NARTIA CODEL'S 3

AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING AND FREQUENCY MODULATION ARTS AND INDUSTRY

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Reports

THE MID-YEAR SCORES, AM-FM: At mid-year, AM stations totaled exactly 1,806 in U.S. and possessions, of which 535 are still in CP stage. This compares with 1,579 at end of 1946, 1,004 at end of 1945 -- so that last 6 months saw net gain of 227 stations, last 18 months 902. And there are more than 750 applications for new AM stations still pending! As for FM, boxscore at mid-year is this: licensees, 48; CPs, 622; conditionals, 251; applications, 174. Besides most of 48 licensees, 192 CP and conditional grantees are already on the air under STAs. [Foregoing figures are recapitulations based on our AM Directory (No. 1) and addenda and our FM Directory (Supp. 53) and addenda.]

KEEPING CURRENT ON FM GRANTS: Our new FM Directory (Supp. 53), sent you herewith, should enable you to know the exact status of FM in any community -- who's on the air with what frequency and power, who hold CPs and conditionals, who are applying. It supersedes Supp. No. 50 and addenda (50-A to 50-K, pink sheets), <u>brings everything up to date as of July 1</u>, can be kept current with the pink addenda sheets (53-A, 53-B et seq) you will get each week. Job of keeping it current, always a headache, is <u>simplified by change of format</u>: All items -- licenses, CPs, conditionals, applications -- are grouped together under their respective cities. Status of each is indicated by a different symbol. As each changes status (as reported in pink addenda), all you need to do is cross out old symbol and write in new. New applications, as filed, will have to be kept separately, but this is minor problem since there are usually only a few per week. Extra copies of FM Directory are available at \$2.50 each.

PAY-AS-YOU-LOOK PLAN FOR TV: It's going to take lots of doing on the part of Zenith's Gene McDonald, who's still unconvinced that advertising will ever pay TV's way, to put over his <u>Phone Vision system of "pay-as-you-look TV</u>." For one thing, FCC official policy thus far seems wedded to idea (and TV industry itself has proceeded on assumption) that TV must offer a freely disseminated service like sound radio. But that's not all:

Zenith's system will require (1) going to FCC for frequencies to accommodate such a new service; (2) program producing companies able and willing to go into paid TV program field, who may or may not be existing telecasters; (3) assent of telephone companies over whose lines "wired radio" phase of transmission would be carried, and who presumably would bill customers for service; (4) production of special kind of receivers, which Zenith says it will start in 6-12 months and promises won't cost more than ordinary table model TV sets.

Comdr. McDonald broke story to press Thursday, date of release of July 12 Collier's containing article about it by Herbert Asbury titled "Television Gets a Box Office." <u>Here, in essence, is how Phone</u> Vision would work:

Video signal is transmitted over air, as at present. However, a vital portion of signal is missing, can be secured only by telephoning operator (or dialing number), whereupon missing frequencies (presumably sync pulse) are piped in via home phone attachment costing about \$5. Phone company (notoriously opposed to attachments in past) would bill viewer per program requested, as for toll calls. Sets would be capable of handling color as well as monochrome, would also be usable for "free" telecast reception off the air.

It's McDonald's answer to economics of TV, which for years he has insisted must come from "box office" rather than advertising (Vol. 3, No. 2; Vol. 2, No. 25). He contends big-time shows like Jack Benny, Fred Allen and like would cost \$10 million each per year on TV. Some broadcasters, hesitating to go into TV because of continuing cost-of-programs factor (quite aside from big capital outlay for plant), may be inclined to favor Zenith scheme if its multifarious kinks can be ironed out. <u>Example of successful "paid program service" is Muzak</u>, using phone wires to transmit to subscribers. Somewhat similar service might grow up in TV -- but if it does, we think it will, like Muzak, parallel rather than displace free off-the-air programs.

WHO'S PLANNING WHERE IN TV: Epitomizing prospective telecasters' reactions to AT&T coaxial rate schedule for intercity TV (Vol. 3, No. 23, 24), is this comment in a letter we've just received from a major broadcaster, onetime applicant for a TV station: "We had been about ready to re-apply for a license when the story of the phone company's proposed rates for program transmissions appeared. This is really a kick in the teeth."

<u>Nevertheless, you can expect some more applications</u> soon from cities on coaxial routes -- one now in preparation for <u>Chicago Times</u>, one each from <u>Indianapolis</u> and <u>Minneapolis</u>. As for who else will get on air during these last 6 months of this year, we've said repeatedly we'd settle for a half dozen more -- despite repeated avowals of quick intentions by certain CP holders noted more for their publicity than effort. Our own survey indicates the half dozen will come from among <u>these CP</u> <u>holders who are really building</u> and who, if they're not on air by time stated, certainly should be operating by early 1948:

Washington Star's WTVW (WMAL) which hopes to get going in October, and has signed up Georgetown, George Washington U, Redskins home football games in anticipation; <u>Hearst's WWBT</u>, Baltimore (WBAL), October; <u>Baltimore Sun's WMAR</u>, December; <u>Chicago Tribune's WGNA</u> (WGN), October; <u>Scripps-Howard's WEWS</u>, <u>Cleveland</u>, November; <u>Milwaukee Journal's WTMJ-TV</u>, December. And these say "sometime this fall": <u>Philadelphia Inquirer's WFIL-TV</u>; <u>Westinghouse's WBZ-TV</u>, Boston; Fort Worth Star-Tele-<u>gram's KCPN (WBAP)</u>; Havens & Martin's WTVR (WMBG), Richmond. Philadelphia Inquirer, incidentally, got STA Friday to begin commercial operation any time within 90 days after July 15.

That some of other CP holders are stalling (see TV Directory, Supp. 18-C, for full list), using all sorts of excuses, is feeling among FCC observers. Only one was frank enough to say, at recent hearing, that it wouldn't start commercial operation, presumably wouldn't go beyond its present jerry-built experimental operations, until network service was available -- and that was KDYL, Salt Lake City, where coax isn't due until 1950-51 (see map published with Vol. 3, No. 24).

