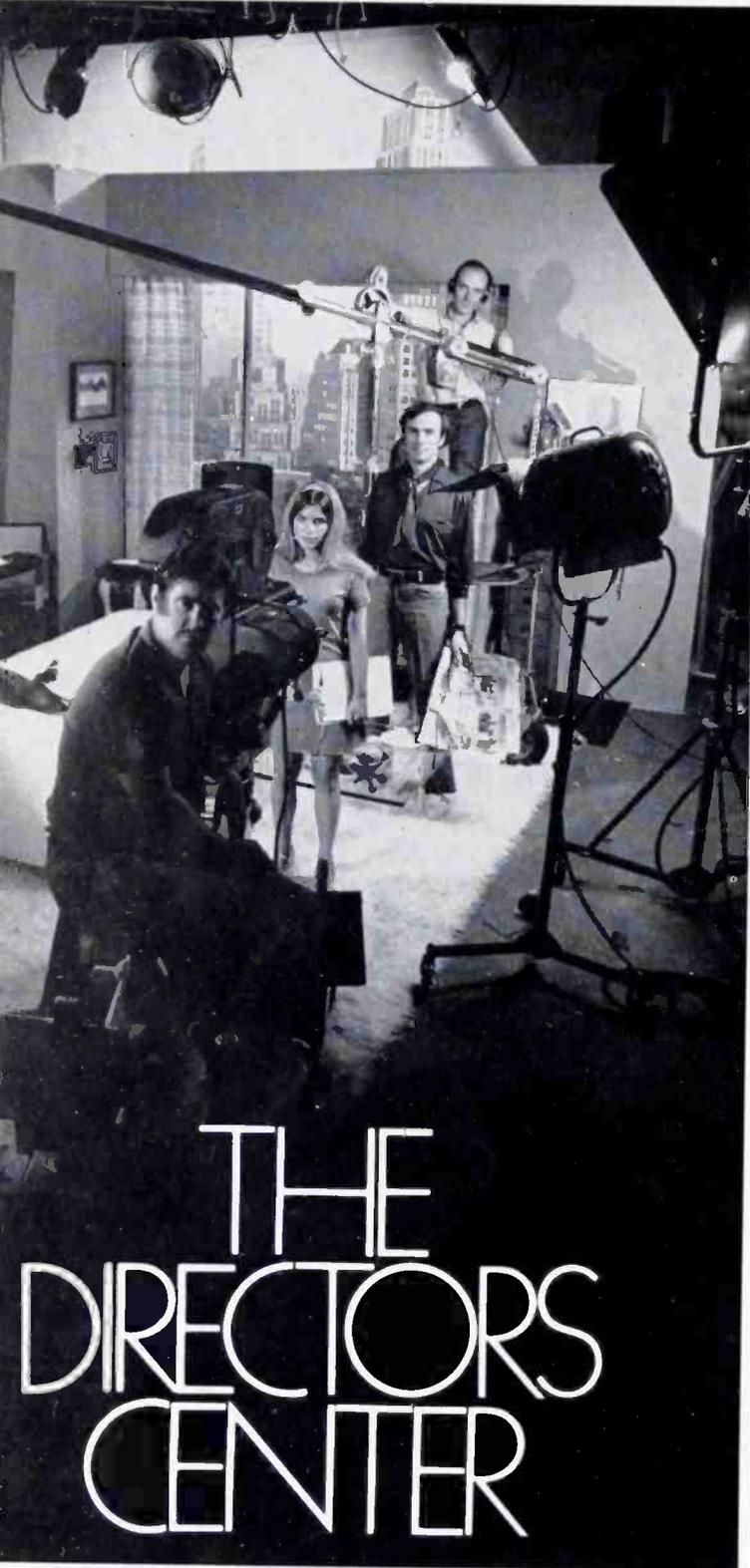


Television/Radio Age

Starting January 12, 1970

POV

How you see The Directors Center depends upon your point of view. How you use it depends upon your needs.



THE DIRECTORS CENTER

THE DIRECTORS CENTER

If you are a director, you see us as a complete service facility, including stages, equipment and personnel. Our format offers you maximum latitude for everything you do, from evaluation and search thru production and post production.

If you are an agency producer, you see us as a place where the industry's leading directors are backed up by professional production management including complete logistical budget control from bidding to broadcasting, for film and tape.

A total service to directors and producers. Worldwide. That's our point of view.

THE DIRECTORS CENTER
78 East 56th Street
New York, New York 10022
(212) 838-3900

THE DIRECTORS CENTER
1515 North Western Avenue
Hollywood, California 90027
(213) 466-8691

SFM gets missing "F"

The missing "F" in SFM Media Services Corp., Robert Frank, has joined the company as executive vice president in charge of finance and administration. Various sales executive, station clearance representative, corporate auditor and cost control administrator at the CBS and ABC networks, Frank, together with Walter Staab and Stanley Moger, the president and vice president of the firm, are the three principals.

SFM has already picked up \$15,000,000 in billings and has five clients, among whom are advertisers and agencies, the company says. Most recent additions to its staff are Maria Carayas, broadcast supervisor, formerly of J. Walter Thompson, and Mike Moore, formerly of Ted Bates, vp and director of operations.

Du Pont awards

The first Alfred L. du Pont-Columbia University Awards in Broadcast Journalism were presented to one individual, two tv networks, three tv stations and one radio station. The individual receiving the award was Dr. Everett Parker of the United Church of Christ for his work in connection with the public's right to challenge FCC licenses formally.

Among the networks NBC won for "CBW—The Secrets of Secrecy," on *First Tuesday*, and National Educational Television and the Public Broadcasting Laboratory for *Defense and Domestic Needs: The Contest or Tomorrow*.

KNBC Los Angeles received an award for the program, *The Slow Guillotine*, and WSB-TV Atlanta for its continuing coverage of organized crime in the community.

KQED, public tv outlet in San Francisco, won for outstanding coverage of the 1968 election as did WRKL, Mount Ivy, N.Y.

NFL Films turning a corner

NFL Films, modest in demeanor, but an underestimated factor in syndication, has quietly turned a corner in its six-year history. Its one-hour program, *This Week in Pro Football*, is in more than 150 markets. In the past none of its syndicated shows, for a variety of reasons, hit a market spread of more than about 60.

A major factor in this year's program distribution is Hughes Sports Network, which has taken over the selling chores and is feeding the show.

More blacks in agencies?

Look for an increased effort by agencies to hire black personnel in more responsible positions. The tipoff was a hell-raising speech before the Audit Bureau of Circulations by Barton A. Cummings, chairman of Compton and this year's chairman of the 4As. He accused agencies and media of apathy in the employment of black executives.

While Cummings conceded that the advertising business is trying, he said, "We are not trying hard enough." But he said at one point: "We are, in a growing num-

ber of companies, learning to tell our personnel department that we really do want them to employ black people."

Smothers to be screened

Timex pre-screens all its specials and it will also pre-screen its Smothers Brothers special which will be telecast early in February on NBC-TV. The comedy team is returning to tv under very different conditions from those when the brothers exited.

They will be on a different network; they will have a sponsor for one program. Their future will, of course, depend on their performance on and off of the tube. NBC has said it would like to give them more work, but it is not committing itself at this point.

Lotsa money, but lotsa audience

As they say in the garment district, dear is sometimes cheap. That could be the only conclusion for advertisers who sponsored the NFL Baltimore Colts-Philadelphia Eagles football game on WPHL-TV Philadelphia last month.

It now turns out the station received a premium rate of five times its base rate for participations. It still sold out the game. The telecast of the game on the UHF station got a higher ARB share than the competing programs on network affiliates.

The game was originally to be telecast on a Sunday night over WCAU-TV Philadelphia, but because of the World Series it had to be shifted to Monday night. WCAU-TV did not wish to pre-empt network programming during the critical early-season rating sweepstakes. The Eagles, however, insisted that it be presented live, not on tape, and so WPHL-TV got the contest. It had to push back another sports event to do it, but it was worth it.

From competitors to customers

Now no longer competing with commercials producers, but selling a full video tape service, Teletronics International has, in the short period since its changeover, been picking up a great deal of business from firms which were rivals in the past. These include Telpac, May Day, AVC, Mitchalcraft and CMM, and post-production work for MPO, Syncrofilm, Film Effects, VPI, Garden State, Centrex, and Dick Feldman.

New Minneapolis facilities

The Minneapolis area will have a color tv production center early in January. Northwest Teleproductions, Inc., will have complete facilities for video tape production of tv commercials, syndicated and industrial programs. These include color remote video taping facilities for use at sports and political events, convention and stockholders and industrial sales meetings, as well as on-location commercial tv production.

Other similar facilities in the area are operated in conjunction with tv stations. Northwest Teleproductions is a subsidiary of Empire Photosound, Inc. Vice president and general manager is Robert C. Mitchell.

More backup keeps us up front with news in Milwaukee

One reason for WTMJ-TV's bigger viewer headcount: a news staff headcount twice that of our nearest competitor! Extra manpower gives us extra speed. Last presidential election, for example, our own network team typically kept us thousands of votes ahead in reporting key local races . . . helped garner 51% of Milwaukee viewers against 26% for the runner-up station.* More backup also means greater depth for such popular features as our News-4 Probe. These documentary series take a penetrating look at

controversial issues as they relate to Milwaukee. WTMJ-TV serves Milwaukee through the most advanced broadcasting facilities around . . . plus helicopter and mobile units for quick on-the-spot coverage. We can serve you through Harrington, Righter & Parsons.



LOOK FORWARD TO WTMJ-TV
The Milwaukee Journal Station • NBC

WTMJ-TV



*Based on an ARB coincidental weighted composite study of the three Milwaukee tv stations covering election results from 7 to 11 P. M. November 5. Subject to qualifications listed in said report.

Business barometer

Resuming the solid growth rate that took place during the first four months of the year, spot came in with an 18.7 per cent rise in August. There had been a steady decline in the growth rate after May, when the figure was 15.7 per cent. Then, in June, it went down to 12.3 per cent. And, in July, the increase was a mild 7.0 per cent. Before June, however, no month showed an increase of less than 14 per cent.

It was the best spot performance in August for a decade. The last year to top it was 1959, when spot jumped 22.7 per cent over the previous year. Last year, August recorded an increase of 6.0 per cent, while the year before it was down 9.7 per cent.

The latest August brought in \$75.3 million in spot revenue, compared with \$63.4 million in August of '68. The August sample of stations reported that their spot revenue was 4.0 per cent above July, '69.

The smaller- and medium-size stations did markedly better than the larger stations in spot revenue intake during August. Those in the under-\$1 million class jumped a healthy 27.4 per cent, while those in the \$1-3 million category climbed 27.7 per cent. Outlets in the over-\$3 million group had to be satisfied with a rise of 15.7 per cent.

The medium-size stations have been doing particularly well in spot this year. They led the other groups in spot increases (on the average) during five of the eight months recorded by "Business barometer." The smaller stations led during three months, while the larger stations were not on top during any month this year.

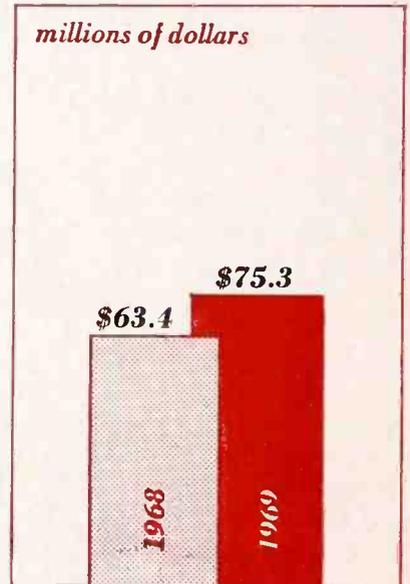
For the eight months this year, spot revenue is now at an estimated \$708.1 million, as compared with \$616.6 million last year. This represents an increase of 14.8 per cent.

This is pretty well in line with what's been happening to spot this year. At the end of the first quarter, spot was 14.2 per cent above '68; at the end of the second, the increase was 15.5 per cent (the second quarter alone was up 16.5 per cent).

The September figures will bear watching, as the tv season gets underway. There is no consensus on how the rest of the year will go.

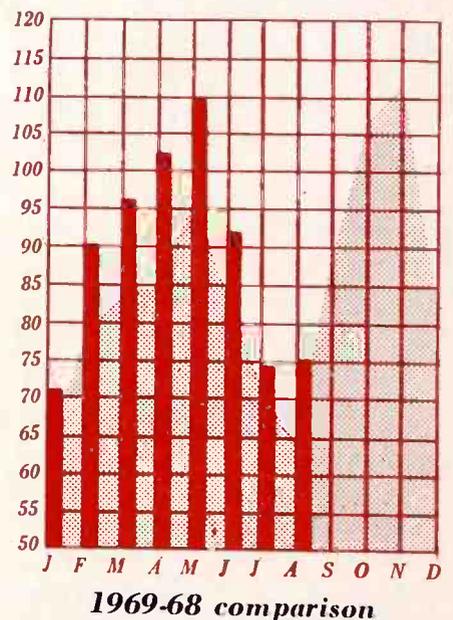
Next issue: local and network compensation in August.

NATIONAL SPOT



August (up 18.7%)

Year-to-year changes by annual station revenue.	
Station Size	Spot TV
Under \$1 million	+27.4%
\$1-3 million	+27.7%
\$3 million-up	+15.7%



THE AWARD...

The Radio and TV News Directors Association Award for Distinguished TV Editorializing



WDSU-TV's Ed Planer, Vice President—News, and John Chase, Editorial Cartoonist, accept the RTNDA award from Herbert G. Klein, White House Director of Communications.

THE WINNER: WDSU-TV NEWS—

Only station in the country so honored 3 *times* in the last 10 years.

There is only one RTNDA television editorial award. It is given to only one station. This year's winner, WDSU-TV, New Orleans . . . for editorials about a story that rocked a state.

In 1968, the doors of the Louisiana Loan & Thrift Association closed for the last time. The institution was bankrupt. Hundreds of its depositors lost their life savings. It was a scene right from the Depression. What caused it? How could it happen in a state where the state government keeps a close

eye on such institutions? WDSU-TV reporters did some digging. Records proved embarrassing as it became obvious that prominent state politicians were not only aware of LL&T's shaky status, some had been involved with the firm's operations. One such man was State Attorney General Jack Gremillion. WDSU-TV made its exposé in a series of news stories, editorials, and editorial cartoons. The editorials and cartoons won the RTNDA award. And Mr. Gremillion was subsequently indicted.

WDSU-TV
Channel **6** • NBC in New Orleans • Blair

VPI in transition

The company that is handling the printing and distribution of Colgate-Palmolive's tv commercials (see *Agencies*: story in this issue) has been going through a transition whose end is still not in sight.

The company is VPI, a division of Electrographic Corp. Under the direction of Sheldon Satin, a tireless executive who became VPI president in July, new concepts of operation, some of which had been tested before Satin moved into the post, have been put into effect. Particularly important was the separation of production and post-production functions.

Of perhaps even greater significance was the setting up of The Directors Center, also under Satin's presidency. The Center has been testing fixed-fee production plans with two major ad agencies (See *TELEVISION AGE, Commercials production: a new ballgame*, October 6, 1969, and lead item in *Tele-scope*, October 20, 1969).

The newest move, announced last week, is the establishment of VPI Services. This groups six separate services and consolidates management function of previously independent operations in one full-line service concept. "It's designed specifically," said Satin, "to meet the total post-production needs of the commercial producers, agencies and advertisers."

Heading up VPI Services is Robert C. Winkler, who had been president of Video Prints, now one of the services. The six services, which run the gamut of post-production, are editing opticals, color consultants, laboratory, print distribution and shipping.

Centralized management. The head of each service will no longer report directly to Satin but to Winkler, who holds the title of president of VPI Services.

Satin said he has chosen to centralize management of post-production rather than tie it up in the red tape of what he calls "executive obesity."

The only completion aspect not

handled by VPI Services is chemical processing. The company explored the feasibility of setting up such a facility, but decided against it.

"It would take a lot of space, a lot of personnel and in short, a lot of money," said Winkler, in explaining why VPI won't get into wet processing in New York. "However, money is not the main reason we turned it down. With the big machines having to be fed, they would become a hungry maw; chemical processing would dominate the services operation. VPI Services would become a 'public facility.'"

VPI has a better operation by using De Luxe Laboratories, said Winkler. "We have our own machines at De Luxe, our own people, and we get frequent service."

Directors Center is now going through what Satin calls its first "official" month of operation; it was tested out for about a year. Satin describes the Center as an extension of the production department at the agency. "The Center uses directors of the agency's choice and the post-production facilities of VPI Services, all of which have now been consolidated into a single line. And that's how it all fits together."

Satin has just completed a round of executive meetings in Chicago and the West Coast, where he is planning other organizational changes in the national VPI structure.

On the line

While television has been successful in attracting retailers during the past couple of years (certain quarters, such as Benton & Bowles, have raised questions about just *how* successful), there is admittedly considerable resistance by store management still remaining.

Broadcasters have been accused in the past of simplifying the reasons for retailer resistance, by tending to accuse store personnel of prejudice against the medium and of reluctance to change standard ways of doing things.

A top retail executive said recently that there are solid reasons for retailer resistance to tv and the sooner

the broadcasters understand them, the sooner they'll get a bigger slice of the retail ad melon.

The executive was Alfred Eisenpreis, vice president of Allied Stores Corp. He spoke late last month before the annual meeting of the Television Bureau of Advertising in Washington.

Eisenpreis started off by saying that retailers and stations "carry on debate, not dialogue. They speak at each other, not with each other."

He estimated that total sales of department, mail order and specialty stores last year were \$100 billion and that their local advertising bill came to \$2.5 billion. The share of local tv, he said, is about \$100 million.

Eisenpreis held out the potential of \$500 million in retail tv spending in three years. But, he said, there are two roadblocks—an information problem and a creative problem.

Retailers, he said, need hard answers to such questions as: Which items sell best on tv? Why? How? If local tv is effective for generating store traffic, how does it do its job? Who is advertising which items (or ideas) on tv?

Cost problem. The creative problem Eisenpreis saw as related to the cost problem. "The \$1,000 price tag for a single product message for a local retail commercial is too high. Local television will not become a major medium for retailers until effective commercials can be prepared for about \$300 each, on a regular basis."

Manufacturer-made messages are not the answer either, said the Allied executive. They may serve the manufacturer's marketing requirements but make little positive contribution to the store's identity, he maintained.

What stores need, he said, are people trained in retail television technique "to translate stores' merchandise excitement into productive messages, as part of stores' own advertising organizations. Such professionals will help stores to use tv effectively, and with confidence, and in the volume needed to make local retail tv an important part of your operation." ■

*Revamping of household product
area under Lesch regime
led to Ajax family and jump
in share of detergent market*

The mythical ad wouldn't be far off base. Though Colgate's 1968 sales of \$1.09 billion, \$515 million of which are domestic, are not quite within hailing distance of P&G's \$2.7 billion worldwide, Colgate is still a leviathan in the overseas marketplace. What's more, security analysts are beginning to call P&G a fat cat with a few vulnerable spots. Colgate, on the other hand, is still lean and hungry, steadfastly holding onto the lead it's gained over Lever Bros. while, remarkably, keeping pace with P&G in sales and earnings growth over the past few years.

It's not too likely that Colgate will jeopardize P&G's sales lead in the foreseeable future, but inroads have been made since TELEVISION AGE last took an indepth look at Lesch and his company in 1966 (*No. 3—and trying harder*, November 7, 1966). These inroads are the sort of material that marketing legends are made of; since 1960 Colgate's share of the \$1.1 billion detergent market has jumped from 11 per cent to 18 per cent.

When Lesch took over the helm at Colgate in 1960, the company was in a comotose state, with domestic sales lumbering around \$275 million, and actually trailing foreign sales by a good 10 per cent. Ironically, Lesch himself had been largely responsible for that imbalance, having been president of the international division from 1956-1960, in which time foreign sales had doubled to \$300 million.

Said Lesch a few years after he moved over to take charge of the whole shooting match: "In the early 1960s the condition of Colgate-Palmolive was worse than anyone knew."

One of the first directional switches he pulled was to steer the company onto a new path. "We had to have new products at any cost and de-





velop an entirely new management structure and operation that could produce them," he said. The result: investment in research since 1960 has soared to \$60 million.

Lesch turned his attention first to household products, making sweeping changes in the product development area. Out of his revitalized laboratories came new products like Ajax powdered cleanser, Ajax laundry detergent, Cold Power, Palmolive dishwashing liquid, Baggies, Handi-Wipes, Pruf spray starch.

'Take a few chances'

Once the motors were switched on in this division, Lesch made a similar change in the Colgate-Palmolive line of toiletries that had dated back to the turn of the century, but had languished in the late 40s and 50s.

While new designations were being given to the existing Colgate and Palmolive lines (Colgate 100 oral antiseptic, Palmolive Lime Rapid-Shave, for example), new product lines were being introduced: Florient, Galaxy, 007, Moment of Truth.

"The only way to produce winners," Lesch has pointed out, "is to take a few chances. . . . We started to roll the dice."

Most of the time the numbers came up right. Ultra Brite, introduced nationally in 1967 as a head-to-head competitor to P&G's Gleem, was launched with a \$26 million sampling program, the largest amount ever expended on a dentifrice promotion. This was backed up with a \$12 million advertising campaign.

The results paid off—Ultra Brite now holds third place in the toothpaste sweepstakes, ahead of Gleem, with a 10-11 per cent market share. It partially compensates for Crest's (also from P&G) lead over the number two brand, Colgate dental cream, which Crest deposed from the top

spot after attaining the endorsement of the American Dental Association some years ago. Crest's market share is now said to be about 35 per cent, Colgate's 23 per cent.

The Colgate toothpaste formula is undergoing another change right now, as Gardol is being replaced with a cavity-fighting ingredient, MFP, to do battle with Crest's stannous fluoride formula. To launch Colgate with MFP, again C-P didn't spare the horses, investing \$14 million in the initial promotion.

Lesch's biggest coup in his 10 years as Colgate's chief, however, was in the laundry detergent area.

He and his vice president for marketing, David Foster, had heard back in the Fall of 1968 that P&G was testing a new detergent with enzymes in Syracuse, N.Y. Recognizing the potential, they had C-P's scientists go to work on a competing product. They called it Axion, and rushed it into production.

Launched with a heavy tv and coupon promotion campaign, Axion stole the march in the new products field, amassing, according to one estimate, 75 per cent of the market. That estimate may be an exaggeration, but having a headstart in a new product area gives the leader an edge that takes time and money to overtake.

