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FILM

104 SIGN UP FOR NTA FILM NETWORK, DUE TO BEGIN OPERATIONS ON OCT. 15

President Ely Landau terms it the fourth tv network, says it will start with two hours programming each week, hopes to have 10 hours weekly by 1959-60.

THE FIRST tv film network, hailed by its founders as embodying "the network sales and programming concept of the future," moved out of the planning stage last week with an actual blueprint for operations, starting Oct. 15, on a lineup of 104 affiliated stations.

Confident that the film network foreshadows the business of tomorrow, Ely A. Landau, president of the newly organized NTA Film Network, disclosed that operations will begin with



MR. LANDAU

a two-hour network program each week of "super-spectacular" feature films and expand according to this tentative time-table: three and a half hours by early 1957 and 10 or more hours per week by 1959-60, supplemented by live telecasting of outstanding sports and other special events.

Mr. Landau views his new project, which he calls "the nation's fourth tv network," as embodying a concept that must be followed by tv networks generally, if television is to flourish and take its "rightful place" in the economy of the nation. Mr. Landau points out he has no desire to replace current tv networks and understands that this "would be impossible," but believes the film network will broaden the base of the tv economy by attracting advertisers because of "its advantages of flexibility, non-interconnection and no 'must-buy' policy." He contends that network television, as now constituted, has impeded the growth of the medium and offers these observations:

- The coaxial cable is a "mighty expensive item" in networking, with CBS-TV on record as having spent \$20 million in 1955 for this expenditure and ABC-TV about \$6 million. This expense item ultimately is passed on to the advertiser and has "discouraged" many sponsors from using network tv and has restricted usage by advertisers presently in the medium.

- Network practice of specifying "must buy" basic lists of stations (often running more than 50) is "uneconomical" for the advertiser, who has no distribution in certain "must-buy" markets and consequently "turns him away" from the medium on numerous occasions.

- The need for "powerhouse" network programming is not being met in the markets that have four or more stations, and even stations that currently have network affiliations are "insecure" in that they do not know when they may lose that affiliation. Several stations have had to discontinue business or operate with reduced revenues when their networks switched affiliations.

In view of these "network limitations," according to Mr. Landau, the NTA Film Network can "fill an urgent need" of television stations throughout the country for "an additional major source of quality programming and national advertising income." The film network, he claims, "provides an additional marketplace where national advertisers can buy nation-wide coverage of American television homes in a

single, competitively-priced transaction, combining market flexibility with the convenience and prestige of a national network."

The NTA Film Network of 104 stations "probably" will be expanded to more than 130 stations by the time of the beginning of operations, Mr. Landau believes. As presently constituted, he said, the network will reach about 31 million television homes of the country's total 48.6 million families. The families covered by the NTA Film Network, according to Mr. Landau, have an effective buying income of about \$213 billion, or 80% of the country's total potential.

Mr. Landau claims that the film network will offer these advantages:

- Advertisers will be guaranteed time clearances and programming and the "advantages in timebuying flexibility without the burden of 'must buys' now prevalent in the industry."

- Stations will be offered "power-house" programming, consisting initially of "super-spectacular" feature films never before shown on tv, to vie for larger audiences.

- Advertisers will achieve a lower cost-per-thousand through large audiences gained from "top-level" programming, though their expenditures for time will adhere to published rates.

- Stations will gain more revenue than under the conventional network arrangement, largely because the lack of the coaxial cable will pare down overhead.

- Stations will acquire more programming "leverage": In the event they lose their conventional network affiliation, they still can rely on NTA's "power-house" programming. Notwithstanding, they have acquired another major programming source to bolster their regular network offerings.

The NTA Film Network has signed two types of two-year contracts with its affiliates, running for 39 weeks a year. In 40 smaller markets, the network has supplied the station with a library of 800 hours in return for which the station makes available two hours of time to the network. These stations receive no additional compensation. In the 64 other markets, the stations offer the two hours of time to the network, which programs and sells this time

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