ALL OUT OF STEP BUT —: Reading between lines of Kansas City Star's letter to FCC, dropping its year-old CP for FM (Supp. 50-K), you get distinct impression powerful newspaper's hierarchy isn't sold on FM, regards receiver situation too slow for expenditure entailed in building FM adjunct to its regional WDAF, feels (as movies do toward TV) it can jump back into swim if and when time is more propitious. Others among the more than 900 FM grantees have dropped out (9 last year, 13 so far this) but none was quite so prominent as Star; in fast-crowding AM, 5 grantees quit last year, 5 so far this year. Kansas City case stands out also because only last week FM enthusiasts KOZY, Kansas City (Dillard) and WIBW, Topeka (Capper) hooked up for exchanges of programs with thought of expanding into regional FM network later; and local KMBC-FM (Arthur Church) is one of country's pioneers. Kansas City Star also withdrew TV application last year, but is considering re-filing. Area is entitled to 9 FM channels (6 already spoken for) and 4 TV (none yet applied for). EMERSON'S \$450 TV-FM-AM SET: Small-set specialist Emerson told us its first TV production would be a pilot run. And apparently they're giving it a guinea pig treatment, in Washington at least. They slipped one set almost unheralded into suburban Arlington, and it was sold immediately. It's a TV-AM-FM console with 10-inch tube, 12-inch speaker. We've seen it in action and it looks like a mighty good buy at \$450, plus \$35 installation, 90-day guarantee. Unusual feature is slanted panel, with tube pointed up at about 45-degree angle. At first, it would seem view from seated position would be distorted -- but it isn't. Dealer claims it allows more viewers. Picture isn't as good as some we've seen, but it's acceptable; fault may not have been in set. Some of saving (it's cheaper than anything yet in console) was probably made in quite plain cabinet. Dealer is badgering Emerson for more.

HEAVY RUN OF FM APPLICANTS: <u>FM reservation plan's end June 30</u> precipitated unusual total of applications for week (29, as listed in Supplement 53-A herewith). Newcomers make New York headache worse than ever, 3 more joining weary crowd. Baltimore area got 2 more, Providence 2, Chicago 1, etc. Noteworthy also is <u>sudden</u> <u>interest of church groups in commercial FM</u>: 9 such applications were filed in last 2 weeks, including 6 from Texas Baptists.

<u>Some applicants are puzzled about specifying channels</u>, now required. In some instances there's no way to tell which were reserved. Only thing to do is compare channels already assigned (Supp. 53 and 53-A) with channels allocated to city (Supp. 52) and specify any frequency not already assigned. Reallocation plan, incidentally, is still being shaken down; 5 New York City stations were given new assignments this week (Supp. 53), as were 6 scattered others (Supp. 53-A). Working hard to get hearings out of its system, FCC issued proposed decision for Cleveland-Akron, denying none but giving Elyria applicant Class A instead of requested B.

STIRRING UP THE CATS: There's just mere chance enough dead cats have been stirred up by Columnist Drew Pearson to create trouble for FCC Nominee Rep. Robert Franklin Jones. In any case, his charges have had effect of holding up favorable report on nomination by favorably disposed Senate committee, meeting Thursday. Pressure from Democratic Senators Johnson (Colo.) and Taylor (Ida.) and from such other sources as American Civil Liberties Union (over signature of ex-FCC Chairman James Lawrence Fly) caused committee to order further hearing next Monday on charges Congressman Jones once belonged to Black Legion. He'll face accusers, who signed affidavits produced by Pearson. Meanwhile, Jones and Pearson all this week engaged in recriminations via radio, columns and press releases -- the Congressman bitterly denying accusations and insinuations by alleged political foes in Ohio, threatening legal action against Pearson later. Meanwhile, also, on Thursday court dismissed complaint that had halted FCC from hearing Pearson-Allen application for WBAL's facilities (Vol. 3, No. 8), so that dynamite-laden case should come to FCC hearing soon. it's "selfish motive" of wanting "fair hearing" in that case that partially impelled Pearson (so he says) to take up cudgels against Jones (Vol. 3, No. 25, 26).

SURVEYS FIX CBS TV POLICY: Ever since beating it took on color (Vol. 3, No. 12), CBS has been playing it cagey in TV, has indicated as yet no intention of applying for more low-band stations -- but <u>don't be</u> surprised to see it enter the lists for <u>Chicago soon</u>. Its reasons for concentrating its single station (WCBS-TV, New York) on sports and public events, cutting down almost entirely on studio productions despite big Grand Central space it leases, now become plainer: (1) <u>Surveys show</u> these are what public prefers far and above anything else -- and, besides, they're less costly to produce; (2) <u>cost of erecting more TV stations</u> is prohibitive at present stage, especially in light of some \$2,000,000 already expended on color. <u>So basic policy is to sweat out TV's growing pains</u>, then spread out via local affiliations or perhaps station purchases in key cities.

Himself a past master at surveys, CBS's youthful President Frank Stanton has again proved efficacy of his policy of relying on them. <u>He had special Hooper coin-</u> cidental telephone survey made in metropolitan New York area among 500 TV set owners night of June 6. It disclosed (1) that 54.5% of city's sets were tuned in when Dodgers-Cubs game was being telecast via WCBS-TV and other sports were being shown on city's other TV stations -- more than double 23% sets-in-use average for ordinary radios; (2) 6.26 persons per home set were looking in -- 3.74 men, 1.52 women, 1.0 children -- which compares with 2.5 persons per set who listen to radio; (3) three out of 4 viewers could identify sponsor (Ford). CBS conclusion: "Sports in TV is a terrific sales vehicle."