Heavy Axion budget

Axion was introduced with an initial promotion budget of \$14 million, much of which went into market testing and a heavy coupon mailing campaign. Also, Arthur Godfrey's tv promotion was a valuable contributor.

Axion's 1968 media support was \$6.7 million, \$2.3 million of which went to spot tv, and \$1.7 million to network tv. Though Godfrey is now sharing selling time for Axion with

Sheila McRae, his affiliation with the company has by no means decreased. He is also heavily pushing Colgate dental cream with MFP, has signed an exclusive contract with C-P for five conservation specials and is hosting a Colgate-syndicated daytime program, *Your All-American College Show*.

Those close to Godfrey say his contract is so strong, or his loyalty so great, that he won't make a television appearance if one of Colgate's competitors is anywhere nearby in the same time segment.

No. 1 salesman

The use of Godfrey as "Colgate's No. 1 salesman," as one advertising executive called him, could revive the moribund art of product-personality identity, so strong in radio and the early days of tv.

Aside from Ultra Brite and Axion, C-P has introduced about 23 other new products since Lesch assumed control in 1960. Though more than a few have fallen flat on their faces, most have fared pretty well. About 40 per cent of the company's present sales derive from products not in existence in 1960.

What pleases Lesch most about his company's achievement in the past decade is that domestic sales have finally caught up with foreign sales, though overseas selling contributes an estimated 89 per cent of corporate net income.

"The only thing that's important," Lesch notes, "is that our domestic business is growing as fast as our foreign business." That's about 10 per cent a year.

The reason that the foreign operation does so well, naturally, is that research, development, testing and some production costs are shouldered by the U.S. operation. Also, the foreign market is larger and has



*George H. Lesch
chairman of the board
and president*



*David R. Foster
executive vice
president*



*John E. Grimm III
general manager
toilet articles div.*



*Ward T. Hagan
general manager
household prods.*



*George T. Laboda
media director*

much wider latitude for penetration with competition much softer.

Another feather in Lesch's quill-studded cap is that Colgate has almost equaled P-G in sales and earnings growth over the last few years, though it has to be admitted that Colgate started from a lower base.

Perhaps more important, there are those who contend that P&G has grown too big, too impersonal, too unwieldy, and too sluggish to keep its lead forever. A good example of this, say some, is the Axion caper—P&G was in testing enzymes first, but Colgate beat them to paydirt.

"The days of P&G's overwhelming dominance in market shares and unquestioned superiority in marketing savvy and product quality seem about over," noted *Forbes* magazine early this year. "Everything in P&G's environment—consumers, retailing, competition, the law—is changing and P & G is having real trouble keeping up with the change."

Unlike P&G and other large corporations, Colgate hasn't scattered its shots too widely over the years. Since its incorporation in 1908 as a soap producer, it has concentrated pretty much on detergents and personal hygiene products.

Wanted food

It must be said, however, that C-P has longingly coveted the food business and, in fact, almost got into that prized area in 1928 and again in 1966, the last time with Nabisco. Merger talks between the two giants took place that year, but, unexplainedly, they were doused after two months. Some observers thought that the government's intervention in breaking up a P&G-Clorox merger had a lot to do with the Colgate-Nabisco dissolution. Lesch would only say that the split was "in the best interests of the company." The previ-

ous merger attempt, in 1928, was with Kraft Foods and died when the stock Market crashed.

As to present advertising expenditures, Colgate's are about half of what P&G's are. Last year, P&G spent \$198.7 million on advertising, compared with worldwide sales of \$2.7 billion, or 7.3 per cent. Colgate, on the other hand, spent \$103.27 million on advertising, based on \$15,085,000 of domestic sales. It is impossible to draw a meaningful comparison between the two companies, since P&G does not announce

cent in 1966 to 19 per cent in 1967 to 20 per cent last year. Meanwhile, its competitors have decreased their ratios of advertising to sales, leading some observers to claim that Colgate's advertising is inefficient.

This may be so, but in Colgate's defense it must be pointed out that new product promotion accounted for much of the outlay. In the first half of 1969, for example, of the company's total tv ad budget of \$41 million, over 60 per cent was used to promote eight new products introduced since 1966. The products are

cent of the total budget; last year, it accounted for only 77 per cent.

Tv's loss has been radio's gain. Radio benefited from a 50 per cent increase in 1968 over 1967, up from \$5.7 million to \$11.3 million.

"We're spending \$10 million on radio alone in certain geographic areas and in certain times of the year," noted executive vice president Foster. "We find radio useful in introducing new products and getting the names across."

Though there has been a marked slow-down in new products emerging

Colgate advertising expenditures and domestic sales, 1959-1968

Year	Total	Total tv	Network tv	Spot tv	Radio	Magazines	Tv % of total	Domestic sales millions
1959	\$49,531,959	\$36,358,414	\$22,478,524	\$13,879,890	N.A.	\$5,873,003	73.4%	N.A.
1960	41,411,194	33,930,510	22,511,280	11,419,230	N.A.	8,793,526	82.0	\$275
1961	39,806,427	36,503,110	21,513,940	14,989,170	N.A.	1,189,550	91.7	284
1962	50,255,630	47,316,619	24,538,799	22,777,820	N.A.	1,273,513	94.2	327
1963	62,792,766	55,982,170	28,274,000	27,708,170	N.A.	4,969,302	89.2	340
1964	70,142,000	59,209,000	26,919,000	32,290,000	\$1,700,000	7,714,000	84.4	387
1965	82,042,000	71,189,010	39,934,000	31,255,010	4,300,000	4,219,000	86.8	400
1966	79,023,000	67,115,000	36,879,000	30,236,000	2,808,000	5,652,000	84.9	417
1967	88,292,000	71,088,000	37,772,000	33,316,000	5,688,000	8,900,000	80.5	465
1968	103,276,000	79,547,000	46,266,000	33,281,000	11,268,000	8,798,000	77.0	515

Sources: LNA National Advertisers Investments, TvB-Rorabaugh. NA: Not available.

the extent of its domestic sales, but publishes only those of the company as a whole.

Lever Brothers, now number 3 in the detergent class, invested \$60.5 million in 1968 advertising, representing 13.4 per cent of its domestic sales volume of \$452.5 million. Others in the same, or overlapping areas, like Bristol Myers and Purex, last year spent 13.1 and 3.2 per cent, respectively, of their sales volume on advertising.

Colgate's comparatively high per cent of advertising to sales dollar has gradually inched up from 18.6 per

cent in 1966 to 19 per cent in 1967 to 20 per cent last year. Meanwhile, its competitors have decreased their ratios of advertising to sales, leading some observers to claim that Colgate's advertising is inefficient.

Pruf, Cold Power, Colgate with MFP, Handi-Wipes, Axion, Colgate 100, Palmolive dishwashing liquid and Ultra Brite. Last year, 33.2 per cent of C-P's total advertising budget went to promote these products. Though Colgate's 1968 record ad budget of \$103.27 million, and its all-time high television allocation of \$79.5 million were considerably higher than 1967's \$88 million and \$71 million for tv, there is a subtle change in the wind. Percentage of tv in the budget is going down, and has been shrinking steadily since 1962. In that year, tv made up 94.2 per

cent of the total budget; last year, it accounted for only 77 per cent.

from Colgate's labs over the last year or two, there's still a great deal of experimentation and testing being done within the company. Among some of the new items in various stages of development and production are a new foaming skin cleanser for teenagers, called Hyper Phase; a mouthwash, called Brisk; a spray deodorant, Hour After Hour; a scouring cleanser, Swerl; an anti-dandruff hair groom, Grenadier; a colorfast shampoo, At Once; a denture cream, Denta Guard, and a toilet soap, Skin Mist.

(Continued on page 60)



Marketing:

*Colgate-Palmolive has had its problems
but there's been a turnaround
in the past few years*

Among package goods merchants, even in today's savagely competitive marketplace, a company need not be a marketing innovator to reap rich rewards.

Careful, controlled financial management and practical, opportunistic marketing also show results. The case in point is the Colgate-Palmolive Company.

From 1960 to 1968 this company almost doubled its per share earnings. Not only did earnings increase from \$1.35 to \$2.45, but these profits accelerated most sharply in the last four years when \$0.70 of the \$1.10 gained was earned.

Moreover, Colgate is certain to top its 1968 figures in 1969, according to tabulations already in for three quarter earnings. So by the standards employed by Wall Street and by investors, the company is a success.

On the marketing front too, Colgate has begun to more than hold its own against its numerous rivals. In dentifrice products its flank attack against P&G's Crest and Gleem have succeeded: Ultra Brite has an 11 per cent share of market. While not quite so successful in laundry products, it has managed to deliver a leader in a new field, pre-soaks.

Among other important accomplishments last year were increases in market shares for Cold Power laundry detergent and Palmolive dishwashing liquid as well as increased sales of Pruf spray starch and Handi-Wipes. On the international front, Colgate also set new records, sparked by wider distribution of Ultra Brite and the introduction of detergents with enzymes.

The architect of this success is George Henry Lesch, Colgate's president and chairman of the board, who was brought in 10 years ago when earnings were beginning to erode,

and the marketing arteries were starting to harden. The company was dominated by Edward Little, who ruled supreme in virtually every aspect of the operation. Depth of management was almost nonexistent.

Colgate has often been compared to Procter & Gamble, but it is a different ball of wax. P&G is, and has been for many years the epitome of systematic marketing. It is led by professional ad executives and has a personnel policy that takes bright young men and trains them. P&G alumni staff virtually every other leading package goods company in America.

At P&G everything is done by the book. Brand managers cannot "shake the ship." They are subject to strong centralized controls, particularly from the advertising media group at headquarters. They are not usually moved from one division to another.

Colgate is a much looser operation, though with strong financial controls. C-P retains, to some degree, the flavor of a family enterprise—employees in the lower ranks remain for years. Brand managers have a good deal of authority in marketing decisions. Many top executives, more often than not, have won their spurs on the international front, not the domestic one.

Lesch has been content not to emulate Little. His first major appointment, David Mahoney, the overall marketing head, left in 1966 to join Canada Dry. Top marketing executive, and Lesch's heir apparent at the moment is David Foster, an Englishman and former top executive in Colgate's international operation.

Formerly married to actress Glynis Johns, Foster was brought to America as vice president and director of marketing for the household division. This action so un-

settled the general products manager of that division Robert "Rip" Van Camp that he resigned and went to American Home Products as executive vice president of its Boyle-Midway division.

Foster then took over as general manager of the household division and his rise has been rapid indeed. Last year he was named vice president in charge of Colgate's domestic divisions, and is now an executive vice president.

Marketer Bob Young

Another marketing specialist on the board since the late 1950s was Robert W. Young. He was responsible for the highly successful House of Ajax, for Baggies, Action bleach, Soaky, Cold Power detergent, and Palmolive dishwashing liquid.

These credits are impressive, but Young resigned from the company at the end of October. Of his departure, another Colgate executive has commented: "He was an important piece of manpower, but the company didn't know how to handle him."

After his success in household products, Young moved over to toiletries. This was the period in which Colgate leaned heavily on task forces to solve many of its problems. Young had headed up such a task force in household products.

Concurrently, two divisions were merged into one: Young became vice president and manager of toiletry products, John Grimm was made vice president and manager of oral/pharmaceuticals. The arrangement, apparently did not work out. The divisions were reunited under Grimm's direction.

Young was moved into the international area to handle problem areas; he became vice president, corporate marketing-worldwide. After some years of this, it is natural for

Colgate 1968 television spending by brand

Brand	Spot	Network	Total
1. Action Powdered Bleach	\$ 755,400	\$ 264,500	\$1,019,000
2. Ajax Cleanser	1,341,800	1,329,900	2,671,700
3. Ajax Dishwashing Detergent	244,900		244,900
4. Ajax Dishwashing Liquid	15,100		15,100
5. Ajax Floor & Wall Cleaner	100		100
6. Ajax Laundry Detergent		4,100	4,100
7. Ajax Liquid Cleaner	1,022,600	1,545,000	2,567,600
8. Ajax Multiproduct Advertising	306,200		306,200
9. Ajax Power Pads	262,200		262,200
10. Ajax Spray Cleaner	383,300	1,096,800	1,479,100
11. Ajax 2 Laundry Detergent	1,406,700	3,859,500	5,266,200
12. Ajax Window Cleaner	625,600	575,500	1,201,100
13. Axion	2,254,400	1,703,900	3,958,300
14. Baggies Plastic Bags	1,020,400	1,636,200	2,656,600
15. Brisk Toothpaste	9,700		9,700
16. Cashmere Bouquet Talcum Powder	17,300		17,300
17. Challenge Dandruff Shampoo for Men	20,800		20,800
18. Cold Power Liquid Detergent	240,700		240,700
19. Cold Power Powder Detergent	1,824,800	3,276,600	5,101,400
20. Colgate Bath Products	7,200		7,200
21. Colgate Dental Cream	2,831,100	5,638,200	8,469,300
22. Colgate Dental Cream with MFP		3,242,600	3,242,600
23. Colgate Handi Wipes	1,048,100	2,011,900	3,060,000
24. Colgate Hour after Hour Spray Deodorant	1,400		1,400
25. Colgate Multiproduct Advertising	400,700		400,700
26. Colgate 100 Oral Antiseptic	7,202,600		7,202,600
27. Colgate Shave Cream	1,166,000		1,166,000
28. Fab Detergent	758,400	2,773,300	3,531,700
29. Florient Air Freshener	300		300
30. Galaxy Floor Cleaner	70,100		70,100
31. Halo Shampoo	640,00	928,400	1,568,400
32. Lustre-Creme Creme Shampoo	53,900		53,900
33. Lustre-Creme Shampoo (unspecified)		506,900	506,900
34. Lustre-Creme Lotion & Creme Shampoos	429,400		429,400
35. Lustre-Dent Denture Cleanser	700		700
36. Moment of Truth Deodorant	107,400		107,400
37. 007 After Shave Lotion	1,300		1,300
38. Palmolive Complexion Soap	389,900	1,110,600	1,500,500
39. Palmolive Dishwashing Liquid	720,700	3,342,800	4,063,500
40. Palmolive Gold Deodorant Soap	1,202,600	1,319,500	2,522,100
41. Palmolive Rapid-Shave	769,900	23,400	793,300
42. Palmolive Rapid-Shave Lime		116,000	116,000
43. Palmolive Rapid-Shave Menthol	71,700		71,700
44. Palmolive Rapid-Shave Menthol Lime	1,600	5,900	7,500
45. Palmolive Rapid-Shave Menthol Mint		373,700	373,700
46. Palmolive Shave Cream	6,000		6,000
47. Palmolive Toilet Soap		8,900	8,900
48. Petal Complexion Bar Soap	57,200		57,200
49. Pruf Spray Starch	777,100	1,315,600	2,092,700
50. Punch Powder Detergent	814,900		814,900
51. Respond Hair Spray	300		300
52. Rose Lotion Vel Detergent		590,500	590,500
53. Skin Mist Complexion Bar Soap	60,500		60,500
54. Spree Bar Soap	100		100
55. UltraBrite Toothpaste	1,489,000	4,361,100	5,850,100
56. Vel Liquid Detergent	445,200		445,200
57. Vel Soap Powder	3,800		3,800
Totals	\$33,281,100	\$46,266,400	\$79,547,500

Source: TvB-Rorabaugh, LNA-BAR.

him to want to return to the domestic marketing scene.

The big marketing decisions are now being made by Foster. It is he who has given the company much of its current flavor. And Foster now gets into other areas besides marketing.

Foster added a flexibility to the Colgate marketing operation. He has made the company both opportunistic and aggressive. He is not afraid to make decisions, nor to take chances. The company is in such fine condition that there is little danger of major fiascoes, such as the \$12 million Cue debacle.

Without going through the standard testing procedure, Foster plunged the company into pre-soaks in 1968. First he inspected the P&G introduction of Biz in Syracuse, then, convinced of the value of the product category, all stops were pulled out to produce Axion. Three months afterward Colgate followed P&G into Omaha a mere 24 hours behind. Axion went national first and quickly became the dominant product in the pre-soak category.

P&G's reply to all this was: "We make haste slowly." It may turn out to be right after all. There is a large question as to the future of pre-soaks. In 1969 many detergents were crossed with enzymes; this includes Tide, the market leader which has won back some of its market share.

Many believe detergents with enzymes will replace the pre-soaks entirely, that a one-step process is certain to oust a two-step process. Colgate can cash in both ways, because Fab and Ajax have enzymes as does Punch, another new product.

Nonetheless, C-P's great opportunity is in pre-soaks because the company dominates this category.

(Continued on page 56)



Advertising:

Tv is still the company's leading pitchman, though radio, now with 10% of the ad budget, is coming on fast

The share of ad money Colgate-Palmolive devotes to television may be less than it was in the early 60s, but the company remains a giant in tv. It is still tv's third largest spender, surpassed only by Procter & Gamble and General Foods.

Last year, Colgate's measured tv expenditures came to \$79.5 million, with \$46.2 million in network and \$33.2 million in spot. This total accounted for 77 percent of its measured media spending, and represented the first time during the 60s that the tv ratio dropped below 80 percent. The high point during the decade was 1962, when the tv ratio was no less than 94.2 per cent, one of the highest percentages ever recorded for a major advertiser.

It is significant, however, that while tv's share has dropped, the other broadcast medium has taken up most of the slack. Last year, C-P spent an estimated \$11.2 million in radio, or 10.8 per cent of its total measured media budget.

During the past five years, C-P's spot tv expenditures have remained fairly constant—\$32.2 million in 1964 vs. \$33.2 million in 1968—but spot's share of the total budget dropped from 45.9 to 32.2 per cent. At the same time, network spending climbed \$10 million—from \$26.9 million to \$46.2 million, and its share of the over-all budget has increased from 36.4 to 44.8 per cent.

The name of the advertising game at Colgate-Palmolive would seem to be new products. Since 1966, the company has introduced eight nationally. In 1968, 35.8 per cent of its television advertising went into the promotion of those eight products: Cold Power powder detergent, Colgate dental cream with MFP, Axion laundry pre-soak, Colgate 100 oral antiseptic, Palmolive dishwash-

ing liquid, Pruf spray starch, Handi-Wipes and Ultra-Brite toothpaste. In the first half of 1969, over half of all tv spending—60.6 per cent—was for the eight new products.

C-P's introduction of Ultra-Brite toothpaste best illustrates its use of tv in the debut of a new product. The story begins in 1964 when anti-cavity products dominated the toothpaste market. C-P consumer research plus certain marketing developments showed that a large part of the public wanted a dentifrice that would provide cosmetic benefits—brighter teeth and fresher breath.

After original concept tests through research and development and product evaluation, the new product was ready for test marketing by January 1966.

Kansas City, Mo., and Spokane were chosen as test markets. An extensive sampling campaign was backed up with tv. Results exceeded expectations and the test was expanded to Denver and Fort Wayne. Tv was again used to back up an increased level of sampling. TvB figures show an estimated \$50,200 spot tv expenditure for Ultra-Brite in 1966.

In February, 1967, the decision was made to expand Ultra-Brite to the national market. Two elements were the main features of the national introduction: tv and what C-P calls "the most comprehensive sampling program in dentifrice history."

Big sampling

Over 50 million homes received free samples of the new product. Television commercials claimed that the product gave the user's mouth "sex appeal." In 1967, \$3.3 mil-

lion was spent in network tv and \$964,700 in spot; in 1968, \$4.3 million in network and \$1.4 million in spot. Radio and magazines were used to supplement the tv campaign.

In 1967-68, Ultra-Brite tv spending totalled \$10.1 million, and the new brand claimed the number three spot in the total 1968 dentifrice market with a 10 per cent share or \$30 million in sales.

The battle of the toothpastes, which found Colgate dental cream knocked out of first place by Procter & Gamble's Crest with 35 per cent of the market vs. Colgate dental cream's 23 per cent, has reached hot war status again.

Last fall, C-P introduced Colgate dental cream with MFP. Like all toothpastes with fluoride formulas, MFP won the American Dental Association's seal of approval. Until last month, however, only P&G's Crest had been given ADA permission to advertise the seal. At that time, ADA extended advertising rights to Colgate with MFP.

Toothpaste battle

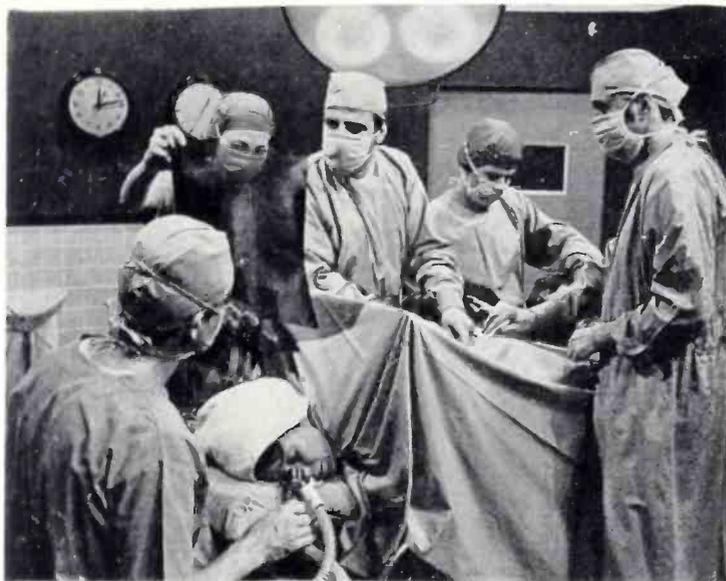
Suddenly, the toothpaste battle is a completely new war. With an estimated \$20 million budgeted for MFP, tv viewers will see a lot of both C-P spokesman Arthur Godfrey and the ADA seal in the coming months, as the company seeks to lure Crest users into the MFP fold.

To do just that, MFP advertising in the first half of 1969 was an estimated \$5.1 million in network tv and \$1.5 million in spot. With each share point of the total toothpaste market worth an estimated \$3.5 million this year, it would seem to be a battle worth the fight.

Following are tv expenditures in the first half of 1969 for the other



Colgate network advertising appears on Carol Burnett show (L.), Dean Martin show and "Marcus Welby, M.D." The company sponsored circus special and produces "The Doctors," NBC daytime program.



six new products introduced since 1966:

Cold Power powder detergent—\$410,700 spot, \$1,593,900 network; Palmolive dishwashing liquid—\$667,300 spot, \$1,789,100 network; Handi-Wipes—\$492,700 spot, \$850,900 network; Colgate 100 oral anti-septic—\$887,600 spot, \$1,756,100 network; Pruf spray starch—\$168,700 spot, \$1,054,200 network, and Axion, \$2,027,400 spot, \$3,165,700 network.