_____ SIGHT AND SOUND _____

Next phase of l'affaire Petrillo, while lawyers still mull cffects of Supreme Court decision upholding Lea Bill and of Taft-Hartley anti-featherbedding provisions (Vol. 3, No. 26), will be music czar's personal appearance Monday, July 7, before House investigating committee headed by Rep. Kearns (R-Pa.), including Reps. Nixon (R-Cal.) and Braden (D-N. C.). Congressman Kearns, himself an AFM card holder, didn't go to Interlochen, Mich. to conduct kid orchestra July 4. Hearing will probe Petrillo's FM and TV restrictions, among other things.

There'll be plenty of rufiled feathers among radio folk, most particularly network v.p.'s, when MGM releases "The Hucksters," travesty of radio advertising. Those who've seen screenings of Clark Gable picture say it's a devastating satirc. Film people are looking to outbursts from radio for publicity buildup; as to satire, they say radio ought to be able to take it, just as movie industry itself has for years—also, that radio talks so much about freedom, it should respect movies' freedom.

White Bill has been put over until Congress reconvenes in January. Senator White said press of other legislation precludes action on Communications Act amendments this session since Congress is scheduled to adjourn July 26. Both Senators Johnson and Capehart (members of the subcommittee who have faithfully attended hearings) have indicated some changes will have to be made in proposals before it is acceptable to them, certainly before industry or FCC will go along with measure. Flat rejection of industry contention FCC should have no power for program review may be expected.

NAB members are now voting whether to elect directors at large for FM Class A and Class B stations, also for TV and FX; bylaws require 25 stations in these new categories before board representation. NAB's FM Dept. may be turned over to Art Stringer, promotion manager, or to Royal V. Howard, engineering chief—Bob Bartley having resigned. Networks are now off NAB board (and NAB loses \$65,000 revenue from them) as result of 629-28 referendum (among 1,300 membership), but nets retain associate memberships at \$5,000 per year. No strings on M&O stations on board; in fact, Harold Fellows, WEEI-CBS, Boston, was recently elected for District 1.

Lemke Bill (H.J. Res. 78) hearings were called off after 36 hours of hectic scurrying by FCC, FMA, NAB, and others interested. Hearings had been scheduled for July 8, and even FCC Chairman Denny was ready to hurry back to Washington from Atlantic City international conferences.

Single casual offer of 6 sticks of bubble gum, made by "Handy Man" sponsored Friday nights on Philadelphia's WPTZ led to 2,500 separate requests in 2 weeks. City's estimated TV sets total 6,000, so Gimbel's ad chief, David Arons, called 40% response "phenomenal."

Up from ABC ranks: Charles C. (Bud) Barry becomes program v.p. Aug. 1, his dutics including TV, succeeding Adrian Samish, who goes to Show Productions Inc., producing subsidiary of Dancer-Fitzgerald-Sample agency. Westinghouse has test-flown its new Glenn Martin "Stratovision" plane, but only to measure noise and vibration effects. When it goes aloft this autumn for radio tests, actual TV transmissions will be carried for first time. Airborne tests will be third phase in "Chile" Nobles' development—hoisting radiators into stratosphere to increase AM, FM, TV coverage (Vol. 3, No. 8; Vol. 2, No. 21; Vol. 1, No. 1). If tests prove out, Westinghouse will probably put system into use in conjunction with its own AM-FM stations, including Boston where it is also building TV.

John Royal's assurance to politicos, actors, etc., that makeup isn't needed in TV, thanks to Image Orthicon, isn't quite borne out by "5 o'clock shadow" on faces of some telecast subjects. Orthicon is so sensitive it penetrates skin of clean shaven man, so that dark-bearded subjects (like FCC's Chairman Denny, NBC's Carleton Smith) appear bearded on TV. Others (like NBC's Frank Russell, D. C. Comr. Guy Mason) aren't affected at all. So it looks like dark-bearded chaps may have to use makeup to look themselves on TV screen.

Obviously aiming at Zenith's Gene McDonald (Vol. 3, No. 25), Capt. Bill Eddy (WBKB, Chicago) said this week: "Yesterday, it was said that television was so expensive its economic problems could never be solved. Today, when actual operation disproves that contention, the public is told that our frequencies are no good. From our point of view, there's nothing wrong with television that can't be cured by the practical experience gained by putting regular programs on the air."

Look for Daytime Petitioners Assn. to broaden base to cover clear channel and daytime skywave cases, thus open ranks to more than 75 daytimers that have indicated such interest to President Howard Hayes, WPIK, Alexandria, Va. Group was formed last year to seek revision of NARBA-approved Mexican Class 1-A channels, so as to permit night operation by American stations on those frequencies.

FM Day of National Radio Week will be Oct. 29, to be celebrated with special programs and ballyhoo for FM. Industry promotion week, Oct. 26-Nov. 1, will urge upon broadcasters: "Multiply listeners, reach more ears," and upon public: "A radio in every room, a radio for every purpose."

TV Channel No. 9 (186-192 mc) was withdrawn from Detroit by FCC Thursday, so it can be used in Windsor, Canada. This gives Detroit 4 channels (correct allocation table on page 8 of TV Rules, Supp. 17, accordingly), of which 3 are already assigned (Supp. 18-C).

Consumers Union is advising its subscribers, in June issue, to wait a bit longer before buying radios with FM, claiming present prices too high but foreseeing reductions and improved quality in future.

With excusable exuberance, the 4 young veterans who own WFRS(FM), Grand Rapids, report they're in the black, operating with full (10.5 kw) power, have been heard steadily well over 100 miles, program 15 hours daily. HARTIN CODEL'S 🌅

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EDAD.

July 12, 1947

Reports

WAITING TO BE WOOED: So far as FM and TV are concerned, Jimmy Petrillo is going to wait until some station operator -- or the networks -- makes the first move, and then see what best deal he can make. All he will say in response to questions about AM-FM duplication and additional fee for musicians is, "The law says I can't do anything about it, and I don't violate the law." As for TV, his attitude is summarized in story below. He's quite cordial to radio folk (and reporters) now but it is evident some broadcaster (or the networks) must stick neck out first, seek precedent-setting deal. Petrillo's strategy is simple and logical: he's waiting to be wooed, for he knows he's still got radio scared -- law or no law.