2nd quarter spending

In the first half of 1969, Colgate-Palmolive's tv spending was an estimated \$41,581,800, with two-thirds of it (\$28,052,300) in network and the other third (\$13,529,500) in spot. (It should be pointed out that spot advertising in 1968 and 1969 cannot be compared, since the former data is based on LNA/Rorabaugh and the latter on BAR.)

In 1969's second quarter, three brands account for half of the nighttime network expenditures: Colgate with MFP, \$1,570,600 (20 per cent); Ultra Brite toothpaste, \$1,110,000 (14.1 per cent), and Ajax laundry detergent, \$1,189,800 (15.1 per cent). Axion was also a heavy nighttime network spender with 11.9 per cent of the quarter's \$7,783,100 nighttime expenditure — \$935,900.

Axion led the daytime network tv race in the second quarter of 1969 with an estimated \$528,800 for 92 minutes of commercials.

In the first half of 1969, C-P's network budget was carved up as follows. Of a \$28 million total, 66.6 per cent (\$18.6 million) went into nighttime at an average cost of \$34,793 per minute; 30.4 per cent was weekday daytime at an average minute cost of \$6,281, and 2.9 per cent was Saturday and Sunday daytime at an average of \$17,131 per minute.

Colgate spreads its business

(Continued on page 62)



Traveling syndication-barter route, C-P uses "Fashions in Sewing" and "All-American College Show" (at left with spokesman Arthur Godfrey).



Finances:

*The current earnings picture looks good
and heavy overseas stake
might be a plus if recession comes*

Like all the companies in the rugged business of making, advertising and selling package goods for the consumer market, Colgate-Palmolive plays in the Madison Avenue league. But the scoreboard, as it is for all of American industry, is in Wall Street. Down there, where the investment bankers and the money managers and the individual investors total the results of tv rating battles and supermarket infighting, C-P has won a brighter place in the eyes of the investment community in the past four or five years.

This remains true even though its performance on the New York Stock Exchange has faltered a little in the past few months—"gotten a bit sloppy," in the words of one securities analyst.

Nobody is positive about the reason for the slight sloppiness. The stock market in general was weak in the Summer and early Fall. The company has so much overseas business that recent international currency crises made it vulnerable, perhaps, to nervous selling. According to a C-P vice president, one mutual fund has been unloading some shares. And Procter & Gamble, the leader in the industry, has been putting heavy ad pressure behind its enzyme laundry products. It might have had enough impact to impress some big and small investors.

However, these are temporary problems, except possibly for the efforts of P&G. A market analyst commented: "That has always been Colgate's problem in the eyes of the financial community. It's a damned good company, but it competes with P&G, and there's never anything temporary about competition from P&G. Colgate's big achievement in the 1960's has been convincing Wall Street that it has the muscle to play and win its share against P&G. A big

part of this, of course, has been Lesch. The financial people think very highly of him."

The analyst was talking about George Henry Lesch, chairman, president and chief executive officer of C-P since 1960. Lesch, who was 60 years old on October 10, has taken the company from sales of \$576 million the year he got the top job to this year's volume of about \$1.2 billion or just about double in a decade.

Wall Street reserves a special admiration for the winning gambler and, rightly or wrongly, this is what it considers Lesch to be. "He spent money to develop and market new products at a time when some people might have said C-P didn't have that kind of money," an analyst observed. "But it paid off. When he hit the market with Axion, he came at P&G with its own tactics and he succeeded. Of course, P&G reacted quickly and well."

However, another Wall Street veteran cautioned that "you don't want to suggest that C-P is, in any sense, a hot stock, a mover, a volatile trading opportunity. This a blue-chip, investment-grade, old-line type of thing. As a matter of fact, that was part of the problem Lesch had in the beginning. The outfit was so big. We all use this comparison all the time, but running C-P really is like steering an aircraft carrier. You give all the right engine and rudder orders, but for a while nothing seems to happen. Then she *starts* to come around in a wide, wide circle."

C-P, which traces its antecedents to three soap companies founded in the 19th century, has been in the billion-dollar-sales class for three years. It is among the nation's 100 largest industrial corporations—last year it ranked 87th—with 25,000 employees and more than 38,000 share-

holders. The last page of its annual report looks more like the index in the back of an atlas, since it lists more than 50 countries where C-P has subsidiaries, divisions or branches.

It is one of the Big "Soap" Three. P&G is the leader, at least in the United States market, with domestic and foreign sales of about \$3 billion. The other giant is the Unilever complex, whose principal American operations are Lever Brothers and Lipton, the food concern. World sales of the Unilever group are pushing \$6 billion, but precisely how much of this is in eyeball-to-eyeball competition with C-P isn't easy to tally precisely.

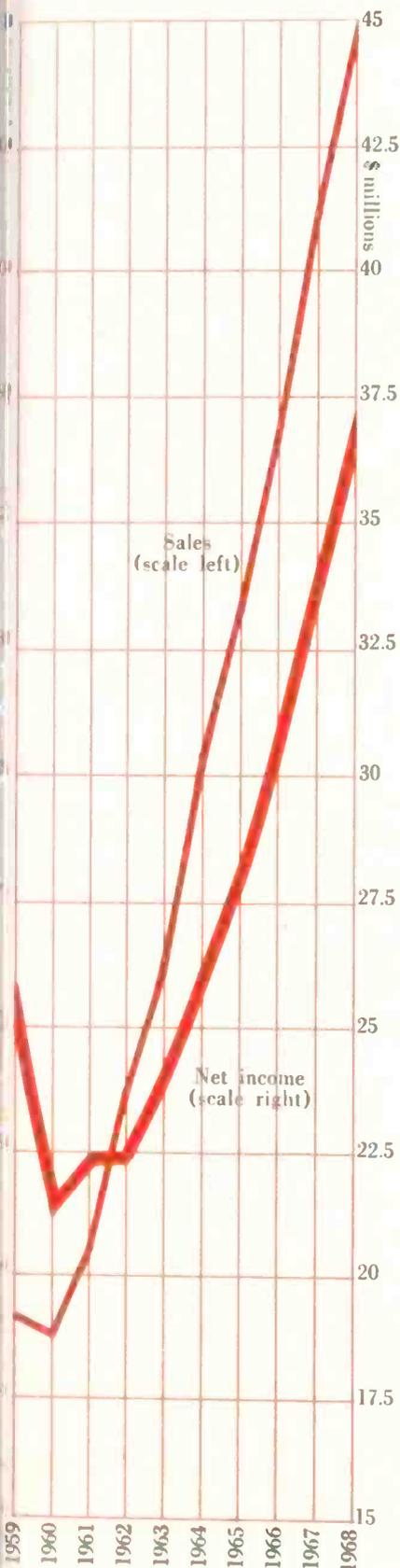
Modest p/e ratio

With its expertise in selling package goods, C-P appears to be a natural to invade the food and beverage fields, but it has not done so. About three years ago, it disclosed merger talks with Nabisco, but the deal collapsed for reasons that never have been fully explained. In today's climate, a merger of that size would almost certainly touch off a massive assault from the Justice Department.

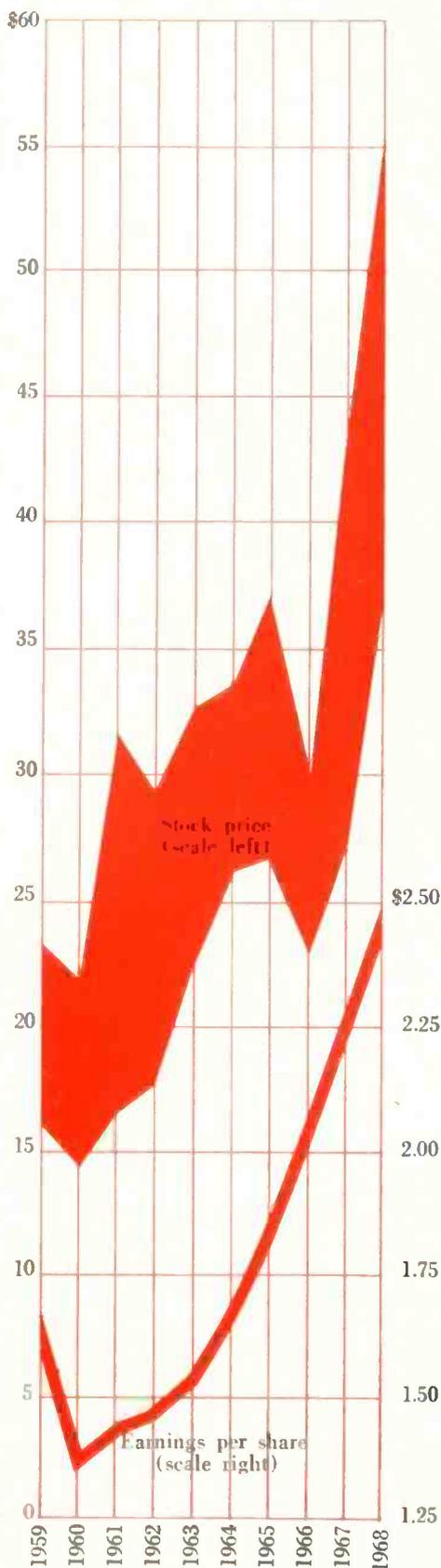
In any case, the size of C-P, just as it stands, dictates a fairly modest price/earnings ratio in the stock market. This figure is considered the key indicator in Wall Street's judgment of a company. When any company appears to have tremendous growth potential—usually when it is quite young—investors will pay, for the time being, as much as 50 or 60 times per share the amount it is earning on each share. But the bigger the sales and earnings grow, the harder it gets to multiply them rapidly. Thus, the ratio slips lower.

C-P has been as high as \$52.62 a share on the Big Board this year, and as low as \$40. Lately, it has been

Income data (adjusted)



Share data (adjusted)



changing hands at about \$42.50. This is around 17 times the 1968 earnings of \$2.45 a share, but 1969 is nearly ended and earnings this year are sure to be higher. Thus, the recent price is about 15 times current earnings. Under the Lesch regime, C-P has never slipped below a price/earnings ratio of 11 and has never been valued higher than 23. But 23 times earnings, which the stock touched last year, is a pretty complimentary assessment of a billion-dollar company in a savagely competitive industry. As an income investment, C-P yields more than 2 per cent on the common stock.

By comparison, P&G stock in the same period—the past nine years—has sold for as much as 40 times earnings and as little as 17.

Walter H. Hahn, the C-P vice president for corporate development, said the other day that the company was neither more nor less concerned than other companies about the p/e ratio it was assigned by Wall Street. He suggested it was partly a mere matter of status or image building. "Of course," he commented, "we wish the Street thought we were worth 30 times earnings. Anyone would. But our primary goals are good growth and improved profit margins. We think this is what interests our shareholders."

Foreign sales large

C-P has directed its major growth effort recently to the domestic market, but more than half its volume still is derived from foreign sales. Its operations outside the United States are, in one word, everywhere—Thailand, Tunisia, Trinidad—anywhere a market has developed for soap, toothpaste, shaving cream or Ajax.

What is an American investor to
(Continued on page 65)



Agencies:

*A unique, centralized broadcast buying operation
helps reduce spot costs
and coordinate brand placement*

If there is any broadcast buying operation more centralized than that of Colgate-Palmolive, it has yet to come to public view.

All C-P tv and radio purchases are funneled through spot and network buying units at Ted Bates. The client and Bates treat these units as central, independent entities which happen to be operated on the Bates premises and by Bates personnel.

The Colgate Spot Broadcast Buying Unit (CSBBU) and Colgate Network Broadcast Buying Unit (CNBBU) serve as the buying arm in their respective spheres for all C-P agencies—who are still responsible for brand media planning and print buying. The units service primarily William Esty; Norman, Craig & Kummel, and Masius, Wynne-Williams, Street & Finney, plus, of course, media planners for Colgate brands specifically assigned to Bates.

Set up three years ago, the CSBBU and CNBBU were part of a major revamping undertaken by Colgate to simplify the terrible complexities of piggybacking, make all broadcast buying more efficient and keep control of the costs of spot buying, starting with the requests for avails and ending with print distribution and scheduling instructions to the stations. It involved elaborate computer programs to marry piggybacking brands most efficiently, keep tabs on advertising weight and keep track of what was happening.

The physical distribution of commercials was considered an integral part of the spot buying and coordination process. Printing and distribution of commercials, including the splicing of piggybacks, was (and is) assigned to VPI Services, which handles that part of the job beginning with answer prints of

(Continued on page 61)

AGENCY PERSONNEL HANDLING COLGATE-PALMOLIVE

Colgate buying units

(Serving all Colgate agencies and Colgate Media, operated by Ted Bates)

COLGATE SPOT BROADCAST BUYING UNIT (CSBBU)

Gene Camerik

vice president and media director

Bob Rosenheim

negotiating and buying group supervisor

Dorothy Shahinian

unit operation and merchandising manager

Jack Dougherty

buying group supervisor—East

Brenda Nelson

buying group supervisor—South

Gary Lispi

buying group supervisor—Midwest

Carol Richman

buying group supervisor—West

Barbara Moulton

traffic group supervisor

COLGATE NETWORK BROADCAST BUYING UNIT (CNBBU)

Joel Segal

vice president and network negotiating supervisor

Henry Dutzek

assistant

Ted Bates

666 Fifth Avenue, New York, N. Y. 10019, (212) 586-0600

ACCOUNT MANAGEMENT

Robert W. Castle

senior vice president and account director

James A. Benham

senior vice president and associate account director

Robert A. Bruns

vice president and group supervisor, toilet articles

Melvin Elbaum

vice president and group supervisor, household products

James V. Bonner

vice president and account supervisor, associated products

Herbert Ehrenthal

vice president and account supervisor, household products

Bryson R. Kalt

vice president and account supervisor, household products

Donald D. Ashley

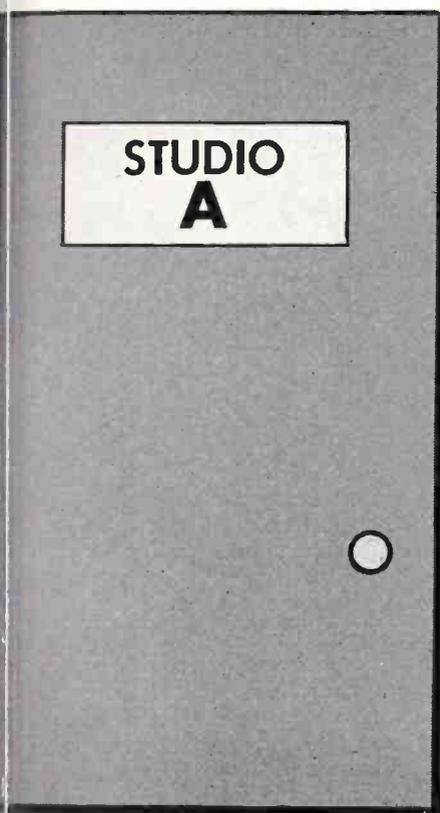
vice president and account supervisor, toilet articles

Michael Rawitz

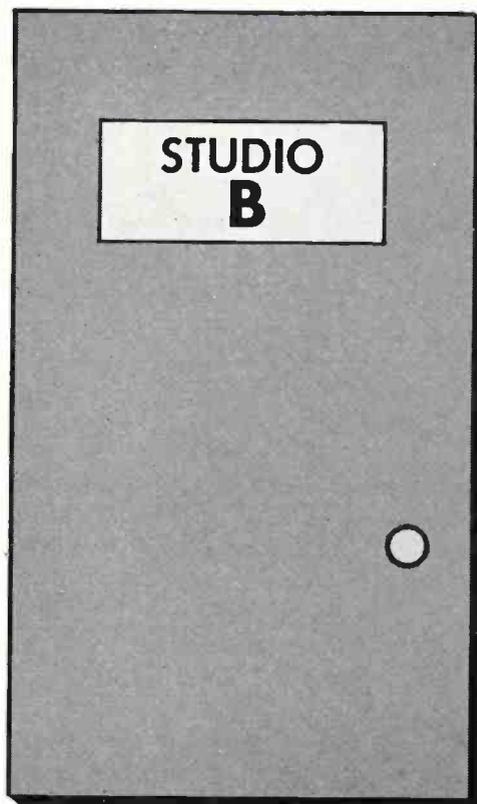
vice president and account supervisor, toilet articles

(Continued on page 61)

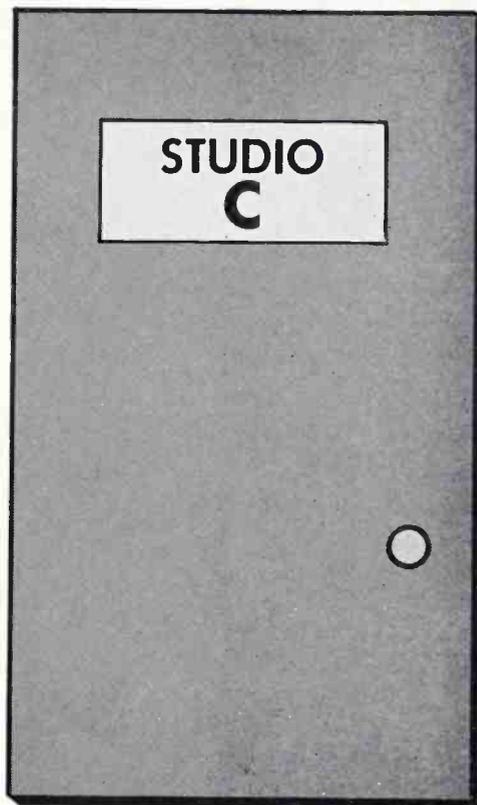
There are really only 3 places in New York to look for a tape studio.



ats an audience
250.
or 60 minute specials
6 a day
ip shows.



Slightly smaller.
One of our clients
recently built
a city block
in it.



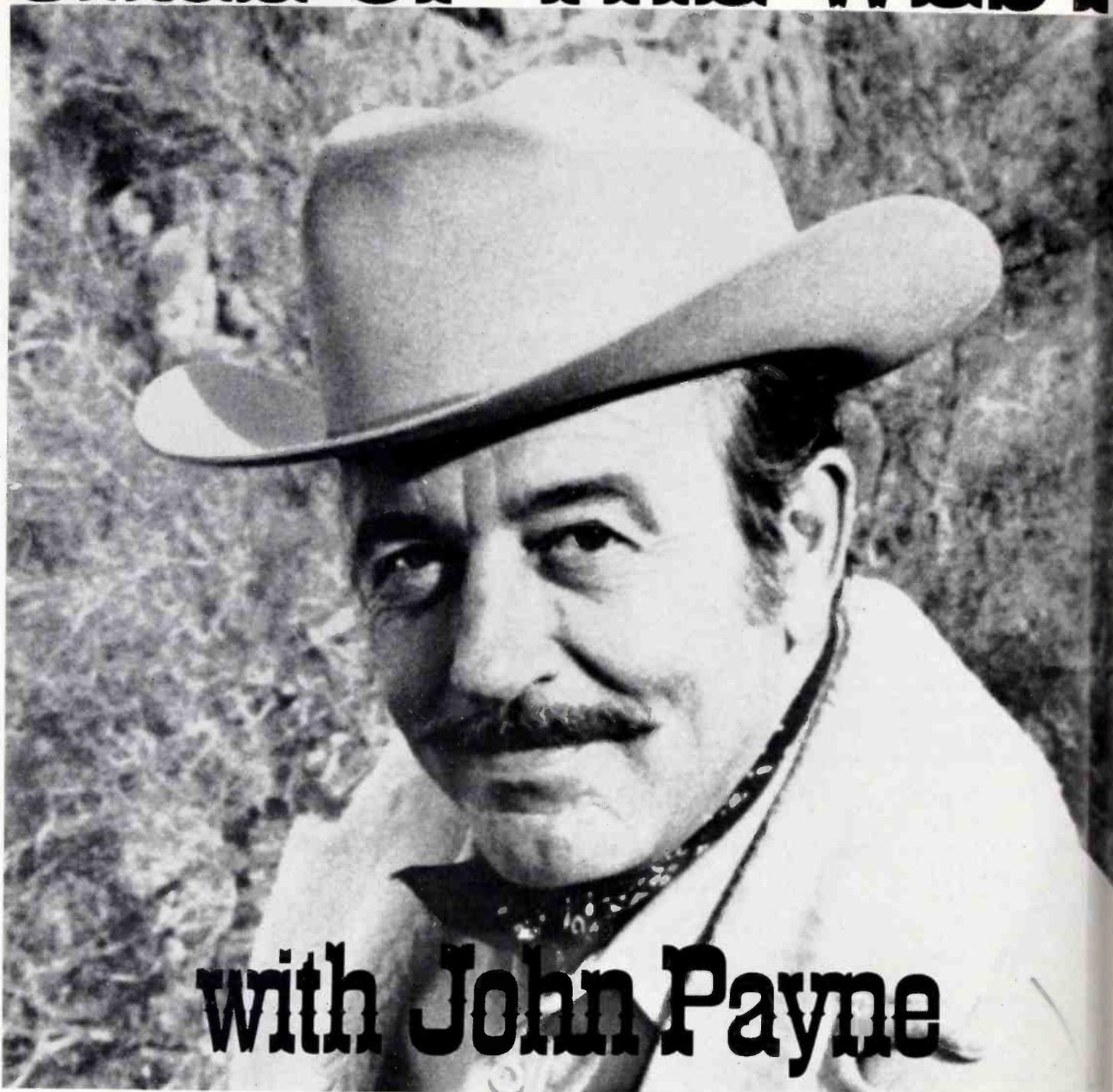
Identical to studio B.
So you never have to worry
about being squeezed
into just any studio
or somebody else's schedule.

All at 67th St.
All staffed by the people who
know tape best.



REEVES PRODUCTION SERVICES, 101 W. 67 ST., NEW YORK 10023. (212) 873-5800. A DIVISION OF REEVES TELECOM CORPORATION.

CALL OF THE WEST



with John Payne

Fifty-two half-hour color episodes now available for local programming.

Here's programming that is designed to be the perfect local spot carrier. All you do is insert the commercials. Program material is delivered to you without any sponsor or commercial content.

These retitled and revised episodes

of "Death Valley Days" are available on a reciprocal sales agreement basis. You receive an exciting color anthology series, perfect for family audiences. In exchange, U.S. Borax receives commercial time outside the show.

For additional information, contact Les Wallwork, McCann-Erickson, Inc., 3325 Wilshire Boulevard, Los Angeles, Calif. 90005. Phone (213) 385-3302.

Getting the guy elected

Television is often represented as a medium that can sell anything. The only exception is that despite Marshall McLuhan, if the advertising content itself is bad, no medium can sell the product. Or, as the computer boys like to say over and over: "Garbage in—garbage out."

In many states this is an important year politically. Political off-year elections tell how the incumbent is doing and measure the public reaction to contemporary issues. How important is the television medium to the elections? According to a current book by a young writer who worked closely with the Republican party at the rewarding job of getting Richard Nixon elected, it was the factor that made the difference.

The planning, care and professionalism that went into the selling of the President was a marketing effort identical to the sale of any commercial product. The writer claims that the end result was that Nixon emerged victorious in a close race this time because of his electronic merchandising effort. Conversely, if the same effort had been applied in 1960 he would have beaten John Kennedy.

GOP buys it fully

The fact that the Republicans have apparently bought this concept and are now testing it in by-elections is significant. The research and development done in these elections will determine to a great extent how the television medium is used in future national campaigns. It is rather significant that the Republicans have a top gag writer, a top actor, a top advertising creative writer, a top producer, and lesser supporting personnel full time on their payroll. It proves that they are convinced that the principle of tv selling is a good one.

The Democrats have always had better volunteers from agencies and from show business than the Republicans. This is simply because the creative people are more likely to be progressive or avant garde, and look to the Democrats as the more liberal of the two parties. However, at this point the Republicans are far more organized and scientific in their approach to television as an electing medium.

Obviously a candidate must have a good appearance, a platform manner, a certain believability, a good record, a convincing manner, an ability to field tough questions, and a tough hide or the tv medium can't be of much help to him. Nothing is crueller than that camera, which cuts through the surface and etches into the real character of the subject. It is impossible to fool the camera. It picks up nuances that make a man a liar, a thief, or a bum.

Beyond the basic weaknesses of the candidate, however, the proper presentation of him can be highly significant. In the first place, even if the guy is a bum, it is possible that his opponent is at least as big a bum as he is. All life is the answer to "instead of what?"

and one bum has got to be a little better than another bum. It's not as though the candidate is running against a *summum bonum* bum.

The smart producers of political shows do some of the following things for their client:

- (1) Help him dress for television by avoiding loud ties, or too-dark suits, or unpressed shirts.
- (2) Get him to wear basic makeup. Nixon was a big help in getting this message over.
- (3) Teach him to be natural and talk to the cameras as though they were a man and a wife in their own living room and not a crowded arena.
- (4) Make him rehearse and rehearse and rehearse until his performance sounds relaxed and informal.
- (5) Plant sympathetic questioners and questions that are rehearsed in the "unrehearsed question and answer sessions" live or by telephone.
- (6) Surround the worst candidates with a commercial that does not require personal participation, but puts the issues as seen through the eyes of a typical voter.
- (7) Relates the man with big events by editing newsreel footage.
- (8) Make documentary films about the problems and the solutions.
- (9) Get top political endorsements from the Capitol as well as locally.
- (10) Find a key slogan for the man and the issues.

Given top political professional advertisers and a good local agency, the advertising can make a big difference in attitudes toward the candidate and getting out the vote. The pro can be helpful in raising the ever-increasing funds necessary to pay (cash in advance) for the television time and the production of film.



Nixon and Huntley: staid/ties

Another major contribution is the analysis of media research to find the most efficient time and frequency for the advertising. The latter sounds simple but it is amazing how unsophisticated non-pros are at buying time.

Yes, the candidates are off and running again and the new look is apparent. The pens-for-hire-pros can guarantee the proper exposure and the most efficient campaign within the inherited limitations of the personality of the candidate himself. The one thing they can't do is guarantee his performance once they get him elected. The present resident of the White House is evidence of that.—J.B.

Film/Tape Report

SOUNDS, LOOK OF THE 70'S

Network Associates Corp. recently-acquired by Jerome Garfield and Alan Lurie, have come up with a novel programming concept which will find its way into syndication. NAC will produce a series of 26 live 90-minute shows, *The Sound and Look of the 70s* at 26 major shopping centers on Tuesdays and Thursdays during the Spring and Summer months. Each presentation will be videotaped.

These same 90-minute shows will be edited into an hour-long entertainment package which will be offered to stations under special sponsorship arrangements. They will probably be bartered. The shows will use top musical and recording names. Among the shopping centers which will play these musical packages are the Garden State Plaza and the Cherry Hill Mall, both in the Philadelphia area.

PGL FEATURES

PGL Productions has realized the dream of every producer of commercials. Late in 1969 it will become the producer of a feature, *Forbush and the Penguins* to be filmed at the South Pole. The film will be done in association with British Lion, which will also handle distribution.

The feature will be produced by PGL president, Henry Trettin, and directed by Al Viola, another founding partner. The star will be John Hurt. The location unit at the South Pole will be handled by animal cinematographer, Arne Sucksdorff.

PGL has found a distributor for another feature, *Play with a Gypsy*, for which it is arranging financing. On this project Trettin will direct and Viola produce. PGL is also working on three other active projects and two other new subjects. In the past 10 years, the commercial volume at PGL has grown from \$37,000 to almost \$3,000,000.

FESTIVAL AWARDS

The 12th International Film & Tv Festival, produced by Herb Rosen's Industrial Exhibitions, awarded a long list of prizes in New York City last month.

The following commercials won gold medals (listings show advertiser, name of commercial, agency—where

involved—and studio): In live action, 11-30 seconds: Alcoa's *Wrap Up*, Ketchum, MacLeod & Grove, Audio Productions; Pepsi International, *Ice Cubes*, JWT, James Money; Speidel, *Hands*, Marschalk, Van Praag.

In live action, 31-60 seconds: Benson & Hedges *Disadvantages III Artist*, Wells, Rich, Greene, DVI; Clairol, *Pretty Lady* and *Kiss*, James Garrett and Burns Patterson; Champale, *Unimportant Questions*, Richard K. Manoff, Gerald Gedney; Miles Laboratories, Alka Seltzer commercials, Jack Tinker, Harold Ziff; Pan American Airways, *The Girl*, JWT, Elwyn Walshe; SCM-Procter Silex, *Lifelong Toaster*, Weiss & Geller, Drew Lawrence; American Honda, *Come Take A Ride*, Grey, Dick Brickner; Bank of the Commonwealth, *Zip Loan*, MacManus, John & Adams, Bill Klokow; Continental Airlines, *Eagle*, Needham Harper & Steers, Harold Kaufman; BSR MacDonald, *Flippo*, Kane Light Gladney.

Live action, one and a half to three minutes: Celanese, *Tedious*, Grey, James Garrett; Western Electric, *Laser*, Cunningham & Walsh, Dick Roberts.

Animation and puppet, 11-30 seconds: Campbell Soup, *Poster*, BBDO, Kim & Clifford; Plough, *Who Owns the Sun*, Lake Spiro Shurman, F. L. Productions. Animation and puppet, 31-60 seconds: Volvo, *Attack of the Car Dogs*, Scali, McCabe & Sloves, Pelican.

Mixed media: Borden, *Farmhands*, Richard K. Manoff, N. Lee Lacy; Orkin Exterminating, *Creeps*, Kinro Advertising, Provence Productions.

Live action series, 11-30 seconds: Braniff International, airline commercials, Lois Holland Callaway, Galfas. Live action series, 31-60 seconds: American Cancer Society, commercial, Y&R and Lord Geller Federico, Horn Griner: Employer Insurance of Wausau, commercials, JWT, PGL Productions.

Series, animation and puppet: Pan American Airways, airline commercials, JWT, Elwyn Walshe.

A grand award went to Menley & James Laboratories for *Gold Diggers of 1969*. The agency was FC&B and the studio, Sokolsky Films. The festival was well-attended.

NEW COMMERCIAL SHOPS

Dick Richards and Sid Myers have recently launched Richards and Myers Films. Myers is a former vice president and creative management supervisor at Doyle Dan Bernbach, Richards a well-known photographer and director.

Also in New York, writer-director Don Stewart has formed DSI Films. It will use the facilities of the Directors Center for production. His



MYERS & RICHARDS

executive assistant will be Karen Rosenberg.

Arthur Eckstein and Associates is also moving into the production of commercials and industrial films. The company formerly was engaged primarily in the design of titles for features and tv films. Its first assignment is six spots for the 1970 United Jewish Appeal fund raising campaign.

MAJOR ADAMS

MCA-TV is syndicating for January presentation, *Major Adams*, 138 hours of the former Western series, *Wagon Train*. Starring Ward Bond, and Robert Horton. The series ran on tv from 1957 to 1962. MCA-TV believes the series should be played in primetime as a strip.

PROGRAM MAKERS

ROBERT COSTELLO has taken over as producer of *Strange Paradise*. He replaces Jerry Layton, who moves into program development work for Krantz Films.

Costello, former producer of ABC's *Dark Shadows* has been brought into the picture to see if he can improve the faltering soap opera strip's ratings. The program has been canceled by Metromedia on WNEW-

Jack in the Box



Produced for DOYLE DANE BERNBACH
Directed by JACQUES LETELLIER

TELEVIDEO

(212) 582-8095

NEW YORK • LOS ANGELES • CHICAGO • TORONTO • PARIS

TV New York and KTTV Los Angeles, and moved into daytime by the Kaiser stations. It is on in more than 80 other cities.

GEORGE KASHDAN has become vice president in charge of TV production for Testament Productions. The company recently created a new TV division which will specialize in children's programming. With Arnold Drake, president of Testament, Kashdan adapted *Terry and the Pirates* for TV. It is to be filmed in the Fiji Islands by Freemantle International.

The first Testament Production will be an original comedy series that will involve the combined efforts of Testament, Oriolo Studios and a Japanese animation group.

MICHAEL ROSEN has become a casting director at Paramount TV. He was formerly with the Jerry Rosen agency.

CELEBRITY BYLINE AVAILABLE

The Martin Brown Production Co., Chicago is producing and distributing a five minute taped feature strip, *Celebrity Byline* to stations. Already signed as regulars are Arlene Francis, Sylvia Porter, Oleg Cassini,

Polly Bergen and Jack Linkletter.

They will be the experts on home interest—travel, home economics—consumer affairs, fashion, glamour beauty care, respectively. Frequent appearances will also be made by Dr. Joyce Brothers, Arlene Dahl, Harriet Van Horne and Jimmy Breslin. Segments are being taped in New York, Los Angeles and Chicago.

ABC FILMS PROSPERS

ABC Films increased its total domestic sales 11.7 per cent during the first nine months of 1969, and worldwide sales increased 7.1 per cent for the same period. The company has released 680 hours of new programming since the year began, a record.

It has just placed three new properties into syndication. The first is the new children's cartoon series, *King Kong*.

King Kong color half hour consists of two *King Kong* cartoons and one *Tom of T.H.U.M.B.* cartoon. There are 78 color cartoons, or 26 half hours available.

ABC Films is also releasing, *Songs for Christmas, Volume II.*

This concept in Christmas programming is a package of eight carols (each two and a half to three minutes long) filmed in color and performed by the Cincinnati College Conservatory of Music Choir. The carols can be used individually or as a half hour show.

Its third recent property is the one-hour special *Beauty and the Beast*. This was produced by KGO-TV San Francisco and features the San Francisco ballet company and actress Haley Mills.

CORK FESTIVAL WINNERS

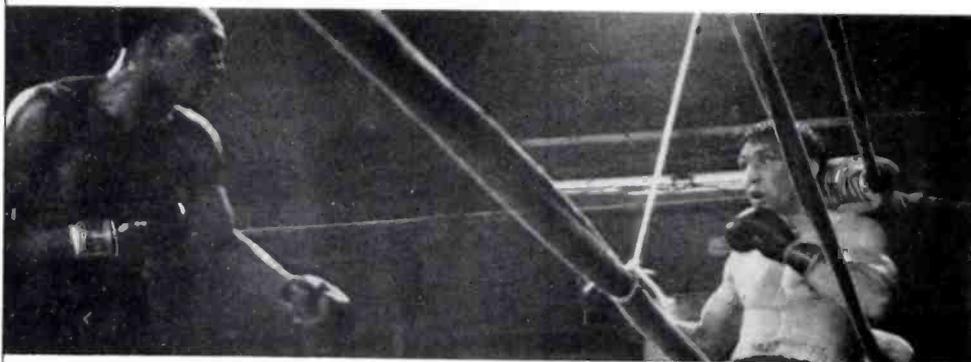
In the competition for filmed TV/cinema commercials held last Sept. 17-20, at the Cork International Film Festival, American entries scored well. A Grand Prix Award went to One-A-Day Vitamins' *Totem Pole*, JWT; Motion Associates East. The Worldwide Winner '69 (for commercials which have already won awards at other festivals) went to Doyle Dane Bernbach for *Have-a-Cigar*. David Quaid Productions.

Premier awards went to the following:

Instant Maxwell House Coffee, *Perky People Couple*, Ogilvy & Mather, VPI New York; Marlboro Cigarettes, *Going Home II*, Leo Burnett, Film Fair, California; Mercedes Benz, *Truck Swerve*, O&M Filmways, California; Michael Stern, *Steamroom*, O&M. Horn Griner Productions; International Paper, *Bikini*, O&M, Sokolsky Film; Alka Seltzer, *Unfinished Lunch*, Jack Tinker, N. Lee Lacy; Kodak, *Everyone*, JWT, EUE/Screen Gems, Hollywood; American Peace Corps, *The Graduate*, Y&R, Film Fair, Los Angeles.

Diplomas went to the following: Maxim, *Jerky Perky*, Ogilvy & Mather, Motion Associates/Synofilm; Falstaff Beer, *Montage*, F.C.&B., Chicago Televideo; Shake 'N' Bake *Butcher*, O&M, Motion Associates; Ivory Snow *Demonstration*, Benton & Bowles, Dimensions; Gas Range *Stay as Clean as You Are*, JWT, MPO; Ponds Hand Cream *Mechanic*, JWT, PGL Productions; Kent Cigarettes *Zorba*, FC&B, PGL Productions; Gulf Oil *Mechanical Man*, Y&R, Film Fair, California; Bahama's *Islands*, McCann-Erickson, James Garrett; Quantas *South Pacific Tours*, Cunningham & Walsh, N. Lee Lacy; Sears *Travelling Man*, F.

WORLD LIGHT/HEAVY WEIGHT CHAMPIONSHIP FIGHT ...TMI WAS THERE



Thanks, ABC Wide World of Sports,
for choosing our Mobile #1
for the Foster/Kendall title bout.

TMI
TRANSMEDIA
INTERNATIONAL CORP. MOBILE COLOR PRODUCTION

538 Madison Avenue | New York, N.Y. 10022 | (212) TE 2-9200
3259 Winton Road South | Rochester, N.Y. 14623 | (716) 442-0220



Willing to spend a little less to see a better looking commercial?

Here are three Kodak improvements in color-film technology to save a little time, a little money, and add a lot of quality to your color-film commercials.

In the camera you've got new EASTMAN Color Negative Film 5254. It stops faster than 5251, but it hangs in there with all the quality you've counted on for years. Result?

A chance to do creative things in color that you could only do in black-and-white before.

Then, in the lab you've got new EASTMAN Color Reversal Intermediate Film 5249. Cuts out a master positive generation when 16mm release prints are made for spot distribution. Result? Color release prints with better video quality.

Also in the lab you've got a new machine called the EASTMAN 1635 Video Color Analyzer. This compact, solid-state, sock-it-to-any-wall-socket package shows a positive video color image directly from nega-

tive or positive film frames. Result? This image lets the operator determine color printing data that makes the first release print commercially acceptable every time. How does that grab your tight deadlines?

That's what Kodak's done for you lately to keep your spots on top.

EASTMAN KODAK COMPANY

Atlanta: 404/351-6510 Chicago: 312/654-0200
Dallas: 214/FL 1-3221 Hollywood: 213/464-6131
New York: 212/MU 7-7080
San Francisco: 415/776-6055

Kodak

its New York facilities. This includes five Ampex video tape recorders, and full film (35mm and 16mm) and 35mm slide projector facilities.

ZOOMING IN ON PEOPLE

HENRY A. GILLESPIE has been named to the newly-created position of director, domestic sales, CBS Enterprises Inc. Since 1963, he has been the Midwestern division manager for CBS Enterprises. His replacement as Midwestern division manager is ROBERT T. DONNELLY, a district manager in the Midwest office. Also in the Midwest, DONALD J. TOYE has



GILLESPIE

been named an account executive in the Chicago sales office, moving over from New York where he performed the same function.

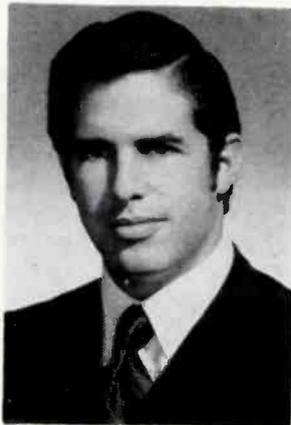
MORT ZIMMERMAN has joined National General Television Productions as director of sales development, a newly created post. His ap-

pointment will shortly kickoff the launching of several series for syndication and network program development deals. Zimmerman comes to National General from RKO Television Sales Representatives where he was director of sales development and client relations.

JOHN NORTON becomes director of station relations and sales service for Triangle Program Sales, the syndication arm of Triangle Stations. He had been a syndication sales executive before being named to the new post.

ED STAUB has been appointed Southeastern division sales manager for Western Video Industries. He comes to Western from a variety of sales positions at various syndicators.

MCA TV has named MICHAEL SOLOMON its vice president, Latin America. Headquartered in New York, Solomon will be in charge of tv sales for Latin America.



SOLOMON

At Screen Gems, WALTER KAUFMAN has been promoted to vice president for legal and business affairs. He had previously been director of legal and business affairs for Screen Gems International.

CAST INDEX

Reeves Telecom is offering a new computerized cast index system which, it is claimed, will make it easier for agencies to solve difficult casting problems. For one thing, it will eliminate the need to maintain huge files and keep them up-to-date; for another, it will make it easier to narrow down the available list of talent into a suitable audition group.

Cast Index offers a large selection of qualified talent locatable in a minimal amount of time. An advertising agency can gain access to a data bank of talent through a simple and inexpensive terminal, used like a telephone. Once the casting requirements for a role have been determined, the casting director sets the switches on his inquiry terminal to the digits which describe the type of talent desired. He dials, the computer answers, then he presses a button which sends his request to the computer. It answers back in numbers, linked to pictures in a directory. The charge to actors for Cast Index is \$52 annually. The charge to agencies, of course, is much higher, and depends on the size of its billings.

SHERLOCK HOLMES

Prime TV Films has acquired the rights to 39 Sherlock Holmes half hours. They will be available for telecasting January 1, 1970. The series was produced by Sheldon Reynolds and stars Roland Howard as Sherlock Holmes and Marion Crawford as Dr. Watson. The series is a re-issue and was originally distributed by Guild Films. Prime TV also owns rights to 26 Charlie Chaplin features.

ACQUISITIONS

United Productions of America, producer-distributor of *Mr. Magoo* and *Dick Tracy* cartoons, has been acquired by DEI Industries, electronic and aerospace manufacturer of Rockville, Md. UPA produces tv programs, motion pictures and tv commercials through a subsidiary,

EFFECTS IN FILM
EXCEPTIONAL OPTICALS INC.
 17 East 45th Street, New York, N.Y. 10017 (212) 972-1760

FRANK FACKOVEC	ROD FRIEDSON
JEAN BERTL	TONY GALLO
BILL HOHMEISTER	JOHN JARVIS
STEVE MAYER	

EFFECTS IN FILM

MERIDIAN FILM INC.
EDITORIAL SERVICE INC.

Lee Koslowsky • Bette Thompson • Ken Cofod
 45 West 45th St., N.Y.C. 10036 TELEPHONE: 581-3434

EDITORIAL COMPLETE SERVICES
 •
 PRINT DISTRIBUTION

Advertising Directory of **SELLING COMMERCIALS**

PA Pictures and distributes through another subsidiary, Screen Entertainment Co.

In addition to the programs already mentioned which are in syndication, UPA produces the *Gerald McBoing Boing* cartoons. It has produced commercials for General Electric for more than ten years featuring *Mr. Magoo*.

The sole owner of UPA, Henry J. Warner, will receive 1,000,000 shares of DEI in exchange for his UPA stock.

Another diversified manufacturer, Eckman Corp. has agreed to buy Trans America Film Corp. of Los Angeles. Trans America is among the country's largest independent film distributors and owners of features.

It has more than 350 motion pictures in its library. David Bloom, president of Trans America, believes that the new connection with Eckman will speed his company's program to acquire other film libraries and distributor organizations.

Movielab Inc. sold the optical division which it had acquired from Perkey Photo to Brilliant Optical for \$650,000 in notes. All the films are in New York.

BURNETT INTEGRATES

Leo Burnett has decided to integrate all radio and tv production functions into the four creative groups of its Creative Services Division. It has made Robert Tunison, Cooper White, Jack Phelps and Len Levy executive producers assigned to the creative groups.

While all creative work originates in the Chicago office, the agency maintains strong production services with resident producers on both coasts. These production staffs will continue to be located where they are, but producers will now be assigned to specific creative groups. Tunison will continue to handle certain production duties as part of the divisions administrative staff, in addition to his new production responsibilities.

MORE PROGRAMMING

New Day Productions of Hollywood will produce a pilot of a new series for syndication, *Contention*. The strip designed, for day or evening viewing, uses a panel of three to settle disputes between husbands and wives, neighbors and others.

Lever Bros.-Dishwasher All • SSC&B



TOTEM PRODUCTIONS, INC., New York

Nelson Bros. Furniture Stores • EH Brown



WGN CONTINENTAL PRODUCTIONS, Chicago

Master Charge Card • Doe Anderson



FRED A. NILES-Chicago, Hollywood, N.Y.

Venus/Esterbrook • MacM, J&A



LOGOS TELEPRODUCTIONS, INC., N. Y.

Maxwell House • Ogilvy & Mather



KIM & GIFFORD PRODUCTIONS, INC., N. Y.

Wellington Hall • Turnbull & Allum



JEFFERSON PRODUCTIONS, Charlotte

Miles Laboratories' Nervine • Jack Tinker



N. LEE LACY/ASSOCIATES, LTD., New York

Zales Jewelry • Bloom



JAMIESON FILM CO., Dallas

NEW YORK
PL 7-7120

Key to Quality

FILM
OPTICALS
INC.

optical photography
aerial image
anamorphic photography
liquid gate
animation

**RALPH
KESSLER
PRODUCTIONS**

**RALPH KESSLER
NEIL KOBIN**

**RALPH KESSLER PROD.
19 EAST 53RD STREET
NEW YORK, N.Y. 10022
PLAZA 3-8313**

There will also be a mediator who will be the only permanent member of the cast.