Meanwhile, House put Jimmy "on probation" for next 2 months; he doesn't have to reappear before committee until Sept. 15. Committeemen say they want to see if he carries out his "promises to be a good boy." Chairman Kearns and colleagues intend continuing probe of AFM activities through summer, though Congress recesses July 26. Public hearings may not be held before Sept. 15, but they'll consult with anyone with squawks. Some of witnesses still appear reluctant to make charges openly.

"OKAY, LET'S MAKE A DEAL": What Jimmy Petrillo needs is more frequent Congressional hearings, in words of one reporter covering his 3-day appearance this week before House Labor subcommittee. Observation was prompted by frequent <u>attitude of sweet</u> <u>reasonableness</u> shown by AFM's president, his obviously newly-acquired respect for Uncle Sam, Congress and the courts, his repeated offers: "Okay, let's make a deal."

But James Caesar Petrillo is no sawdust Caesar. He's absolute czar of his realm, whose benevolent mien ("I'm doing it for da boys") and frequent whimsies (all usually barbed) at first blush would seem to belie the shrewdness, hardness, ruthlessness of his past record. <u>Plainly, there's one thing that motivates him</u>: his overmastering fear of technological unemployment, mainly the spectre of what happened to movie-house musicians when "vitaphone and movietone" came in.

He frankly doesn't think he can stop TV or FM, but it won't be for want of trying -- that is, unless his men get their take.

Changed attitude is first tangible effect of Taft-Hartley Act and thorough licking he took under Lea Act. Again and again he repeated: "Let's make a deal." He also admitted things aren't going too badly either for himself or his 216,000 members, of whom 30% are professionally active, 30% part-time active, 20% occasional, 20% non-professional. He himself gets \$20,000 a year from national AFM, \$26,000 from Chicago local, \$13,000 a year expense account, new auto whenever he desires. If anybody opposed him, or his unquestioned powers to set aside AFM's constitution and by-laws, "they'd get beat."

Up from poverty of Italian immigrant parents, still with accent of Chicago's West Side, he seemed at first like a nice old peddler -- but that impression was soon dispelled by a hardness of manner, quickness of grasp, incisiveness of replies, not to mention obsequious way his big retinue of aides and lawyers hung onto his every word, jumped at his every bidding. He never bowed or scraped, but he did show proper respect for committeemen, patience with none-too-effective committee counsel; at times he had committeemen literally eating out of his hands, though now and then they did express sharp disagreement. His wisecracks made it the week's best show in town. You'll see him in newsreels and you've doubtless read fullsome reports on his testimony, so <u>here's a quick digest of main points</u>:

1. <u>Television</u>: Petrillo is so haunted by what TV may do to radio and show business that, as in case of FM, he has taken all negotiations unto himself though all other contracts are made by locals. <u>He's afraid, he admitted, TV would soon overshadow radio</u>, kill off AFM members' \$23,000,000 annual take from radio. Hence his contract with film producers which bans musical films on TV, prompting suggestion (heard by 2 Dept. of Justice men in audience) this may be actionable in restraint of trade. Whereupon Rep. Nixon (R-Cal.) also suggested Petrillo might be more forwardlooking, more constructive in approach, like clothing workers when cutting machines came in. Petrillo's reply:

"<u>Television people say they don't know what's going to happen</u>. So, in order to protect our investment, we decided to wait. We said, okay, make a deal. But they said they can't....Why should NBC come to us and say gamble with us until we make out? They got the dough." Later, again anent TV: "We could make mistakes. We're scared to death. We don't know what to offer. We don't know anything about television. We don't know whether our stand is stupid or smart."

2. <u>The FM story</u>: It pretty well parallels TV. At Petrillo's last negotiations with network presidents, matter of AM-FM duplication was brought up cursorily, but left open (he said) so they all could "think it over." Chains have not yet contacted him about it, he said, but meanwhile <u>about half dozen stations have contracts</u> -- among them Chicago Tribune's WGNB, which agreed to use 9 men as against 45 for WGN, and CBS's WBBM-FM, using one union platter jockey. Petrillo later said to reporters:

"I'm satisfied the chains don't want to go into FM." Asked reasoning behind his duplication ban, he replied: "It's two businesses. FM stands on its own feet." Asked about duplication on non-affiliate stations, he said: "I'm ready for a deal." Asked what he meant, he said: "Well, what about a package? AM and FM counted as one. Why don't they come over and talk about that kind of deal?" [Which led FMA committee to meet with him Friday in New York; they had nothing to say afterward.]

3. <u>Network contracts</u>: AFM contracts with network-owned key stations expire Feb. 1, 1948 -- so Jimmy is toying with idea he won't let musicians in those stations feed other stations, thus ending live music on network shows. <u>Idea is to</u> <u>force those stations now without staff musicians into AFM fold</u>. "If they want Toscanini or Harry James, let them bring them down to the local station." But Jimmy admits he can't call network strike any more simply to compel local affiliate to submit to terms -- that's outlawed in Taft-Hartley Bill. Also, sweetly reasonable again, Jimmy conceded: "<u>If a station cannot afford a band</u>, I go on record now that we won't make them hire a live band."

4. <u>Standbys and featherbedding</u>: Jimmy concedes the law says no employer need pay anyone who does not perform a service, nor hire more workers than employer thinks necessary. "I believe," he said, "that stops standbys." Rep. Nixon pointed out that out of 2,000 questionnaires to broadcasters more than 1,500 came back with complaints, major one being against AFM quota system whereby station must either have so many musicians or spend so much per year on musicians. Only one didn't complain at all -- city-owned WNYC, New York.