The show will be distributed by Entervolve, producers of the Trini Lopez special. Partners in New Day are Eugene Burr, Mark Roberts and B. R. Kraft, Jr.

In Florida, four color pilot films will be produced in a series titled *Luncheon at Le Dome*. The variety shows will be 30 minutes long. The series will be produced by PAT Productions, and filmed by Media Research and Productions.

COMPUTER IMAGE

Bruce L. Birchard has been named president of Computer Image Corp. Birchard has been executive vice president of the company, and before that was a vice-president of Sony.

The same company also appointed Samuel C. Kendrick, Jr. its national sales manager, promoting him from manager of advertising services. In the St. Louis area, another appointment was made when Francis Hunt became marketing director for that area.

The company increased its authorized capital stock to 3 million shares early in October to help facilitate its vigorous acquisition program. The company uses its patented animatic and scanimatic computers to produce animation for tv, educational and industrial films and videotapes.

Computer Image incidentally, has already entered into preliminary negotiations to acquire Les Weisbrich & Associates, a leading West Coast graphics house.

AD MAKERS

Batten, Barton, Durstine & Osborn, has elected JAMES O. BAIER, manager of its Los Angeles tv-radio



BAIER

department, and RICHARD BAXTER, executive art director in New York, vice presidents of the agency.

ROBERT P. LINDERMAN has been appointed copy supervisor at Kenyon & Eckhardt. He joins K&E from P. Lorillard Corp where, as creative director, he was responsible for the "What a Good Time for a Kent" campaign. K&E has also promoted JIM ALGIERI to art supervisor and added WILLIAM BIRD to its copywriting staff.

D'Arcy has named three new vice presidents: GARY R. BAYER, RUSSELL C. DOERNER and WILLIAM H. TYLER, Jr. All three are assistant creative directors.

JOSEPH N. KARPISSEK has joined Meldrum and Fewsmith as a tv producer. Most recently he had been freelancing in New York.

Needham, Harper & Steers has added CHARLES BLAS and MILT TRAZENFELD to its creative department. Blas is new executive art director and Trazenfeld a group copy head.

RICHARD C. TENEAU has been appointed associate radio and tv producer for Winius-Brandon, St. Louis. He comes to advertising from the Florissant Valley Community College where he was an assistant professor of tv.

LESLIE KNELLER, broadcast coordinator at Weightman, Philadelphia, has been promoted to the creative department as a copywriter/producer.

The creative group supervisor of Norman, Craig & Kummel, SANDY ALAN HAVER, has been elected a vice president.

THOMAS J. RASER III, an account supervisor in N.W. Ayer's New York region, has won his veepee's stripes.

ROBERT H. WIDMANN has been appointed a copywriter at Geyer-Oswald. He comes to his new position from SSC&B.

In Detroit, DAVID E. RICHEY has been promoted to assistant director of planning in Campbell-Ewald's media department.

Also in Detroit at Grey, ALAN G. PAKE, creative director and ROBERT I. JENSEN, associate creative director have been named vice-presidents.

JULES LENNARD has been elected executive vice-president of A. Eicoff, Chicago, and will direct the recently opened New York office. He is the former vice-president and director of marketing and merchandising for Griswold-Eshleman.

NOVEMBER 3, 1969

TELEVISION AGE **SPOT** REPORT

a review of
current activity
in national
spot tv

The great cyclamate decision by Secretary of Health, Education and Welfare Robert Finch, after some initial confusion, did not create too much of a problem for spot stations, their representatives and advertisers generally cooperated to make a fairly smooth and rapid adjustment. This permitted spots to be substituted for cyclamate products or cyclamate spots to be cancelled without any penalty.

The general practice was to let smaller advertisers who did not have multi-brand lines cancel without penalty, and to try to persuade multi-product advertisers to substitute a non-cyclamate for a cyclamate. In most cases, however, even a large advertiser who wishes to cancel and not substitute was permitted to do so.

A problem was also created with piggybacks. Many multi-brand companies have cyclamate products named with non-cyclamate products. In the case of stations represented by Edward Petry, the policy was to let advertisers cancel half the piggyback, even where they could have substituted. This was allowed General Foods' D-Zerta, for example.

A number of the larger advertisers have notified stations that they are taking a two-week hiatus in their diet products spot buys. A letter from Communications Counselors Network, the Interpublic unit which buys for Coca Cola bottlers, stated, "During this two-week hiatus, a decision will be forthcoming as to the direction the company plans to pursue

concerning these products." Pet Milk's Sego is also taking a two-week hiatus.

Some advertisers did not even need this length of time. The Friday after the HEW ban, Canada Dry announced a "Great Taste Without Worry" advertising campaign for Wink. This product had been available in both cyclamate and natural sugar form and is now being pushed in the latter formulation to take advantage of the opportunity to gain time over its cyclamate rivals. Pepsi Cola advertised a new upcoming formulation.

In some instances campaigns were nearing an end when the Finch edict was promulgated. This was true of Stokely-Van Camp's Gatorade. On stations represented by Petry, many

of its spot campaigns will have finished at the end of October.

On stations represented by Katz, the food canner had different policies, depending upon the market. In some cities, Stokely substituted other products, in most, it pulled its Gatorade spots.

There was another problem for stations because a huge amount of spots for soft drinks are bought by local bottlers. While it was not possible to determine how most stations handled these cancellations, the opinion of reps is that stations can not have one policy for national advertisers and another for local.

When the edict was pronounced by the government, stations turned to their representatives immediately for guidance. They moved even more quickly than advertisers. It was pretty clearly understood that they would have to permit cancellations. "After all," said one rep, "what else can we do? We can't become cancer carriers."

Among current and upcoming spot campaigns from advertisers and agencies across the country are the following:

Best Foods

(Dancer-Fitzgerald-Sample, New York)

HELLMANS MAYONNAISE will be promoted starting November 10 and running to December 7 in about 25 markets. To reach all women, day and fringe time

(Continued on page 51)

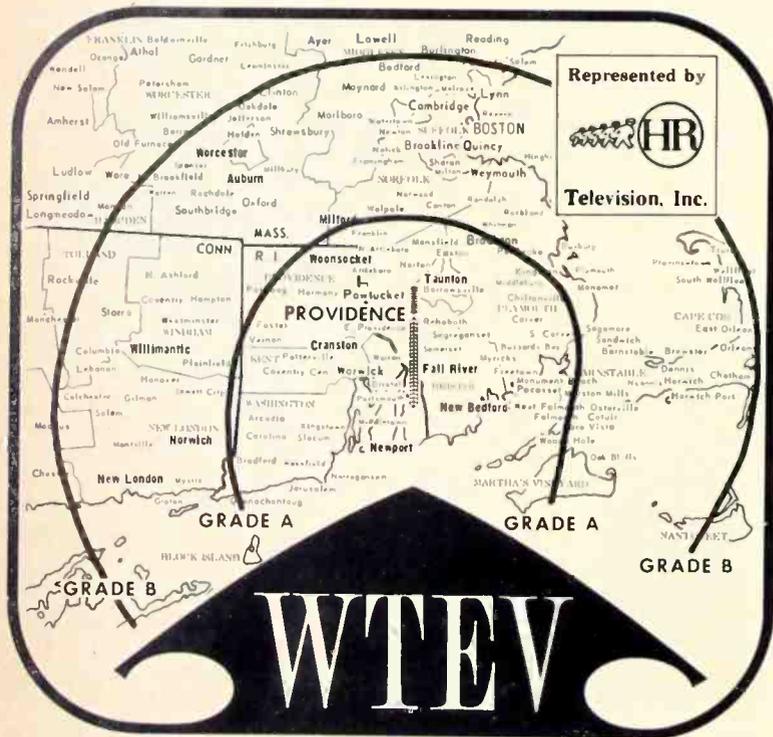


Joseph Hudack supervises all broadcast media buying at Warwick & Legler, New York, including such accounts as Selchow & Righter and Economics Laboratory.

BROWN UNIVERSITY, chartered in 1764, moved to Providence in 1770. During the Revolutionary War, its University Hall was used as a barracks and hospital.



When you think of Providence, think of WTEV



Represented by



Television, Inc.

The WTEV audience in the greater Providence TV area grows greater every day! The upward swing will continue because of the reach and penetration the 1,049-foot tower provides plus the programming format designed to attract viewers today and hold them tomorrow. Ratings in the average number of homes reached make the growth picture clear.*

UP 29%—7:30 pm to 11:00 pm Sun. thru Sat.
UP 34%—9:00 am to midnight Sun. thru Sat.
UP 77%—noon to 5:00 pm Mon. thru Fri.

*Based on Feb.-Mar. 1969 ARB estimates as compared with Feb.-Mar. 1968 estimates; subject to inherent limitations of sampling techniques and other qualifications issued by ARB, available upon request.

WTEV

Channel

**Providence—New Bedford—Fall River
 Rhode Island—Massachusetts**

Vance L. Eckersley, Sta. Mgr.

Serving the Greater Providence Area



STEINMAN TELEVISION STATIONS • Clair McCollough, Pres.
 WTEV Providence, R. I./New Bedford-Fall River, Mass. • WGAL-TV Lancaster-Harrisburg-York-Lebanon, Pa.

One Buyer's Opinion . . .

EXTRA MILEAGE WITH SPOT SCHEDULES

A gross rating point on a network station is worth more than a grp on an independent. Now there's a statement that generally starts a lively debate. Usually the battle lines are drawn between the buyer who more often than not supports this hypothesis and the seller who attacks it. The underlying reasons center around the buyer's fondness for big ratings and comfort of the network stations while the salesman generally has at least one independent on his list to sell. (This, of course, excludes the owned-and-operated sales organizations. It would be a safe guess to say that the reps from ABC, CBS and NBC spot sales might always have a predisposition toward network stations.) Salesmen can't understand losing schedules to less efficient network stations while buyers continue to follow this practice.

Maybe the reason for this is that, given similar demographics, a network rating point is more valuable. One rating point is not always equal to another. We have passed that stage when numbers were accepted as absolute. Anybody who believes equal numbers provide equal value can have all my 15 rated adjacencies while I take all his 15 rated mid breaks.

Why should network grp's cost more than independents? What gives them that extra something that allows them to command a premium?

There are a few handy answers that frequently are put forth. The spots are higher rated, for the most part, and you pay for the privilege of getting a big reach spot. Then there's the one about fresh programming being better than reruns or, as some people like to say in a more elegant way, "first off the network" programs. For some reason, a mediocre new show is better than a good rerun.

These are stock answers, but not necessarily the main point. They may even be neutralized to some extent by within-program placement on local independent stations as opposed to network adjacencies.

No, there's a better reason and it is not found through any survey, research or statistical documentation. It is not found in the rating book. It becomes clear, however, if you have the opportunity to sit down with the client to go over spot television buys. Schedules are looked at and there's no enthusiastic reaction until the client sees the popular programs listed. Sure cpm's are important, but the client takes it for granted (and rightly so) that they be reasonable and that the buyer purchase relatively efficient schedules.

But a schedule on an indie that is a good buy by any yardstick gets no rise. The one showing Rowan and Martin, Dean Martin or even standard network fare gets a pleasant nod. They are popular programs and the client *knows* these programs. They're the ones people talk about.

More importantly, perhaps the ad manager is one who is thoroughly familiar with what constitutes a good media buy. But he uses spot television to support his product in various markets. Out in the field he has sales managers, plant operators, bottlers, or route salesmen to whom he sends these schedules as visible signs of advertising support, just as he sends reprints of newspaper and magazine ads. It is something these men can hold in their hands. It happens all the time. The men in the field receive these schedules because the home office wants to show them they have these additional forces to help move merchandise. What do the field personnel know from grp's?

Network programming is more merchandisable. In many cases that can be important. Which is not to say that you spend thousands of television dollars to reach the trade. Supposedly it is consumer oriented. But you cannot deny that if schedules generate enthusiasm within the client ranks, it is a big advantage. The simple fact is that most programming on independents is not conducive to this kind of enthusiasm. Efficient? Yes. Good buy? Yes. But no special charisma.

So what does it all mean? It means that this is another dimension that must be evaluated by the buyer. If one feels this enthusiasm can justify the higher cost efficiency, then it makes sense to pay the premium.



Adam Young Speaks . . .

WHAT PRICE SACRIFICE?

The broadcasting business is being asked to make a substantial sacrifice in income to help reduce the death rate from lung cancer through the elimination of cigarette advertising. This one advertising medium has been isolated by one branch of government to make a major contribution in the interest of public health.

Another branch of government is subsidizing the growing of cigarette tobacco to the tune of billions of dollars. I am told that this same government is paying to ship tobacco around the world and in some countries is even paying to promote the sale of tobacco products.

What we are talking about is a product legally sold and a product that is producing large sums of government income through taxation. It appears to be all right to promote this product through any medium except broadcasting.

In analyzing the television commercials there is virtually nothing that promotes the use of cigarettes—it is primarily a promotion for brand preference.

To suggest that taking promotional dollars out of television and perhaps radio and using them in other media will reduce the death-rate—and this can be its only purpose—is quite a compliment even for broadcasting.

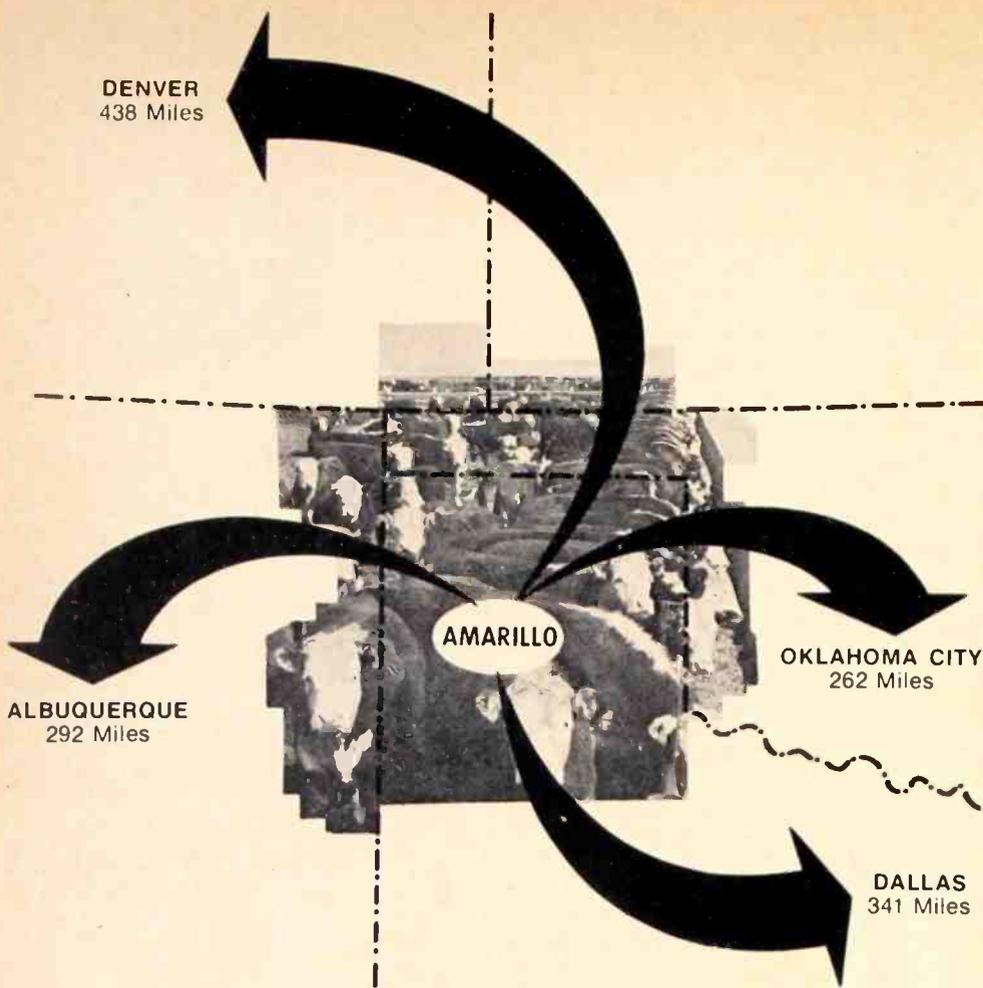
If our government really believes what its Health Department says then perhaps they can have the Health Department talk to the Department of Agriculture about doing something at the source. If we have a mad dog that should be destroyed, let's not just cut off his tail!

It seems to me that if cigarette smoking is the serious problem that it purports to be that Congress would step in and through legislation and the control of budgets effect whatever cures may be necessary and keep all governmental departments working toward a common goal.



adam young inc.

3 EAST 54th STREET
NEW YORK, NEW YORK 10022



No. 1 BEEF STATE of the Future? Great State of **NW Texas**, of course!

That's the prediction.

Beef feedlots under construction and planned in Texas and Oklahoma panhandles and adjoining counties of New Mexico, Kansas and Colorado will push feedlot capacity here to the 2-million mark by 1970.

Reliable meat industry people are predicting 4-million capacity in a very few years... capable of feeding *double* the annual output of today's leading beef state.

It's a matter of economics. The Great State of NW Texas is already No. 1 in milo—the feedlot grain that replaces corn. It straddles a vast feeder calf producing region... is convenient to the burgeoning population centers of the South and Southwest.

And KGNC speaks the language of this unique state—on both radio and TV—with a 3-man farm department providing a total information service reaching virtually 100% of the farm audience.

Let Avery-Knodel show you how to carve it to your taste.

Or call (806) 383-3321.

K G N C

TV—Radio—FM
AMARILLO

Affiliate: WIBW-TV Radio FM, Topeka, Kansas

Rep report

BILL BEE and BILL LARIMER have been appointed vice presidents of Petry Television, while WALTER ABEL has joined Petry as a New York sales specialist. Bee is a Petry group sales manager with 15 years of radio-TV sales experience. Larimer, who has been with the firm 17 years, is currently manager of the Los Angeles office. Abel comes from Katz, after serving with National Television Sales. He has had agency experience with J. Walter Thompson, Richard K. Manoff and Sullivan, Stauffer, Colwell and Bayles.

RONALD WERTH has been named manager, research, for the NBC owned stations. He had been di-



WERTH

rector of audience research for ABC News. Previously, he had been with NBC and ABC spot sales and Peters, Griffin, Woodward in research capacities.

HAROLD M. PINGREE, JR. has been promoted to vice president at Blair TV. He directs the Blair special projects department.

J. RALPH CRUTCHFIELD has been appointed director of research/data processing for HR Television. He comes to HR from Avery-Knodel, where he was research director.

RICHARD J. MALONEY has been transferred to the Chicago office of Storer TV Sales, from the Detroit office where he had been for a year and a half.

CHARLES JACOBY, JR. and PAUL SALTIN have joined the New York office of Katz, and D. WAYNE SPRACKLIN has gone to Katz's Chicago office. Jacoby, assigned to Katz's South sales team, comes from WJrz radio, New York. Saltin, with the East team, was formerly with HR Television, SSC&B and BBDO. Spracklin was a buyer with Foote, Cone & Belding, Chicago.

PETER COUGHLIN has joined RTVR New York as a sales executive. He had been with Petry, Boston, WKBC-TV and WBZ-TV Boston.

001 (from page 47)

to be used for
s. 30 and 60s. Merle Levy
a buyer on the accounts.

Pepsi-Cola Foods Division
Matham, Laird & Kudner, Chicago)

push for MARYLAND
TUB COFFEE broke just before
ue date in more than 34 markets,
run through December 21. The
s and 30s are aimed at women,
49. A. Krause executed the buy.

Del Monte
McCann-Erickson, San Francisco)

buy for DEL MONTE PINEAPPLE
breaks November 10 for five weeks
more than 17 markets. Using
s in early fringe, late fringe
d primetime, the campaign is
ared toward total women, and
men, 18-49. Liz Gregory did
buying.

Gillette
Walter Thompson, New York)

GILLETTE RAZOR BLADES will be
ashed in a four-week effort starting
ember 1. Fringe and primetime
eriods will be used for 30s and 60s in
re than 25 markets. The total
le audience is the target
the buy, being placed by
dy Grant.

Plant Foods
Young & Rubicam, Los Angeles)

major buy for SNOWDRIFT broke
t before issue date and runs
ough the end of the year in more
n 30 markets. Slotted into day
ots are 30s and 60s, aimed at women,
49.

Ideal Toy
Hellmou & Partners, New York)

a pre-Christmas campaign for
ious toys and games, Ideal
l use 66 markets for 30s
d 60s in day and early fringe
es. Kids and adults 18-34
e the prime targets of the
ampaign, which runs from issue
e until November 30. Buyers
lude Al Kapitula.

International Paper
Red Bates, New York)

buy for FLUSHBABIES breaks
e issue date and runs throughout
ember in nationwide markets. The
s are scheduled in day, early and late
e and primetime, to garner
men, 18-34. Cynthia Marshall
ced the buy.

Kimberly Clark
Hoote, Cone & Belding, Chicago)

buy for KIMBERLY PAPER DIAPERS
breaks on issue date in widely
attered markets, running for
e weeks. Daytime 60s and
e and night 30s are being used
attract women, 18-34. Marianne
rz executed the buy.

Philes Labs
Boyle Dane Bernbach, New York)

out 20 markets are being
ed in an SOS campaign that
rted shortly before issue date
runs until December 14.

Fringe time periods are being used
for 30s to reach the
total female audience.
Joy Rifkin was a buyer.

Norelco
*(LaRoche, McCaffrey & McCall,
New York)*

A buy for NORELCO MEN'S and
WOMEN'S SHAVERS breaks on
November 26 for four weeks in selected
markets. The 30s are beamed to men,
18-49, and women, 18-49, in early and
late fringe spots. Joan Bacon arranged
the buy.

Norton Simon
(Grey, New York)

A major buy for CANADA DRY

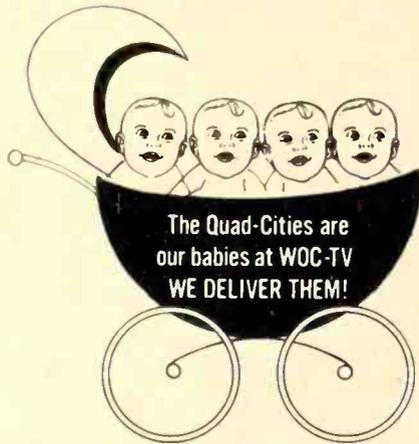
GINGER ALE and HOLIDAY
MIXERS will be breaking throughout
November in selected markets,
running through the holiday
season. Mostly 30s are being used
in early fringe, prime and late fringe.
Adults, 18-34, are the chosen audience.
Ron Storey is one of the buyers on the
account.