5. <u>Recordings and transcriptions</u>: "We're making the instrument that is knocking us over the head" -- meaning recordings, transcriptions, juke boxes, etc. So Jimmy said when present contracts with recording companies expire next Dec. 31, AFM may go into recording business itself -- "if it isn't against the law." Legal quirk is that Taft-Hartley Act doesn't let him use welfare fund for welfare of all musicians, only those actually making records (who usually don't need it); also under new law Jimmy hasn't absolute authority over fund. AFM's 1/4-cent per record royalty has built fund up to \$2,600,000, may add another \$2,000,000 this year. 6. <u>Kid musicians, service bands and amateurs</u>: if nothing else comes of hearing, exaction of promise from Petrillo (and he prides himself on keeping promises) that he will "make a deal" with educators was regarded as great forward stride. He took it on chin in repeated blandishments by committee members "<u>shocked</u>" <u>by stories of child musicians barred from local stations</u> (even from Chicago public schools' own FM station, which operates school hours only), from making recordings, from marching in parades. Same went for service bands (Army, Navy, Marine Corps), hitherto barred from broadcasting without standbys, barred entirely from recording. Also for occasional amateurs and foreign artists. This was subject close to heart of Chairman Kearns (R-Pa.), himself an ex-music teacher, still an AFM card-holder. But Petrillo stuck by guns in asserting even Kearns would have to stand trial, probably would be expelled from union, if he accepted invitation to conduct expelled Dr. Maddy's Interlochen (Mich.) summer camp orchestra now on AFM blacklist.

MR. JONES WINS HANDS DOWN: <u>Columnist Drew Pearson's lone effort</u> to pin the mark of the noxious Black Legion on Congressman Robert Franklin Jones, of Ohio, flopped pretty dismally at Monday's Senate subcommittee hearing -- his 3 witnesses being pretty well discredited by their own criminal records or political bias and making no showing at all despite affidavits. So on Thursday <u>committee unanimously reported</u> Jones' FCC nomination favorably; and he'll take Comr. Wakefield's place (Vol. 3, No. 25, 26, 27) in about 2 weeks. <u>Friday he was confirmed without opposition</u>.

Mystery no one has yet divined is how President Truman acceded to choice of a Taft Republican for job. <u>Any way you look at it, GOP put one over</u> -- and now it's going to be interesting to observe whether politics resumes its old-time grip on FCC. Already Commission staff is feeling more pressures than usual from Capitol Hill. <u>As for Pearson-Allen team</u>, they still intend to pursue their "Blue Book" application for Baltimore's WBAL facilities, hopeful no doubt Mr. Jones won't sit on case. To published report vacationing <u>Mr. Wakefield would join Washington-San</u> Francisco law firm of Wheat, May, Shannon & St. Clair, headed by ex-FCC assistant general counsel Carl I. Wheat, partners in town said it's first they'd heard of it. Mr. Wheat wired from Los Angeles it's mere rumor, but added: "We haven't even talked with him about it but he would make anybody a good law partner."

FM EVES ON CLASS B CHANNELS: Now that reserved FM channels have been thrown into the hopper (Vol. 3, No. 27), smart applicants are amending their Class A (community) applications to ask instead for Class Bs (rural-metropolitan) -- in those communities where there is still a surplus of channels. In fact, this week Southern California Associated Newspapers received FCC permission to amend its application in that manner; it was one of 16 Class As in Los Angeles area designated for hearing, now is one of 4 seeking Los Angeles' 5 remaining B channels. Other major cities still having openings for Class B stations under the FM allocation (Supp. 52): Washington, which only has one applicant so far for 2 available frequencies; Chicago, 2 for 3; Philadelphia, 2 for 3; Detroit, 2 for 3; Los Angeles, 4 for 5; New York, 2 for 4. Excess of applicants exists in Pittsburgh, 2 for 1; Baltimore, 5 for 4; Providence, 2 for 1. So far it looks as if Class A applicants for New York area will have to go to hearing because there are so many (10 to date). Objecting to FCC's decision on WAAF's position in the Chicago lineup -- it's between a foreign-language station (WSBC) and 3 labor stations (WCFL, UAW-CIO, Amalgamated) -- station this week asked for a reshuffle, said it would ask for a rehearing if it doesn't get shift. There were only 9 CPs, 2 conditionals (Supp. No. 53-B, herewith).

WHAT EMERSON'S REALLY DOING: That TV-FM-AM console for \$450 produced by Emerson, about which we reported last week, isn't the one that's on big little-set producer's line; in fact, it's one of 100 pilot models made last March but discontinued. Apparently even its suburban Washington dealer, who demonstrated for us, didn't know it was non-production model. Actually, Emerson is now in production with \$375 TVonly table model, has new consoles still in planning stage -- one TV-only, one with AM-FM-phono. Its engineering chief, Dorman Israel, also told distributors' convention in New York Thursday that a projection-screen model, with 3-inch tube producing 18x24-inch image, will be ready by early next year. <u>He forecast downward trend</u> <u>in TV set prices</u>, repeating history of radio. He also predicted industry production of 250,000 TV sets this year (though RMA figures show only 34,045 for first 5 months; Vol. 3, No. 25). Emerson's own schedule calls for 20,000 this year. He also foresaw 1,000,000, possibly 1,500,000 TV sets in 1948. In tavern radio field, which it claims to dominate with 95% of such type receivers, <u>U. S. Television Mfg</u>. <u>Corp. this week announced its Model T525, framing largest screen yet (19x25 inches)</u>, including AM-FM, costing \$1,995 plus \$100 installation and warranty.

COTTING COST OF INTERCITY TV: Following up his suggestion for <u>8-station radio relay</u> <u>capable of linking TV network much more cheaply than AT&T coaxial</u> (Vol. 3, No. 24), DuMont's Chief Engineer T. T. Goldsmith has sent key people in TV field a report amplifying and detailing data he presented at recent FCC hearing. His system is based on 5 relay hops for video transmissions only (sound would be carried over telephone company wires). It proposes 2-way service for New York, Philadelphia, Washington only; one-way for other 5 points in setup -- Trenton, Reading, Lancaster, Wilmington, Baltimore. He figures capital outlay at \$226,500, monthly operating cost at \$3,100. Average cost per hour (28 hours per week, 121 per month) would be <u>\$41.20</u>, or \$5.15 per hour per station. This would compare with coaxial's monthly cost of \$32,600, or \$34 per hour per station for 4-hour day. If 5 networks used radio relay setup, station cost per hour would fall to \$2.