Owens Sausage
(Bloom Advertising, Dallas)

All time periods are being
used in an effort to reach
housewives with spots
for SAUSAGO customers. The
campaign is running in
about 20 markets.
Susan Brand is the buyer.

(Continued on page 53)

THE COLORFUL QUADS



The QUAD-CITIES market ranks 26th in percent of color sets in the nation, according to ARB's report on 210 ADI markets as of February/March, 1969. Take a look:

ADI Markets	% of color sets
QUAD-CITIES	40
Cedar Rapids	36
Des Moines	35
Omaha	29

In ADI markets of comparable size, the QUAD-CITIES rank No. 1. This high percentage of color penetration gives your color commercials more advertising impact and increased sales results.

WOC-TV continues to maintain its top standing in the important QUAD-CITY MARKET. WOC-TV . . . the senior station . . . the station that delivers the colorful QUADS.

WOC-TV . . . where the NEWS is
WOC-TV . . . where the COLOR is
WOC-TV . . . where the PERSONALITIES are



We Deliver the Quads

Exclusive National Representative — Peters, Griffin, Woodward, Inc.

Opryland

The Grand Ole Opry has given birth to a \$16 million projected entertainment-recreation center in Nashville, including plans for 5,000-seat television theater to cost \$5 million.

The initial scheme was recently approved by the board of directors of WSM. In addition to the theater, the projected development calls for \$2.2 million in themed rides and amusements; a complex of exhibit centers, related to music and broadcasting; a complex of specialty shops and restaurants, and a 150-room motor lodge.

Buyers Checklist Station organization

KOOK-TV Billings, KRTV Great Falls and KXLF-TV Butte have formally organized the Montana Television Network as a regional buy for national advertisers.

"AFTER ATLANTA WTVM COLUMBUS IS A MUST ... IT DELIVERS MORE HOMES THAN ANY OTHER GEORGIA TELEVISION STATION"

(ARB MAR. '69 CIRCULATION DATA)

NET WEEKLY
CIRCULATION

1. WSB-TV 671,300
2. WAGA-TV 670,400
3. WQXI-TV 595,300
4. WTVM CIRCULATION

242,100

abc



20

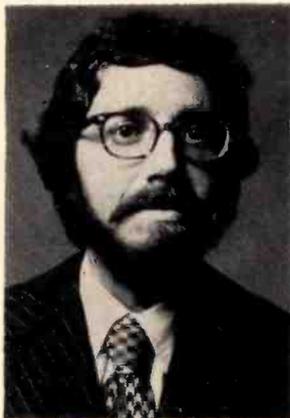


BLAIR TELEVISION

Agency appointments

RUFUS T. CARLSON has been promoted from senior vice president to president of N. W. Ayer-F. E. Baker, Seattle. FREDERICK E. BAKER moves up to chairman of the board and remains chief executive officer. Carlson has been with the agency since 1955, and joined the board of directors in 1964.

LAURENCE D. DUNST has been named president of Daniel & Charles, New York, succeeding DANIEL S. KARSCH, who becomes chairman of



DUNST

the executive committee. Dunst, at 28, is one of the youngest presidents in advertising. He joined the agency in 1962 and was most recently senior vice president and creative director.

SHEPARD KURNIT has moved to chairman/chief executive officer, and LAWRENCE SPECTOR becomes president of DKG, the new name for Delehanty, Kurnit & Geller, New York. Other changes at the agency include promotion of PETER HIRSCH and NEIL CALET to executive vice presidents and co-creative directors.

CARL SPIELVOGEL, group vice president of the Interpublic companies, has been named executive vice president and general manager of McCann-Erickson. He joined the agency in 1960 and became a senior vice president of Interpublic in 1965.

STEWART A. KENT has been named president of Chesapeake Advertising, Norfolk, Va.

ROBERT W. ALLRICH has joined Clinton E. Frank, Chicago, as vice president and director of marketing. Allrich has been president of Earle Ludgin, Chicago.

JOHN R. HOYNE has joined Clyne Maxon, New York, as senior vice president and management supervisor, and RICHARD ROMANELLI has joined the agency as an account supervisor. Hoyne had been with Ted Bates and Benton & Bowles,

Romanelli was with Foote, Cone & Belding, New York.

JULIAN A. BASS has been named a senior vice president of MacManus, John & Adams. He will head up the entertainment division in New York.

JAMES H. LINDSEY, an account supervisor at Dancer-Fitzgerald-Sample, New York, has been named a vice president.

ROBERT PATTON and ED YEAKER have joined Tatham-Laird & Kudner as account supervisors. Patton comes from Compton, Yeaker was with Spun-Lo Eiderlon.

RALPH S. THOMAS and WILLIAM J. VIESER have joined LaRoche, McCaffrey & McCall, New York, as account executives. Thomas was with N. W. Ayer, Vieser with Young & Rubicam.

PATRICK J. MORRIS has left Humble Oil & Refining to become a senior account executive with Gardner, St. Louis.

VICTOR TRELA, formerly an account executive at Leo Burnett, Chicago, has been promoted to brand supervisor.

FRANK E. CUZZI has left Doyle Dane Bernbach, New York, to become an account executive on the Mennen account for Warren, Muller, Dolobowsky.

MELVIN S. FELKER has been named a research group head at Kenyon & Eckhardt, New York. He had been an automotive project supervisor at K&E.

Three new account supervisors have been named at Carson/Roberts, Los Angeles. MICHAEL KAMMERER has joined the agency from Compton, New York. ROBERT LURIE and ARTHUR NISSMAN have been promoted from account executives.

BRUCE D. MC RITCHIE has joined Henderson Advertising, Greenville, S. C., as an account supervisor. He had been with Leo Burnett, Chicago.

TED PITERA, formerly with Benton & Bowles, has joined Tatham-Laird & Kudner, New York, as an account executive.

PAUL BODEN, vice president for client services and account management at Earle Ludgin & Co., Chicago, has been elected to the agency's board of directors.

MARTIN SCHWAGER, marketing research director at Doyle Dane Bernbach, has been named research director of the agency's West Coast offices.

Wall Street Report

Stanton proposal. The recent proposal of president Frank Stanton of CBS that the networks build their own satellite relay system has focused attention on the Communications Satellite Corp. The company, after learning of Dr. Stanton's intention to make that proposal, urged the White House to declassify domestic satellite plans so that it could discuss with the tv networks how to implement the Stanton proposal (the other networks, which backed Stanton, pointed out they had previously urged similar plans).

Comsat's urging was successful and opens the way for the organization to supplant AT&T as the prime carrier of network shows. It was AT&T's demands for higher rates from the networks for its ground relay facilities—increases variously estimated at from \$15 to \$20 million a year—that apparently triggered the BS president's proposal.

Comsat stock is strictly a candidate for long-term appreciation, since it pays no dividends. Four factors brighten the outlook for the issue at the present time.

Profits promising. The first factor is the one already mentioned—the substitution of Comsat for AT&T as network program carrier. However, the networks could still create their own private system.

Second, the demand for Comsat shares is likely to increase in view of the fact that institutions are paying increased attention to the issue.

A third factor is that the price of the stock has penetrated its "resistance" level of 49, which indicates possible future advances.

Finally, while the profit record of Comsat is brief (it is still a relatively young company), there are enough data to indicate a strong upward trend. For 1967 profits were 46 cents a share, in 1968 they were 68 cents a share and for the 12 months ending June 30, 1969, the figure was 70 cents.

Further, conservative earnings estimates for Comsat in 1970 are in the area of \$1.75.

Comsat has never sold at a price

consistent with rational statistical analysis. The market value of the issue is based wholly on anticipation—which is really the only approach possible with a venture of this type. The issue, however, is well suited for the risk account that stresses the long view.

About 42 per cent of the 10 million odd shares outstanding are held by U.S. communications companies. AT&T and ITT together are reported to have a combined total of 34 per cent while Mother Bell herself has a 29 per cent interest.

Young shareholders. The balance of shares is widely disseminated among small share owners. Aside from stock brokers, banks and nominees, the public shareholders had an average holding of 22.7 shares at the close of 1968.

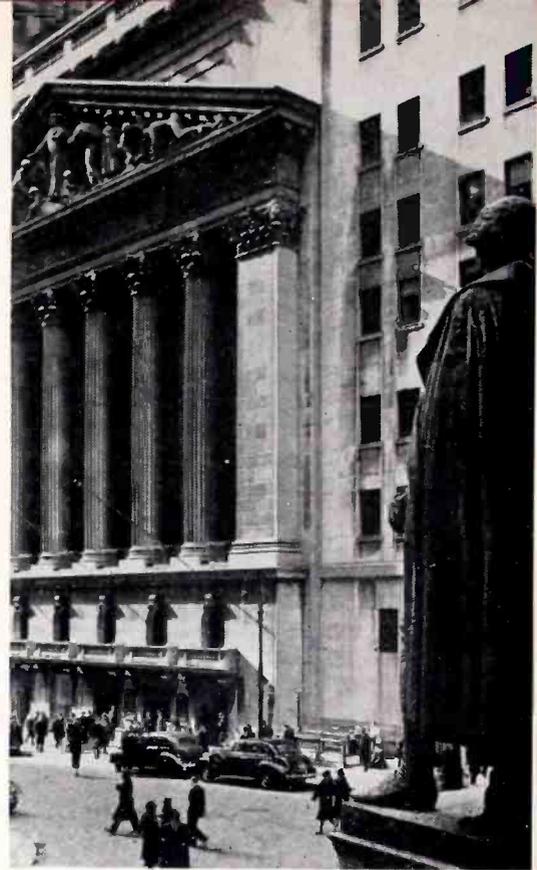
Over a quarter of these shareholders were children, with shares held by custodians. About 59 per cent of the public shareholders have 10 shares or less. No doubt many children received shares as gifts, given with the idea that these small investments would be the nucleus of a solid holding in the future, much in the manner of an AT&T purchase.

It may be of interest to note that the lows for the price range of the stock in 1967, 1968 and 1969 so far has been just over 41. This similarity may be just a coincidence, but it does create the impression—or illusion—that the floor for the price of the stock exists at that level.

A similar coincidence exists with AT&T stock. For the years 1966 through 1969 to date the annual low has been very close to 50, the low for 1969. In 1968, the low was 48 and for 1967 and 1966 the low price was 49 $\frac{3}{4}$.

This, of course, may be due to the whims of the stock market and the shareholder should not assume a real floor exists in the stock price.

It is widely assumed in the U.S. that Comsat and the satellite system are identical, but this is not true. Comsat is the manager and U.S. representative in an internationally



owned satellite system. The U.S. interest in this system is 53 per cent but this participation could drop to 50.6 per cent as others join the system.

Not to be overlooked is the fact that other nations have, in effect, veto power over the system. Satellites cannot function without ground stations, which are owned by participants in the system.

While AT&T did not appear disturbed at the prospect of being supplanted by another carrier of networks shows—it says anybody has the right to apply for a private satellite system—it doubts that the figures of the cost of such a system, as supplied by Dr. Stanton, are realistic. It was pointed out that the cost of launching a satellite has risen from \$3 million three years ago to an estimated \$13 million today.

Extra satellites. AT&T also maintained that two and, possibly, three standby satellites would be required. And it noted that on weekends when heavy football schedules were involved, up to 40 tv channels were sometimes needed. The capacity of a satellite has been estimated at 12 to 14 channels.

The telephone company noted that a satellite system would not help much in easing the general congestion of phone communications. ■

Marketing (From page 29)

heavy expenses. It believes pre-soaks will last because the product is superior for stain removal when used alone. This is because the housewife does not give detergents with enzymes sufficient time to do their job, Colgate believes.

George Lesch is proud of the company's record for new products. In the late 1950's C-P had virtually none. Little was of a different generation, one in which new products were not introduced continually. The company was so short of new products that Lesch bought an old product, Wildroot hair dressing. It turned out disappointingly, and was never able to recapture favor with the public.

Since the late 50's, Colgate has spent more than \$60 million to develop and promote new products. In recent years, its annual research and development budget has been as much as \$10 million in some years. In the beginning Colgate even tried far-out techniques, like sensitivity training groups, to generate new ideas.

Out of this ferment came a large

number of new products: Cold Power, Handi-Wipes, Palmolive dish-washing liquid, Action powder bleach. They gave Colgate the opportunity to segment a market and to throw multi-brands into it.

In the late 50's C-P had been particularly vulnerable to segmenting. Halo lost out to a large number of shampoos created by Breck; in the detergent field, P&G has kept its rivals in line by throwing one detergent after another to reach certain segments of that market.

Colgate fights back

Colgate in the last part of this decade has begun to respond in kind. Its most successful venture along these lines has been Ultra Brite. It is not completely innovative in one sense, Macleans got there first. But Ultra Brite really built the market and now is third behind Crest and Colgate toothpaste in share of market, and ahead of Gleem.

To John Grimm, head of the toilet articles/pharmaceutical divisions, must be given the majority of credit for Ultra Brite's success.

Colgate tested the concept for Ultra Brite in 1964. In June 1965 a

nationwide panel of consumers was used to select from four exploratory products (one other had already been discarded). The flavor that won this test became Ultra Brite.

Next the name was tested. The six alternative names were Brisk, Banner Brite, Peak, Summit, Appeal and Ultra Brite. Three packages were tested. Since the concept was already defined, "Fresh breath, bright teeth," advertising approaches were also tested.

The objective in the test markets, Kansas City and Spokane, was a three per cent share of those markets. The response was so good that share of market objectives were upped in the second set of test markets, Denver and Fort Wayne to five per cent. That too was exceeded after six months of testing.

In the beginning of 1967, after three years of testing, the product went national with a \$15-million advertising and promotion budget.

Though advertising was carefully tested beforehand, the key element in the product's success was sampling. Here, Colgate has had plenty of success in the past.

In Ultra Brite's case it was par-

Were a single line

ularly important. The product
ting for Macleans had shown that
cosmetic toothpaste produces a
ong reaction among users—either
u like it or you don't. According
Macleans' statistics, three sam-
rs of every 10 became users of
product.

Sampled 80 per cent

In the second set of test markets,
per cent of the homes were sam-
d. Nationally, the first wave of
ples went to 30 million homes,
second wave to an additional 20
llion. Practically every home in
country that could be reached by
nil was given a sample of Ultra
Brite. By May 1969, when the prod-
had been in distribution 23
months, it was selling at the rate of
\$0 million annually.

Ultra Brite was not a frontal at-
tack on Crest. The new Colgate
Dental Cream with Mono Fluoro
Phosphate (MFP) was created for
that purpose. Colgate Dental Cream
has 23 per cent of the market and
Crest 40 per cent. Colgate's strategy
is to use the MFP to lure Crest pur-
chasers. It expects to spend \$20 mil-
lion on advertising and promotion.

This product has been years in
formulation, and years in testing. So
sure of it is Colgate that, after trying
for years to get the seal of the Ameri-
can Dental Association, it decided
to place it on the market last Fall
without endorsement. The seal came
through recently as added fuel to the
Colgate campaign.

While Colgate's Cue, Bristol-
Myers' Fact and Lever Bros.' Super
Stripe had ADA seals in the past,
they were not permitted to use their
seals for advertising. Only P&G's
Crest and now Colgate's new dental
cream with MFP are permitted to
use seals in advertising. The com-
mercials for Colgate featuring Ar-
thur Godfrey make good use of the
ADA seal.

The current Colgate success builds
on the achievement of Robert Young
with the House of Ajax early in
this decade.

House of Ajax uses the tactic of
line extension to get a high share of
market with a relatively low in-
vestment. It includes laundry de-
tergent, all-purpose liquid cleaner
and powder cleanser, spray, wall
and window cleaner, and liquid and
powder forms of detergent. The

liquid cleaner was so spectacularly
successful that it had a 12 month
pay-out in comparison to P&G's
usual 30 month pay-out. This brand
still continues to hold the largest
share of market in its product cate-
gory.

Colgate had tried the line-exten-
sion philosophy with the Palmolive
and Lustre Creme names but they
haven't achieved the same degree of
success. The theory behind the tac-
tic is to capitalize on the value of
a brand name already familiar to
the public. As Young has noted:
"Ajax was a synonym for heavy
laundry cleaning work" which took
less sales effort to get through to
consumers.

Loved to extend

There was a period too at Colgate
when brand managers became terrib-
ly enamoured of line-extension. They
wanted almost every new prod-
uct to hitch on to an already-exist-
ing line. The threat was that mar-
ket segments would be stretched into
shreds. The company dealt with the
problem through a directive stating
that any new product being consid-
ered would have to be capable of

line to the industry. You can come in at any point along our line.

Literally a line. Not a lot of separate stops all
around town. Everything the industry needs,
anything you use in post production services
is lined up for quality control and step-by-step
scheduling on the way in... so that you get what
you want on the way out. From editing right down
the line to distribution, you always know where
you stand. Come over and walk our line. For
the tour, call Bob Winkler 212 838 3900.

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producing a volume of \$5 million in business.

As stated earlier, brand managers at Colgate have a great deal of authority. According to Sewall "Bud" Sawyer, a former vice president and media director of Ted Bates and now head of the Sawyer Group Inc.: "The brand manager at the company gets into the media decision. In fact the account group at the agency presents the Colgate media plan to the brand manager."

Many feel that good ideas tend to get lost in this process. "An awful lot is lost by being watered down through the various levels of brand managers," says one marketing executive formerly at the company. "Many of these guys are young and

bright, but they are not mature and their judgement is questionable," he notes.

There are also reports that a great deal of unrest exists in product management ranks. The company is organized into three divisions—household products, toilet articles/pharmaceuticals and associated products. P&G, which does about twice the volume of business, has 13 different divisions.

Reward blocked

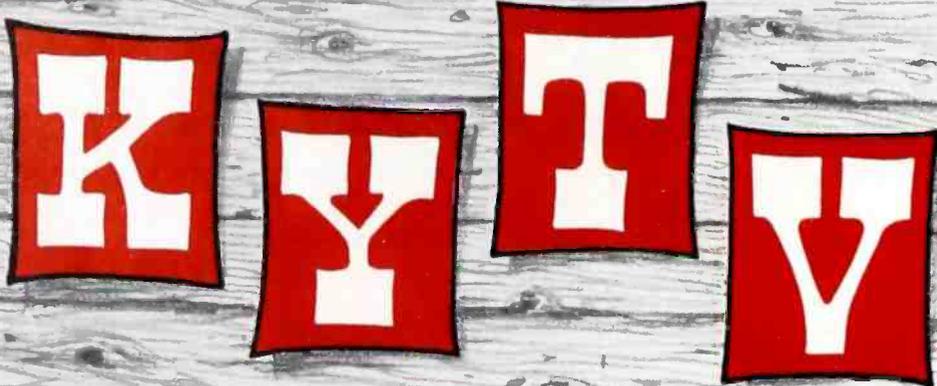
Often, according to observers, when a Colgate executive does a good job and expects a new job and title as a reward, he is apt to find his upward path blocked by company organization.

Colgate makes great demands of its advertising agencies. In the past year it dropped Lennen & Newell after a 20-year affiliation and has signed its \$3 million in billings to Norman, Craig & Kummel. This was done because Adolph Toigo, the president of L&N was unable to give the account his full attention.

Colgate bills \$35 million with NC&K. It receives the kind of attention it desires from Norman B. Norman. The same is true of Rudolph Montgelas of Ted Bates and top executives at William Esty and Masius Wynne-Williams, Street & Finney.

The conventional picture of the Colgate salesman as an oldtimer loaded down with a large satchel of products is no longer true. While the

TRY...



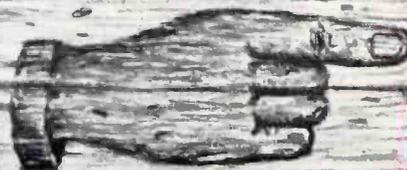
CHANNEL..



MISSOURI'S *Third Largest* MARKET

A black square containing the white letters 'N' and 'B' stacked vertically.

*IN the OZARKS
...you'll like it!*



Company does not have as many salesmen as P&G because it does much less business, salesmen for both package goods merchandisers are mutually interchangeable. They are light, well-scrubbed types with college degrees.

To add to their effectiveness, particularly in merchandising new products, Colgate has been holding new-product seminars. Such a seminar is held late in 1968 in connection with the introduction of Colgate dental cream with MFP. Not only were complete details of the introductory marketing plan disclosed to them, but salesmen participated in group discussions and practiced presentations to customers.

Early this year Colgate de-emphasized its own media and product research department when it handed a \$6 million contract to Computer Field Express Inc. That firm will do 10 studies to measure the effectiveness of finished and unfinished tv and radio commercials. This will enable such testing to be consolidated through the use of systematic, standardized research methodology located in one organization.

Too many products

In the first half of this decade, Colgate, eager to change its image to that of a more dynamic company, was prone to introduce too many new products. It was also able to move into too many new-product areas in which it had little experience. Thus the Colgate snack, called Snappies never got off the ground, and 007, inspired by the success of High Karate, had good initial sales but did not do repeat business.

It is also not prospering with its ventures into the mouthwash and women's hair-spray fields. The company seems to have given up on Espond, the once heavily advertised hair spray. Its Colgate 100 mouthwash is not doing well in spite of \$4 million placed behind it in advertising during 1968. The company's venture into paper and plastic products is holding up, with both Muggies and Handi-Wipes more than holding their own.

Critics of the company fault Colgate for not being truly innovative in chemical formulation of many of its products. They point to P&G products like Pampers and Head and

Shoulders shampoo. These products direct themselves to consumer needs not previously being met. The P&G product research is of such quality that it has made the company the acknowledged pacemaker in package goods merchandising.

In reply, Colgate points out that some of its products are truly innovative chemically. Action powdered bleach is one. They also observe that there is more to innovation than just chemical formulation.

Regardless, Colgate has steadily prospered during the 60's. It is a stronger, healthier, better-managed company than ever before in its history. It enters the 70's in prime financial condition, and is undoubtedly ready for the challenges that lie ahead. ■

TIO's 10th

The tenth anniversary of the official opening of the Television Information Office is being marked by a presentation titled "No Time To Take Ten," which was recently made to the NAB regional meeting in Chicago.

Ad council awards

The Advertising Council last month gave plaques to 17 for service to the Council. Receiving 20-year awards were J. Walter Thompson and volunteer coordinator Robert W. Boggs.