= sight and sound =

No sign he intends doing anything about it, but President Truman made no bones, when NAB's Freedom of Speech committee (Vol. 3, No. 26) called upon him recently, about being disturbed over what he termed "dangerous" concentration of newspaper-radio ownership. He said newspaper headlines distort, so urged active, virile radio. Just before war, FCC at Roosevelt's bidding held up newspaper-radio grants for about 2 years, held hearings, then decided it was powerless to do anything about it without act of Congress, didn't even ask for that.

How 549 kc will be used in North America will be decided at NARBA Havana conference Nov. 1. Agreement by allocations committee last week at Atlantic City International Radio Conference to place 540 kc in standard broadcast band presages approval by full conference. Only North American station now on 540 kc is CBC's 50 kw CBK, Watrous, Sask. If 540 kc is used for local service, engineers say there will be room for hundreds more locals.

End of VHP-1 was accomplished fact this week, as new Housing and Rent Act went into effect. Ban on nonhousing construction without permit went into effect in March, 1946, limited broadcasters to \$1,000 (Vol. 2, No. 13). New law permits all building except for amusement, recreational or entertainment purposes—with broadcasting specifically excepted.

RCA's Dick Hooper and TV crew, who went over to Italy to show TV at Milan Fair, on Wednesday demonstrated with chain TV setup for Pope Pius XII in Vatican City, televising Pope himself, later did same for President of Italy. There isn't any TV station in Italy, so instead of presenting His Holiness with TV set Hooper left gift of an RCA radio-phonograph. Crew leaves for home shortly. NBC's TV chief, John Royal, was to leave for European TV survey this week.

Another AM-FM table model: Lafayette, New York, announces one at \$54.95, size 16x11x9 inches, with 9 tubes and a 5-inch speaker. It's cheapest so far (Zenith's AM-FM table model sells for \$59.95). Emerson promises table model FM-AM at \$50 by October. Neither Zenith nor any telephone company has yet asked FCC for frequencies to handle Zenith's "pay-as-youlook" Phone Vision system (Vol. 3, No. 27) and FCC staffers say all they know about it, is what they've read. Zenith, meanwhile, showed public split-signal system at 680 N. Michigan Ave., Chicago, and in statement Thursday said both Zenith and Illinois Bell are being swamped with phone calls from people wanting service. Comdr. McDonald cautions it will take 6-12 months to work out details, get receivers into production.

Union Pacific and Northwestern railroads have contracted for joint sponsorship of "Streamliner Time" on Chicago's WBKB Tuesday nights. TV show is set against background of train departure activity and excitment, features train-time interviews with celebrities, uses "All Aboard" soundoff. Caples agency's David Lewis handles.

Chicago's alert Electric Ass'n latest census of local TV sets (kept by close tab on distributors) is 3,988 as of July 11. This week city's only station, WBKB, went off air for 14 days while engineers install new RCA bat-wing turnstile antenna atop State Lake Bldg. expected not only to deliver stronger signal but extend station's radius.

Ban on radio towers in any residential areas if there is home, school or playground within radius of its height, is approved in bill (II. R. 2984) being reported favorably by House District Committee. It applies only to District of Columbia, but precedent for other communities is seen if it passes Congress.

FCC 1948 budget will probably amount to same as last year, if Senate-House conferees split Senate recommendation thtis week for \$400,000 more than House recommended (\$6,040,000). Commission had asked for \$6,875,000.

Lieut. Gen. James G. Harbord, at 81, retired this week as RCA board chairman, and David Sarnoff, 56, took on his duties in addition to continuing as president.

Antony Wright, with RCA engineering for last 19 years, recently manager of TV receiver engineering section, has joined U. S. Television Mfg. Corp. as chief engineer. MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING AND FREQUENCY MODULATION ARTS AND INDUSTRY

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July 19, 1947

Reports

COAXIAL TV RATES CALLED OFF: Those stiff AT&T rates for intercity TV via coaxial (Vol. 3, No. 23, 24) aren't going into effect Aug. 1 after all. Phone company is withdrawing tariff schedule filed with FCC, early next week will tell why. Deadline for protests is July 21. Col. William Roberts, for TBA, has prepared brief claiming rates too high, objecting to proposed AT&T control of radio relays, asserting rates for relays should relate to costs and not be same as for coaxial as proposed.

Best guess is Bell executives were persuaded at recent hearings that time's too soon yet to calculate coaxial rate equitably, that TV is still too young and revenue-poor to stand the gaff (around \$10,000 per month for Washington-New York hookup 8 hours daily), that threats of competitive radio relay systems were too real to be ignored (Vol. 3, No. 28). On part of TVers, there's no inclination to get into dogfight with efficient and usually fair AT&T, rather a desire to work it out.

IF NOT FM SETS, FM TUNERS: Perked up by possibility of early lifting of AM-FM duplication ban, FMers' spirits are getting an additional boost from <u>mushrooming of</u> <u>tuners, converters, etc</u>. -- particularly since beginning of Pilot's current all-out effort on its \$29.95 Pilotuner (Vol. 3, No. 26). <u>Comes now Hazeltine</u> with something that may open their eyes even wider -- <u>a circuit built into ordinary table AMs</u> for "a few dollars" to provide FM reception. Hazeltine's circuit, being pushed by v.p. Jennings B. Dow, wartime head of Navy's Radio Division, Bureau of Ships, has been released to all of company's 140-some patent licensees. It's not a unit to be added to existing sets; it's part of the set as built. Commodore Dow tells us we can expect sets containing it on dealers' shelves in 30 days. He says it needs "somewhat higher" signal than straight FM set, but provides reception as good as AM set can handle. We don't know yet, but circuit may be a relative of WIBW "blooper" (Vol. 3, No. 18), reported ready to go into production in Kansas City factory.