Receiving five-year awards were: J. Edward Dean of du Pont and Harry Schroeter of National Biscuit Company. Agencies receiving five-year awards were D'Arcy Advertising and Young & Rubicam.

Receiving first-year awards were H. Naylor Fitzhugh of Pepsi Cola, Carl Eurenus of Hercules Inc., T. S. Thompson of General Foods, Charles R. Corcoran of Commercial Communication Corp., Jay M. Sharp of Aloca, and James S. Fish of General Mills. Among the agencies receiving first-year awards were Benton & Bowles, Fuller & Smith & Ross, Ogilvy & Mather and Hutchins Advertising Co.

ISPY

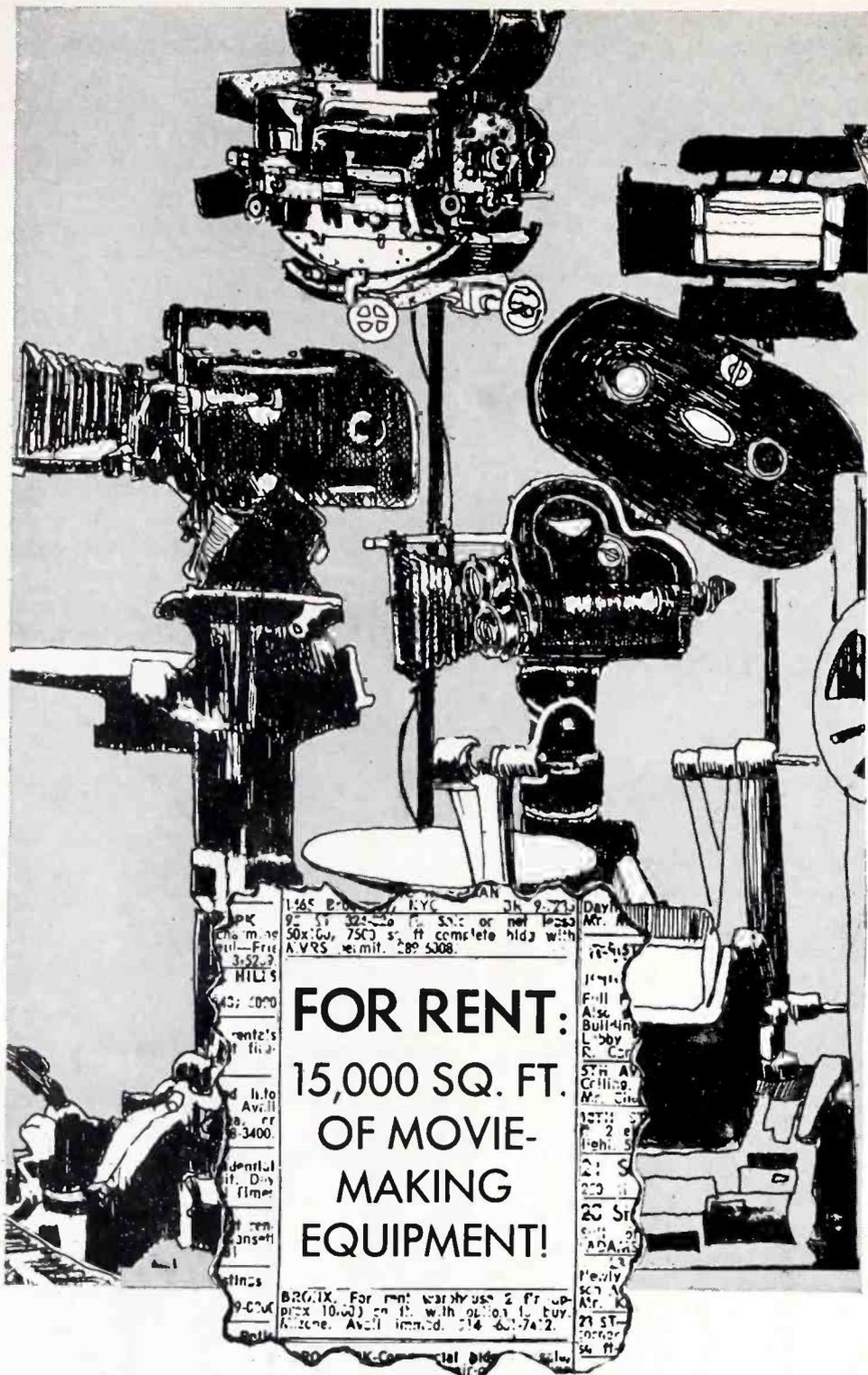
San Diego — KFMB-TV / Wed / 8:30-9:30 pm
(Rep: Peters, Griffin, Woodward)

ISPY attracts more adults than any other syndicated program but one! And 4 out of 5 are young adults, 18-49

Source: ARB



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No. 2 (From page 27)

One way that Colgate has been able to hold down some of its advertising expenditures is by "ganging" them under well known "family" names.

The Ajax family now has about a dozen members, from power pads to wall cleaner, the Colgate family of seven embraces shave cream and mouthwash, and the Palmolive line (11 products) includes complexion soap and dishwashing liquid.

The family concept allows C-P to gang advertising, as it did a few years ago with a "total oral health care campaign" which took in Colgate toothpaste, tooth brushes and oral antiseptic. Said Lesch, this combination "benefited sales of all three products and through combined advertising provided for greater efficiencies."

Goodbye, agencies

While products have multiplied and combined, the number of Colgate agencies has diminished. The first major pullout of the past three years occurred in 1966, when D'Arcy lost the Wildroot and Ultra Brite accounts, which went to William Esty and Street & Finney. D'Arcy also lost Handi-Wipes, the ill-fated Cue toothpaste, and Halo. In 1968, another agency was lopped off, when C-P ended a 20-year association with Lennen & Newell. At that time \$3 million in billings of Lustre Creme and Cashmere Bouquet were turned over to Norman, Craig & Kummel.

While the agencies were losing some valuable Colgate accounts, Colgate was losing some top executive talent. In 1966, David J. Mahoney, executive vice president, left to become president of Canada Dry (he later moved to take over the helm at Norton-Simon). Late last month, R. W. Young, who had headed up the men's and women's toiletry division and, before that, was credited with the great success of the Ajax product line, announced he was leaving the firm.

The feeling around Colgate is that the losses haven't, and won't, hurt too much. After all, being number two in the multi-billion dollar detergent-toiletries products field can't be too bad.

agencies (From page 34)

Commercials and ending with print distribution. Before the two buying units were set up in 1966, Colgate had coordinating units housed at Esty and, before that, at Bates. These were relatively simple operations compared to the current setup. They could keep track of schedules and advise agencies on earned rates. Information would be exchanged at meetings, marriages of brands arranged for piggybacks and agreements hammered out on who would buy where.

Got 60 per cent

A former CSBBU executive recalled: "In those days, the big companies got, maybe, 60 per cent of what their brands needed. And when I say 60 per cent I mean that only 60 per cent of spots achieved the cost-per-1,000 level desired because of the compromises inevitable to piggybacking.

"But after the spot unit was set up with its computer program to optimize brand combinations, the effectiveness increased to about 90 per cent. Of course, we knew more about what we achieved; the computer enabled us to do a better job of comparing the actual buy with the goals laid out."

One ex-Bates executive said the combination of the buying unit and the computer program saved \$2 million in spot expenditures and got an additional \$4-5 million more in advertising weight the first year. He commented: "That's pretty impressive when you're spending \$30 million in spot."

It is questionable, however, whether there has been any comparable financial benefit to Bates, and indeed, any financial benefit at all. The proposal earlier this year by Richard A. R. Pinkham, senior vice president in charge of the media/program department at Bates, that agencies collect 20 per cent commission on spot tv buys, struck a number of industry observers as an indirect way of saying that the CSBBU was a heavy financial burden. Bates collects 15 per cent on 15 per cent from the other Colgate agencies for placing broadcast time. The adman familiar with media department workings had this to say

(Continued on page 64)

Agency personnel (From page 34)

E. William Wood III
vice president and research account supervisor

Joy Lutzer
budget administrator

MEDIA PLANNING

Richard A. R. Pinkham
senior vice president in charge of media/program department

Justin Gerstle
senior vice president and executive director of media/program department

Isabel Ziegler
vice president and media director, household products and toilet articles

Florence Gulla
media supervisor, household products

Ted Mazzucca
media supervisor, toilet articles

Cal Lockwood
assistant media supervisor, household products

June Buckland
assistant media supervisor, toilet articles

William Esty
100 E. 42 Street, New York, N. Y. 10017, (212) 697-1600

ACCOUNT MANAGEMENT

Paul Dooling
senior vice president and management supervisor

Household Products Division

Robert Carmody
account supervisor

Rick Sarlin, George Pappas, Alan Bender, Jean Paul Blachere, Les Strauss
account executives

(Continued on page 64)



Salinas-Monterey — KNTV / Sat / 6:30-7:30 pm
(Rep: Blair Television)

ISPY is the number one syndicated program on Salinas-Monterey television!

Source: ARB



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FILMWAYS OF CALIFORNIA EAST & WEST

Advertising (From page 31)

among the three tv networks with ABC currently getting the largest share, CBS in second place and NBC third.

In daytime, the network schedule stretches from early morning (where CBS-TV's *Captain Kangaroo* is currently peddling a 50-cent "Colgate Cavity Fighter Kit" that contains toothpaste, brush, dentist's mirror and tablets containing red food dye to show crevices that have not been properly cleaned) to the noon-4 p.m. period on ABC. Daytime ABC programs carrying C-P participations are *Bewitched* (12 noon), *That Girl* (12:30 p.m.), *Let's Make a Deal* (1:30 p.m.) and *one Life To Live* (3:30 p.m.).

Also in the daytime, *The Doctors* on NBC at 2:30 p.m. is owned by Colgate and is half sponsored by it.

Nighttime shows are: Sunday movies on ABC; *Rowan & Martin's Laugh-In*, NBC, Monday 8-9; *The Survivors*, ABC, Monday 9-10; *Carol Burnett*, CBS, Monday 10-11; *Marcus Welby, M.D.*, ABC, Tuesday 10-11; *Jim Nabors*, CBS, Thursday 8-9; *Tom Jones*, ABC, Thursday 9-10; *Dean Martin*, NBC, Thursday 10-11; *Here Come the Brides*, ABC, Friday 9-10, and *Lawrence Welk*, ABC, Saturday 8:30-9:30.

On weekends, C-P has participation in *AFL Football* on NBC, and *Wide World of Sports* on ABC.

In addition to nighttime network participations, C-P appears on the networks occasionally as the sponsor of a special. The most recent was last May when it sponsored *Highlights of Ringling Bros. and Barnum & Bailey Circus* on NBC at an estimated cost of \$500,000.

Their man, Godfrey

Host and star of the colorcast was Arthur Godfrey who appears on television only under the C-P banner. In addition to his primary duties as commercial spokesman for such products as Axion and Colgate dental cream with MFP, Godfrey is host of a weekly 30-minute Colgate-syndicated program, the *All American College Show*.

Harking back to the days before participation announcements became the primary form of network television sponsorship, when advertisers demanded and received protection from advertisers of compet-

ing products, Godfrey is so serious about his role as a C-P spokesman that he will not appear as a guest on a tv program if there is a commercial for a competitor within a "reasonable time" before or after his appearance. He is currently working on five specials on conservation that probably will be sponsored on by C-P.

All-American College Show, placed in about 50 markets, is one of three programs that Colgate-Palmolive is syndicating to stations. The others are *Movie Game*, a weekday half hour in several major markets, and *Fashions in Sewing*, a 10-minute Monday-Friday series in about 50 markets.

Under the advertiser-syndication method, stations accept a program and agree to give the advertiser a percentage of the commercial availabilities in the program in return for the program. The number of commercials made available is the subject of negotiations between stations and advertiser or agency.

As an example, *Movie Game* on ABC-TV New York carries C-P commercials on 13 of the 30 available positions in a week's programming. Norman, Craig & Kummel, New York, is C-P's agency on placement of the syndicated programs.

Ted Bates & Co., New York, buys all of C-P's television, both network and spot, with the exception of the indicated shows.

Plug in radio

Joel Segal, Bates vice president in charge of network buying—both tv and radio—says the company buys network tv on an annual contract basis and buys early in the networks' selling season. The young female audience is the primary target of most network buys.

He says that C-P's over 500 per cent increase in radio spending in the past five years is because of two factors—the numbers are there, especially in the young female audience, and the price is right.

The company buys tv specials, he says, when it has something special to promote. In the case of the circus broadcast last Spring, it was an Ajax promotion.

With new products accounting for so much of Colgate-Palmolive's television spending, a look at new products now undergoing test marketing may provide some indication of what

tv can expect in the years ahead. Six of eight new products reportedly in the test-marketing phase showed up as tv users in the first half of 1969, with a total expenditure of \$462,900.

The six are: Galaxy liquid floor cleaner, \$177,000; Hour After Hour spray deodorant, \$146,900; At Once shampoo, \$66,300; Skin Mist complexion soap, \$50,800; Grenadier hair cream, \$45,900, and Brisk mouthwash, \$42,300.

Two new products not on the tv list were Denta Guard, a denture cleanser, and Swerl, a scouring cleanser.

Somewhere among the list above may be one of tv's next \$5-million clients. ■

Minority trainees

Nine black and Puerto Rican young men are enrolled in the News-film Careers Training Program. The first group of trainees, all of whom met Federal poverty level requirements before they started the intensive course, will be ready for employment as cameramen at tv stations. Funded by OEO, the training is in New York.

\$1 billion for NBC

Within the next five years NBC will cross the billion dollar threshold in sales, Julian Goodman, president of NBC, told the New York Society of Security Analysts last month. In the past five years, he said, NBC's volume has increased 49 per cent as compared to a 34 per cent increase for "our principal two competitors."

Broadcasting itself continues to be a growth business, Goodman reported. Though the GNP has grown 80 per cent in the past decade, broadcasting has increased 100 per cent. Total advertising itself has soared 60 per cent.

Goodman believes that the real payoff for color is in the future. The investment for color has already been made by most broadcasters and as the effectiveness of the medium builds, larger revenues will come into station coffers.

He feels the cutback in cigarette advertising will be merely a temporary setback for tv.

ISPY

Phoenix — KOOL-TV / Sun / 9:00-10:00 pm
(Rep: H-R Television)

ISPY attracts more women than any other syndicated film on Phoenix television!

Source: ARB



30 Rockefeller Plaza / New York, N.Y. 10020 / (212) Circle 7-8300

Agency personnel (From page 61)

Toilet Articles Division

John Hughes
vice president and account supervisor

John Scott, Malcolm Minor, Tom Hennon, Jack Connolly, Joe Weed
account executives

MEDIA PLANNING

Mark Byrne
senior vice president in charge of media planning

Frank Marshall
vice president and media director

Robert Kriso
vice president and media supervisor

Ann Janowicz, Virginia Carroll, Muriel Fariello, Jack Rabuse, Mary Ann Houlihan, Aleks Brunavs, Al Adams, Wes Albinger, Barbara Kane, Susan McClarnon
media planners

Masius, Wynne-Williams, Street & Finney

535 Fifth Avenue, New York, N. Y. 10017, (212) 867-6600

ACCOUNT MANAGEMENT

F. R. D. Tolson
executive vice president, international, and management supervisor

Baggies

Neil S. Fox
account supervisor

Norman Freedman and Mary Pascal
account executives

Grenadier

Cliff Ray
account supervisor

Jerry Darringer
account executive

Punch

Bert R. Sugar
account supervisor

Richard Griff and Joel Spiegel
account executives

Handi-Wipes

Robert Weeks
account supervisor

Paul Littlefield
account executive

New products

Alfred J. Roby
account supervisor

MEDIA PLANNING

Raymond McArdle
vice president and media director

(Continued on page 70)

Agencies (From page 61)

about the profitability of that charge.

"Fifteen on 15 means Bates gets two and a quarter per cent of the cost of a spot for buying time for another agency. The average tv spot on a station runs around \$100, if you include the smaller markets as well as the bigger ones. And many Colgate products are advertised in depth geographically.

"In short, Bates gets \$2.25 for placing the average spot for another agency. I'm sure it cost Bates more than \$2.25 to buy a spot on a station. It's true that they make money on network buying, but I'd be surprised if they make enough to offset the spot tv costs."

CSBBU is a regional setup, with tv buying responsibilities divided into four standard areas—East, South, Midwest and West. Radio buying is not regionalized. Each of the tv regions is under a buying group supervisor and each supervisor has three buyers to assist him.

Within the regions there is a large degree of market specialization with the managing buyer handling the top markets and the others assigned markets according to their experience. This group of 16 buys about 25,000 spots a month.

Some Bates people like to consider CSBBU as the prototype of the buying services. Sam Vitt, who recently set up one of these services (Vitt Media International) and had been senior vice president and executive director of Bates' media/program department, said the centralization concept permitted volume buying and gave Colgate greater leverage in its negotiations with stations.

It is doubted by others, however, that buying practices at CSBBU were (or are) as hard-boiled as those of Norman King's U.S. Media or Sam Wyman's Timebuying Services. For one thing, the latter can directly increase profits by buying more efficiently. With an advertising agency, all savings go to the client.

Further, it's pointed out, there is a more direct relationship between client and buyer in the case of CSBBU than there is with buying services. Bates buyers are permeated with Colgate's marketing philosophy—as it applies to timebuying.

One CSBBU alumnus remarked:

(Continued on page 70)

FULLY ANIMATED..

NATIONAL QUALITY TV COMMERCIALS AT (WOULD YOU BELIEVE) ONE-THIRD OF NATIONAL AVERAGE PRICES! From story-board to full animation, Bandelier's Hollywood trained animators, film technicians, and cameramen project your ideas and story-boards to "client-complete" satisfaction.

Send for descriptive, pictorial brochure on entire capability.



Bandelier Films, Inc.

Offices & Studios 1837-39 Lomas Blvd., N.E.
Albuquerque, New Mexico 87106 Phone (505) 242-2679

ke of this? Reaching decisions about the stocks of companies with heavy foreign involvement usually means balancing many plus and minus factors, and C-P is no excep-

ti. There are pros and cons," Hahn observed. "The cons include things like currency devaluations [the recent 11 per cent drop in the value of the French franc, for instance, will hit C-P's French revenues when they are converted to dollars] and they range through political problems of all kinds, right up to war itself. World War II was the big example. It closed us out of huge markets.

Hoping for stability

But against this, profit margins are higher in overseas markets than they are in the United States, and the markets themselves are capable of being enlarged much faster. What we do is hope that the good guys will prevail in the developing countries where we operate."

The difficulty of enlarging a market in the United States can be illustrated with dozens of examples, one of which might be termed the war of the cavity fighters. When Lesch took over as the top man at C-P, the company dominated the toothpaste market with Colgate dental cream. It was a business where minor shifts in the share of market were measured in millions of dollars. Lately, the total has been estimated at \$350 million.

But nine years ago, in one of the great coups in the history of mass marketing, P&G won an exclusive endorsement from the American Dental Association for Crest, a toothpaste containing stannous fluoride. The association, somewhat long-windedly, designated Crest as "an effective decay-preventive dentifrice that can be of significant value," etc.

Hurling its massive marketing and advertising know-how behind this sign of a product difference, P&G captured more than a third of the toothpaste business with Crest alone. Colgate, even by stepping up its promotion spending enormously, retreated to 24 per cent of the market. Meanwhile, C-P was developing Colgate with MFP, a different cavity fighter, which is known around the

laboratory as sodium monofluorophosphate. C-P naturally wanted the same endorsement enjoyed by Crest, but it finally decided it could not afford to wait and began promoting Colgate with MFP last year. Arthur Godfrey, who had sold so much Axion for C-P, was sent into the tv battle again, tube and toothbrush in hand.

But the battle has only begun. The other day, C-P got its long-coveted endorsement from the American Dental Association—just like the one for Crest—and announced it would spend "well over \$20 million" to cut Crest down to size.

This, moreover, is only the fluoride sector of the toothpaste corner of the whole field of products where C-P is involved in comparably fierce competition. Laundry detergents alone, for instance, are a market worth more than \$800 million a year. The enzyme presoaking products—Axion from C-P and Biz from P&G—add another \$75 million or so, about equally split.

However, the soap companies also are putting enzymes into the detergents themselves, and this market is far from evenly split. The dominance of P&G, as shown by statistics

from A. C. Nielsen has been advanced as one possible cause of the weakness of C-P stock on the Big Board.

High suders

According to a recent compilation by Nielsen, P&G has captured nearly 40 per cent of the detergent market—meaning sales of more than \$320 million a year—with its four enzyme brands, Tide, Gain, Bold and Oxydol. In this field, C-P is a distant second with two enzyme detergents, Ajax and Fab, each of which has about 5 per cent of the total. Lever's entry, Drive, has about 5 per cent.

In addition, after their massive promotion spending on these items, the companies have faced criticism from consumer groups, contending that the enzyme products do nothing significant that ordinary detergents do not do.

In their own Madison Avenue league, they have met the determined defense of Clorox and other bleach manufacturers. Generally, there is an expressed or implied statement in the enzyme advertising that it precludes the need for a bleach. Makers of bleach, naturally, have replied

ISPY

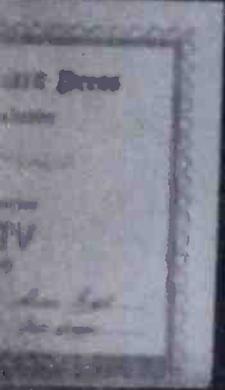
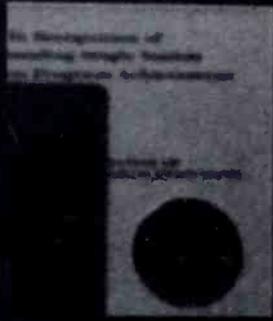
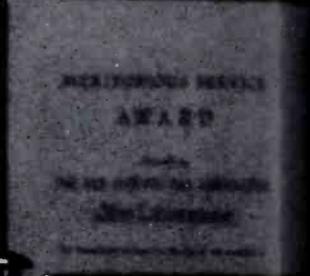
Las Vegas — KORK-TV / Thur / 6:30-7:30 pm
(Rep: Peters, Griffin, Woodward)

Tops in its time period for the entire season —
opposite both network and syndicated programming!

Source: ARB



30 Rockefeller Plaza / New York, N.Y. 10020 / (212) Circle 7-8300



What 1969 is saying:

The year 1969 has so far clearly indicated that public service at Avco Broadcasting is a lot more than lip service.

In communities ranging from Washington, D. C. to San Francisco, Avco Broadcasting stations have been saluted for extra effort in many different areas of public commitment.

So far this year, 28 awards have been given the Avco Broadcasting stations. Two Alfred P. Sloan Awards. Two first place awards from the National Association of Television Programming Executives. Honors from Associated Press, the IBEW, National Press Photographers' Association, Sigma Delta Chi and the State of Ohio.

Avco Broadcasting stations have been recognized for a *multiplicity* of extra public services too. For documentaries and news coverage. Special reporting, feature stories and involvement in community projects.

This kind of appreciative response reaffirms the commitment to public service at Avco Broadcasting: to better serve its audiences with concerned, involved programming.



**BROADCASTING
CORPORATION**

TELEVISION: WLWT Cincinnati; WLWC Columbus; WLWD Dayton; WLWI Indianapolis and WOAI-TV San Antonio. RADIO: WLW Cincinnati; WOAI San Antonio; KYA & KOIT San Francisco; WWDC & WWDC-FM Washington, D.C. and WRTH Wood River, Illinois.

Represented by Avco Radio Television Sales, Inc.

You've Made History.

Now Make A Place For It.

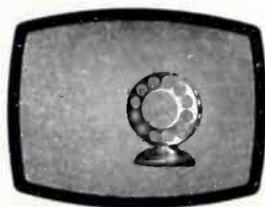
In its first half-century, broadcasting has earned a unique place in the nation's history. Now broadcasters are establishing a unique place that will dramatize their achievements for generations of researchers and scholars.

The Broadcast Pioneers History Library and Reference Center will occupy much of the ground floor of the NAB Building in Washington. A supremely modern facility, the Reference Center will house a rapidly growing collection of documents, photographs, tapes and films.

Broadcasters are proud of their record in raising funds for others. You're proving similarly generous in your own cause: more than half of the required \$750,000 has already been contributed (at right, the contributors as of October 1).

There is still much to be done—much history to be made, much money needed to establish the Center. Please send your check, this week, to:

THE BROADCAST PIONEERS CAMPAIGN FUND
Roger W. Clipp and Ward L. Quaal, National Co-chairmen
c/o RAB, 555 Madison Avenue, New York



Contributions are deductible to the extent provided by law and may be paid over a period of 36 months, covering four tax years.

Agency personnel (From page 64)

Gus Spiel
associate media director and media supervisor for Colgate-Palmolive

Irwin Joseph
media planner

David Farquhar
media planner

Dorothy Barnett
supervisor, spot broadcast buying

Helen A. Thomas
vice president, network tv operations

Rita Gelman
media planning assistant

Norman, Craig & Kummel

488 Madison Ave., New York, N. Y. 10020 (212) 751-0900

ACCOUNT MANAGEMENT

Household Products Division

John C. Savage
executive vice president and management supervisor

John Gude
vice president and account group supervisor

David Hill
account group supervisor

Rick Topham
account supervisor

Henry Filter
account supervisor

Kenneth Sammon
account supervisor

Agencies (From page 64)

"The Colgate unit is more flexible than a buying service. They'll pay more for a local tv program personality than current cost-per-1,000 norms would ordinarily allow. You'll never find a buying service doing anything like that. That would raise their cpm and what else have they got to offer than low cpm?"

"As a matter of fact, I'd say the P&G agencies are more like the buying services than the CSBBU. P&G is cut and dried in its buying, though, of course, P&G buyers are not the tough negotiators you find at the buying services."

A number of people familiar with both P&G and Colgate buying policies echoed the point from another aspect—the difference in approach between the two clients in both media buying and media planning operations.

Said one media executive: "Colgate is usually open to media opportunities. The Colgate unit doesn't operate under the kind of strict cpm ceilings you find at the P&G agencies."

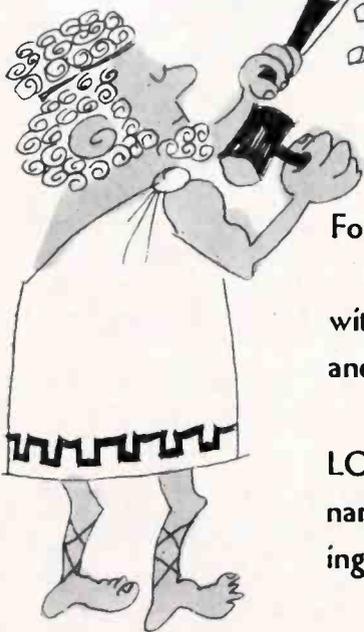
Another major difference cited was in the influence of brand managers. "The media plan for a Colgate brand," said a former Colgate agency man, "has to be sold to the brand manager and, of course, has to get his okay. P&G brand managers don't get too involved in the agency media operation and don't generally interfere with guidelines set up by the P&G media department. If they do, they know they have to come up with a strong justification and, if anything goes wrong, they're responsible."

"To put it another way, the P&G media department has much more influence on agency buying than Colgate media."

He added, "I think it's worth noting that Colgate agency people are not as nervous about P&G as they used to be. Colgate used to run scared, but they have more confidence than they used to and you can feel it at the media department level."

What this translates into is better media planning and buying by the Colgate agencies — or at least it should. And it seems clear that the Colgate buying operation is one of those not bothered by the rise of the buying services. ■

A Good Impression



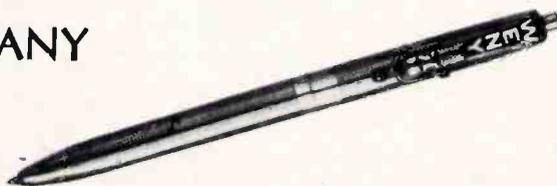
For many years you've relied on LOGO AD to bring increased awareness of your station with its famous mike pens, lighters, key chains and many other promotional items with your call letters in 3-D.

LOGO AD can also secure for you high-quality name brand merchandise—or services—including air travel, credit cards, and hotels on a reciprocal trade basis.

Call Hy Finkelstein. You'll be impressed.

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On top of it all.

The John Hancock Mutual Life Insurance Company is owner-developer of John Hancock Center.

The John Hancock Center. Soaring 1,000 feet above the city. Tall testimony to Chicago's restless, daring drive to innovate. Elevate. Get things done in a big way. This, in all ways, is the credo of WGN Television. No wonder,

then, that our transmitting antenna will top the Hancock Building. No wonder we continuously search for new ways to serve our city even better. So in the future, as in the proud past, we can say with pride . . .

WGN IS CHICAGO

the most respected call letters in broadcasting

A WGN Continental Group Station

Agency personnel (From page 70)

Kim Wallace
senior account executive

Richard Lanley
senior account executive

Joseph Prior
senior account executive

Richard Fuehrer
senior account executive

Frank Kopilak
senior account executive

Daniel Hopkins
account executive

Bernard Green
assistant account executive

Ralph Hirsch
assistant account executive

Toilet Articles Division

Thomas K. Myers
*senior vice president, management supervisor and (agency) director
of marketing*

David Sackey
account supervisor

Roger Clark
account supervisor

Shelley Holzer
account supervisor

Ted Gibbons
account executive

Jack Newbury
account executive

Robert Westover
account executive

MEDIA PLANNING

Sheldon Boden
vice president and media director

David Hirth
media group head

Harry Kay
media group head

Sidney Ginsberg
media planner

June Spierer
media planner

James Gallo
media buyer

Kehn Ogden
media buyer

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BUSINESS BROKERS FOR C.A.T.V., TV & RADIO PROPERTIES
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CINCINNATI—

Richard C. Crisler, James J. Espy, Ted Hepburn
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TUCSON—

Edwin G. Richter Jr., Frank Kalil, H. Lee Druckman
POB 5131, phone (602) 622-3336

Demo sells 'janitor'

The idea for Janitor In A Drum began with research, according to Tommy Greer, president of Texize Chemical, in a speech recently before the New York Advertising Club. Research said that the American housewife was increasingly dissatisfied with household cleaners, but the company was left with a large question: where do you find another cleaner?

Greer reported that the idea came to him and other top executives while riding in a cab from La Guardia Airport. They became enamoured of the possibilities of the industrial strength cleaner Texize had been selling. This "superconcentrated liquid cleaner" was tested successfully on 1,000 people, and sampled to 500 housewives. The usage tests, he said, came back higher than the concept.

Four packages were also tested, but the winning combination was not the product packaged in a miniature drum. It was a normally shaped package named Terrific. Texize decided on the uncommon package; the uncommon name.

Greer noted that since the message of the product was strength, the commercials had to demonstrate that strength. They did. The product, in its final form, then was tested not in Omaha, or Syracuse, but in New York, Philadelphia, and Boston.

Distribution in these markets was no problem because the company had made good its promises in the past. Tv advertising began with a short flight, before couponing, then the bulk of the campaign hit.

Greer proudly observed that in two months they were out-selling any single cleaner in a store count in one of the test markets. The product went national in a hurry, and used 50,00 samples to speed its acceptance with the trade.

In the picture

about two weeks ago **Oliver Toigo**, aged 36, ascended to the presidency of Lennen & Newell, the largest advertising agency in the country, with billings of over \$10 million. More than likely, the promotion makes him the youngest major-agency president around. It represents, as far as anyone can remember, the first time a large agency has been handed down from father to son.

The elder Toigo, Adolph, one of the last great names in advertising, was a dedicated worker all his life, and won't drop out of sight. He'll stay on as chairman of the board and chief executive officer.

Young Oliver is convinced his appointment is not of the "thanks, dad" variety. He's been functioning as the agency's chief operating officer for two years, but got the nod of president last month. "Since the first day I came to work here," declares Oliver Toigo, "I dreamed of becoming president. But it was never implicit in my coming here, and I doubt I would have gotten the nod if I wasn't worthy of it." The younger Toigo explains that he came to work not for his father, but for Lennen & Newell, president and chief executive officer, in 1954. He started with an earning \$60 a week, \$15 less than his secretary got.

The transition at the agency isn't going to have a revolutionary impact on the industry, and for very good reason. "My father's thinking was 40 years ahead of his time," observes the younger Toigo. "We're helping him execute policies established years ago; they're just as valid today as they were then."

These policies include an aggressive acquisition program, a dedication to the needs of the client, and a avoidance of the temptation to go public. "When you go public your responsibility is to the stockholders, not to the client," argues the younger Toigo.

One major effort that will take place now is a stepped-up acquisition program. Though L&N has been one of the most aggressively acquisitive agencies in the last few years, there is evidence that it will become even more-so under Oliver

Toigo. More names will soon be added to the agency's 27 foreign affiliates and 16 wholly-owned subsidiaries. "They're all profitable operations," notes Toigo, "producing \$40 million worth of business a year."

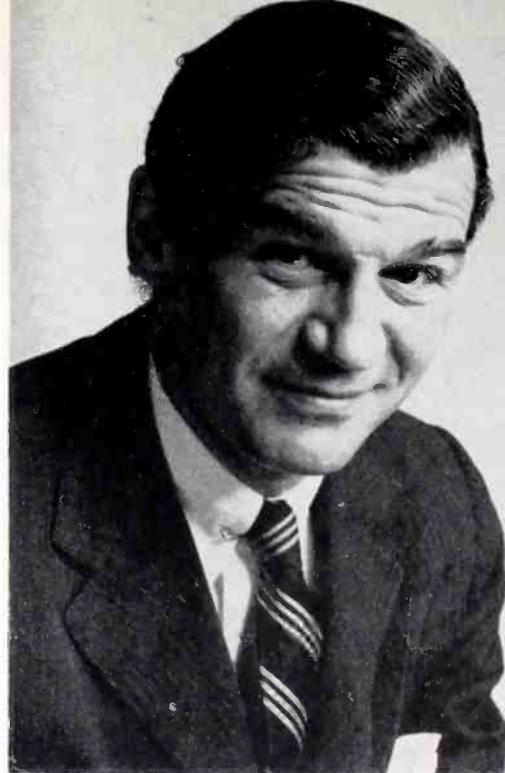
The foreign affiliates give L&N interests in countries where 85 per cent of the world's advertising business is placed, and the domestic divisions should make L&N about the most active agency in the U.S. Northwest within three years. At the moment, it's the only national agency with an office in Alaska.

Toigo is hotly pursuing other local and foreign properties. "We're not looking for businesses owned by 60-year-old men," he observes. "We're looking for those of 40-year-old men who want to stay on, grow with us, but need the backup of a national agency."

One difference between L&N subsidiaries and those of some other major agencies, Toigo insists, is that his divisions can count on complete autonomy. This is because, like his father, he believes that each local market is distinct from other local markets. "We establish policy, they tailor the campaign to fit individual needs," L&N's president explains.

In support of this theory, L&N has established its own "flying squad," a flexible group of high agency creative and administrative heads who can hop aboard a plane on a few hours notice, and descend on any of the agency's divisions that need help in creating or managing a campaign. "They'll go anywhere in the world to advise," points out Toigo. "Note, I said *advise*, not *command*."

Young Toigo joined L&N in October, 1954, two years after his father. The young man broke in on some of the agency's major accounts, like P. Lorillard and McCormick & Co. In so doing, he learned from the best teachers around—Bert Kent, Lewis Gruber and Manuel Yellen, of Lorillard ("With guys like these, either you learn fast or you get out"), and from Jackson Taylor, Leo Kelmenson (now president of Kenyon & Eckhardt) and, of course, from his father, on the agency side.



Oliver Toigo
No 'thanks, dad' job.

During these years under the elder Toigo's control, L&N's billings erupted from \$17 million to \$127.2 million.

Oliver Toigo considers his forte is in two areas—administrative and creative conception. Under his guidance the agency reorganized its creative group along vertical lines, now has the capacity to create commercials on almost any level—modish, standup or slice of life.

ON A LARGER scale, Oliver Toigo perceives that the general role of all agencies may be starting to turn full-circle, reverting back to full service from the creative boutique concept. "We insist on total familiarity with the client's business and problems," the new president says. "We want to deliver a copy *platform*, not just copy. We must have media, planning, marketing and merchandising involvement. I'm telling our people that we don't want to accept any assignment unless the client agrees to let us do it all."

As to television, Toigo thinks its future is secure, even with its many vulnerable spots. For the short run, he thinks book-readers and radio-listeners may return to the medium as networks increase their sponsorship of quality feature length films made especially for tv and for later theater distribution. "It's no longer chic for big name artists to avoid tv because of its commercial stigma," Toigo comments. ■

Inside the FCC

CATV task force in action

The recent ruling on CATV by the FCC highlights the behind-the-scenes battle going on at the Commission over CATV's role in the nation's communications system.

The ruling requires that every system with over 3,500 subscribers originate programs. It also allows the CATV systems to originate commercials "at the natural break in programs." The ruling goes into effect January 1.

Sol Schildhouse, chief of the FCC's CATV Task Force, regards the Commission's rulings as one of the most important breakthrough yet for CATV. Schildhouse, an enthusiastic and unabashed proponent of CATV, feels that the next move will be the licensing by the FCC of all CATV systems. He also sees rate regulation as a possibility. In addition, he has pronounced views on the need for the small CATV operator to bring in distant signals.

These sweeping proposals have thrust him, over the past three years, into a battle that is being fought on numerous fronts—the FCC, Congress, the courts, and the never-never land of public opinion.

The task force which Schildhouse heads up was established three years ago to deal with the various aspects of the complex CATV problems. When asked whether the Task Force under his direction has not dropped the mantle of an impartial investigative and administrative body, and has taken on the appearance of an out-and-out proponent for CATV, he replied, "All I want to see is a viable service that will fulfill its greatest promise." He is almost evangelical in his prediction that a broad-based CATV system is "important to our culture." "Why shouldn't I be a proponent of CATV?" he asks. "The head of the Broadcast Bureau is concerned with a healthy, competitive broadcast industry. The head of the Common Carrier Bureau is interested in seeing a healthy, competitive common carrier service. I am interested in seeing a full-fledged, important CATV service."

Wants an accommodation

"I believe that there can be an accommodation between the broadcast industry and the cable industry," he adds. "There is enough in the communications requirements of this country to keep both these technologies viable."

But there are many within the Commission that feel Schildhouse has gone overboard in his enthusiastic advocacy of CATV. One member of the Commission even characterized the situation as "weird."

The paradox, this member said, is that the Task Force was created to administer and enforce the Commission rules. However, he points out, Schildhouse, in case after case asks the Commission to waive these rules.

Undaunted by all of this, Schildhouse ploughs right ahead, saying he doesn't consider himself an enemy of broadcasting. (He was once a part-owner and manager of KOMA Oklahoma City.) But he insists that CATV cannot be held back. The fact that he was seriously considered as a successor to Fred Ford as head of NCTA (National Community Television Association) emphasizes his partisan stance on CATV matters.

Television station operators take issue with the Schildhouse point of view. The telecasters emphasize that the restrictions are needed to contain CATV, lest the wire systems drive out of business the very stations whose signals they carry. These guidelines are required if the free competitive system of broadcasting is to survive, particularly the precariously-perched UHF and small market stations.

The principal administrative tasks of Schildhouse's operation include making recommendations on: (1) requests for waivers of various CATV rules, such as duplicating a signal from a local over-the-air tv outlet, (2) requests to pick up additional distant signals, and (3) handling so-called 214 petitions by telephone companies for certificates of convenience and necessity to construct cable systems.

Defining ownership structure

In addition, the Task Force is preparing forms to be mailed out in an effort to define the ownership structure of the CATV industry. The intricate CATV rulemaking is handled by Schildhouse's staff. It also works in tandem with the Common Carrier Bureau on applications for microwave transmission of signals to CATV systems.

Just before the Task Force was created, the Commission promulgated the Second Report and Order assuming jurisdiction over CATV. The wire systems had by that time emerged from the remote unserved mountain valleys where they underwent an incubation period to move into more populous areas already served by television stations. A complex document, the Second Report and Order essentially required a hearing before a CATV system was allowed in the top 100 tv markets.

The Second Report and Order became obsolete and its defects obvious after a couple of years of operation. Last December 13, the Commission issued its Third Report and Order and launched rulemaking procedure. The whole framework of that report has been denounced hotly by the CATV industry as being even more restrictive than the Second Report and Order, and charges of "freeze" were made at Congressional hearings and elsewhere.

Before taking over the Task Force at its inception in 1966, 51-year-old Schildhouse had held various key positions at the FCC—trial examiner, chief of the Office of Opinions and Review, chief of the Renewals Branch. A 1940 graduate of Harvard Law School (he was on the staff of the Harvard Law Review), Schildhouse is no shrinking violet. He has the appearance of an athlete and is a tough competitor on the handball courts. He heads up a staff of 25 including 15 lawyers.

But the CATV Task Force is essentially a one-man operation—Schildhouse's. The realm of CATV regulation is a volatile one, and the attorneys under Schildhouse are, for the most part, young ones.

The big question is how Dean Burch and Robert Wells stand on CATV. But there is no question in anyone's mind as to where the head of the Task Force stands. ■

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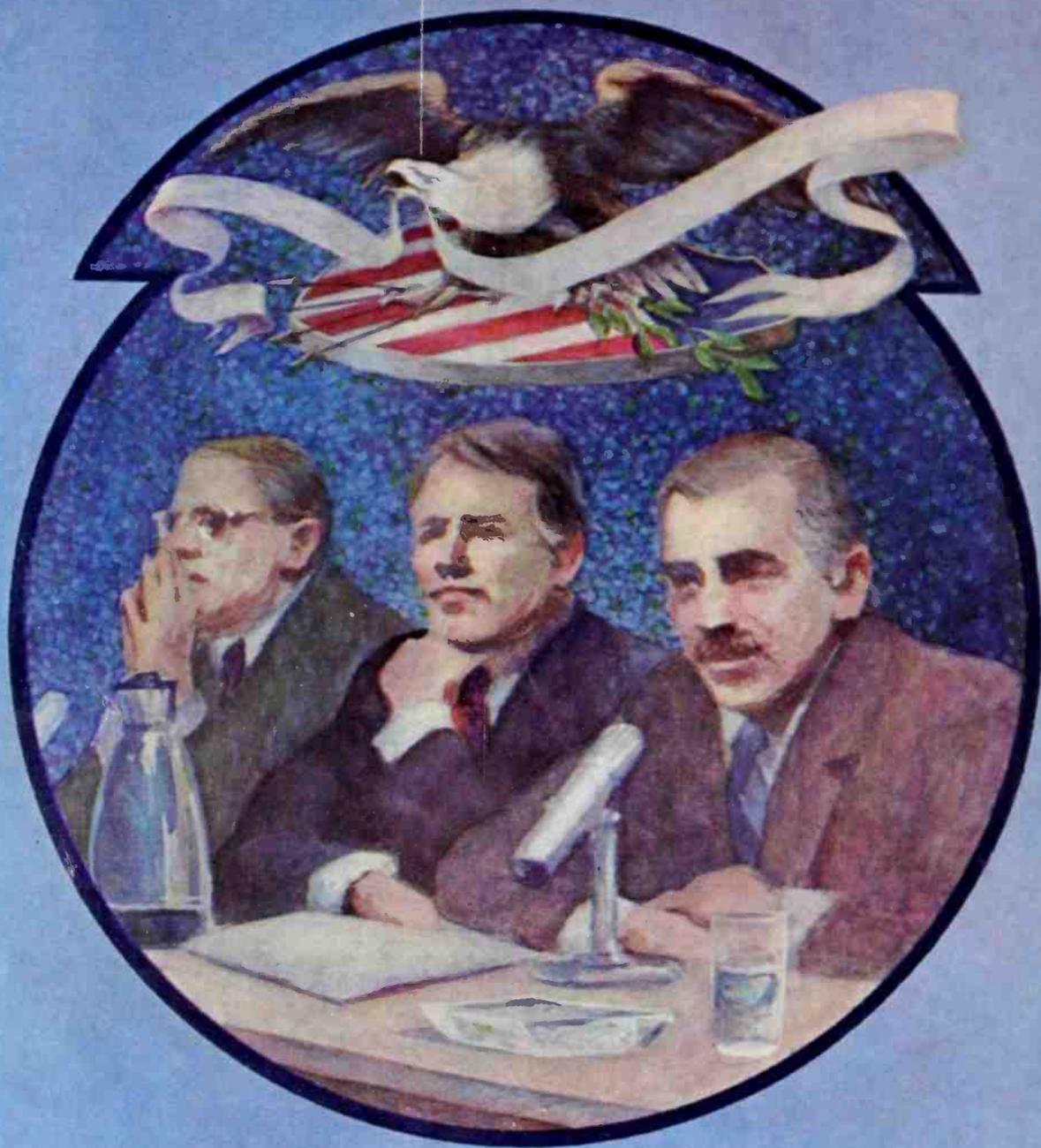
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