There seems to be no question but that the <u>Pilotuner does a good job</u>, and very heavy promotion has stirred up more interest than anything we can recall since Zenith's \$60 table FM-AM set. <u>Who else is making units for converting AM sets</u>? We've cornered the following: Electronics Inc. "Combinette" (\$38 wholesale, \$56.95 retail) on the market Aug. 1 (Vol. 3, No. 20); Edwards (\$52.50); Magnavox (\$65); Packard-Bell (\$69.96); Hallicrafter (\$200); Browning (\$215.75); Meissner (\$245); Radio Tuning Devices' FMF2 & FMF3 (price unavailable). One dealer here is recommending Emerson's table FM-AM (\$100) be used as tuner for expensive AMs; presumably, same can be done with similar sets. And we've just picked up a rumor that a Midwest manufacturer will build tuners for car radios. In comparing prices, remember some consitute complete FM-AM sets (or chassis) just short of last audio stages.

RCA, WARNERS & THEATER TV: There's more than meets the eye in <u>RCA's contract this</u> <u>week with Warner Bros. Pictures</u> for joint program of research on large-screen or theater TV. It's the culmination of negotiations over long period between RCA's David Sarnoff and the brothers Harry and Jack Warner -- a Gen. Sarnoff holding hands out to all the movie industry, but becoming impatient with its apparent recalcitrance when it comes to TV. The Warners, unlike most other movie producers (except Paramount, which has system of its own), intend to profit by their own experience in introducing sound movies 21 years ago when others scoffed, don't intend to be caught napping by inevitable TV.

Actually, RCA has black-and-white large-screen TV in high state of perfection already, is also perfecting large-screen color (Vol. 3, No. 18). It is shipping equipment immediately to Warner studios in Burbank, where big film company has assigned its technical chief Col. Nathan Levinson to direct experiments. New York and Hollywood showings may come this winter. Gen. Sarnoff is thoroughly convinced theater TV will one day become basic source of entertainment, foresees 1,000 to 5,000 theaters "fed" from central source. But he frankly says he regrets "lack of enthusiasm on part of movie people" (Vol. 3, No. 18). His words before recent RMA convention, not only about theater TV but its industrial counterparts, become doubly significant in light of the Warner contract:

<u>On theater TV</u>: "Theaters will soon be open to TV equipment developed for service of the theater screen...But it would be folly to suppose that TV will ever supplant the theater...TV can do much for the movie theater...brings into view a new method of booking to theaters the action of live talent, vaudeville, drama, opera, sports and other events, simultaneously distributed to hundreds or thousands of movie theaters."

Industrial TV: "The TV eye makes it possible to see anything, almost anywhere. It can be used to observe dangerous chemical processes...put into blast furnaces...into mines and tunnels...into tank cars...the depths of the sea...I envisage factory superintendents at their desks overlooking their outlying points, even those in distant cities, through TV...I foresee the department store manager at his desk, yet with his eye on the entire store...TV will provide a display window to the entire nation; people will shop by TV and then telephone their orders."

FCC NOW ISSUING FM LICENSES: FCC granted first post-war FM licenses this week (Supp. 53-C herewith), indicated that "lonesome 48" pioneer license holders will get more and more company from here on. Supp. 53-C's tabulation of this week's FM activities brings total CPs to 637, conditionals to 245, STAs to 196. Also indicated are more changes in the allocation plan, usually to accommodate new applications. You should enter these changes in your file copy of the allocation plan (Supp. 52).

Noteworthy is fact FCC made its <u>first dip into reserved channels</u> to grant CBS in Washington, also to give a Raleigh frequency to WDUK, Durham, N. C. Applications where channels are plentiful don't hang around long nowadays, ordinary ones being granted within a month. Farmers' co-ops this week made their first substantial venture into FM since Ohio group got cold feet and withdrew: <u>Rural Radio Networks Inc</u>., headquarters Ithaca, filed for 6 stations in as many New York State communities. FCC in apparent effort to "sell" laggard educators on FM issued statement recapitulating status of educational FMs, saying 23 States indicate active interest in establishing statewide networks.

TV TOURING UNIT BIG MIT: Allied Stores Corp.'s TV Caravan, unit touring big dept. stores to demonstrate how TV works (Vol. 3, No. 16), is proving big success wherever it goes, drawing big crowds, hiking sales of televised products. Promoters say it presages good prospects for local merchandiser sponsorship of TV when stations are set up. Allied, RCA and 10 big-name "sponsors" televising wares and services via chain setups, all report they're highly pleased. Under management of Sam Cuff and direction of Lou Sposa, show thus far has played Reading, Pa., Easton, Pa., Jamaica, N.Y., Boston, Syracuse, Paterson, N.J., Harrisburg, Pa., Grand Rapids, Mich., Columbus. Next week it sets up in Rollman's, Cincinnati, July 22-24; then, Maas Bros., Tampa, July 31-Aug. 2; Mullers, Lake Charles, La., Aug. 7-9; Joske's, San Antonio, Aug. 13-16; Titche-Goettinger, Dallas, Aug. 19-22; Black's, Waterloo, Ia., Aug. 28-30; Golden Rule, St. Paul, Sept. 2-5; Anderson's, Boise, Ida., Sept. 11-13; Bon Marche, Seattle, Sept. 17-20; Anderson's, Spokane, Sept. 23-26; The Paris, Great Falls, Mont., Sept. 29-Oct. 1; Donaldson's, Minneapolis, Oct. 8-11; Polsky's, Akron, Oct. 15-18. **TV-YM OUTPUT FIRST 6 MONTHS:** June TV set production was best yet, but FM figure slid again. RMA's totals for 1947's first 6 months are quite gratifying, however, indicating steady if slow expansion of audience. Total production of all makes and kinds of sets during June was 1,213,142, for first half of year 8,610,644. Most significant feature of RMA audit is that table models went down from 1946's 77% to 63% of total, consoles up from 7% to 11% (balance portables and car radios).

June TV total was 11,484 sets, compared with May figure of 8,690 (Vol.3, No. 25). These broke down as: 7,654 table models, 2,242 direct-view consoles, 310 projection sets, 1,278 radio-phono combinations. Six-month TV count was 46,389, which includes 32,769 table models, 9,229 consoles, 3,517 radio-phonos, 874 converters (only 943 projection sets).

June FM total was 76,624, down from May's 84,507 (Vol. 3, No. 25). These broke down as: 56,696 AM-FM-phono consoles, 1,524 AM-FM only consoles, 18,404 table models. <u>Six-month FM total was 445,563</u>, which includes 361,689 AM-FM-phono consoles, 15,615 AM-FM only consoles, 68,259 table models. RMA sources say July figures won't bulk as large as June, due to vacation slack and shutdowns, but predicted sharp upswing for rest of year, final AM-FM figure of 1,800,000-2,100,000.

MORE TV APPLICATIONS ON WAY: FCC staffers concerned with TV remark on unusual number of queries lately from possible applicants. They ask mainly about channel, coaxial, radio relay availabilities, and surprising number are from small towns. Experts see in this an augury of "good sized batch" of TV applications before year is out. Only new applicants since we published our last TV Directory (Supp. 18-C), right after color issue was decided, have been Gimbels (WIP), Philadelphia (Vol. 3, No. 18); Yankee Network (WNAC), Boston (Vol. 3, No. 23); Johnson-Kennedy Corp. (WIND) Chicago (Vol. 3, No. 26). Chicago Times lawyers are preparing application also, and it's reported -- but not verified -- that Ulysses A. Sanabria's American Television Inc., Chicago radio school specializing in veterans training, may also apply soon for one of city's 3 remaining channels. Only other application we are informed is definitely being readied is for <u>Beck Radio School</u>, Minneapolis.

MOVIE MAN'S REPORT ON TV: Not all showmen are ignoring or looking down their noses at TV -- as so many first did at sound movies, also product of radio labs. One of few movie executives really TV-wise, watching it closely, <u>RKO's Ralph B. Austrian</u> <u>in annual report on TV to company's sales meeting last week asserted</u>, "Television is finally off to an uninterrupted, undelayed start toward its ultimate goal -- a new advertising and amusement industry." In fact, it's copying at least one gimmick already from show business:

TV sets are attracting crowds to bars, grills, taverns, etc. for sports events. "It's pretty hard to elbow your way into one of these emporiums," said Austrian. "When a very special event such as a championship bout is on the air, the price of drinks in many places is raised to a 'road-show' basis -- 10-cent beers become a quarter. So not all the showmen are in the motion picture business!"

AFTERMATH OF PETRILLO SHOW: We should get some idea which way the wind's blowing -- so far as industry hopes based on new labor laws and Petrillo's recent testimony (Vol. 3, No. 28) are concerned -- in series of parleys planned for next week in Washington: NAB's confab with its labor relations committee Monday, FMA's discussions with network topkicks on AM-FM duplication policy same day, <u>Rep. Kearns' personal conferences</u> with broadcasters, networks and Petrillo himself later in week. Whether intra-industry accord will be reached, particularly since networks have own ideas about AFM relationships, not always jibing with those of stations, is anybody's guess. Meanwhile, radio folk, no less than chortling theater audiences, were getting bang this week out of newsreels' play of comedy angles of last week's Petrillo hearing on Capitol Hill -- by no means calculated to show union czar as a shining Galahad.

NAB meeting ostensibly is to mull whole impact of Taft-Hartley and Lea Acts; Judge Miller will take part, so will networks though they're no longer in NAB as such. <u>FMA will tell network envoys</u> (NBC's Bill Hedges, ABC's Joe McDonald, CBS's Frank White, MBS's Bob Swezey), it wants nothing less than outright duplication; it's banking on softening attitude of Petrillo as well as laws stiffening radio's back. <u>Rep. Kearns says he thinks "Petrillo's loosening up, and coming around,"</u> but his immediate concern is union chief's promises to "make a deal" relaxing hitherto arbitrary restrictions on educators and service bands. After Congress adjourns July 26, Kearns' labor subcommittee plans <u>hearings "around country," first one in</u> Los Angeles Aug. <u>4</u>. Among other things, it will probe Petrillo restrictions on TV.

_____ Sight and sound ____

New FCC Comr. Robert F. Jones (Vol. 3, No. 25, 28) will resign Congressional seat sometime in August, then be sworn in as Republican member. He's winding up Capitol IIIII job now, then plans short vacation. One of reasons he wanted FCC job (which pays \$10,000 as against Congressman's \$12,500) was to move family permanently to Washington.

Washington's WQQW, 1 kw daytime on 570 kc, is about to fold after only 7 months—not enough revenue. Some 200 stockholders, sold idea of outlet featuring long-hair music and "tolerated commercials" by Ed Brecher (who at FCC helped write Blue Book), had purchased \$131,000 capital stock, loaned \$50,000 more on notes. Funds are about gone, so they'll now consider bids. Licensee also holds CP for FM.

The 50 kw FM transmitter race seems to have RCA leading in the stretch, company announcing completion of a pre-production unit this week. It's not the first 50 kw transmitter built, since Eitel-McCullough has built one to show off their tubes at KSBR, San Bruno, Cal. and Armstrong may have reached 50 kw with his WFMN, Alpine, N. J. But RCA's claim is the first such from a transmitter maker.

. Baltimore may get both WBAL and *Baltimore Sun* TV stations (Supp. 18-C) on air before ycar's cnd, now that RCA equipment delivery has been promised before summer is ovcr. Radio-Television of Baltimore Inc., city's other holder of CP for TV (since May, 1946), reported placing order this week with RCA, delivery promised next April, meanwhile has acquired 10-acre site on Green Spring Road.

Capable, dynamic Leonard F. Cramer becomes executive v.p. of DuMont in changes this week. His supervision of DuMont TV stations (WABD, WTTG) is taken over by Lawrence Phillips, wartime executive v.p. of USO Camp Shows Inc. Rear Admiral Stanley F. Patten, wartime second in command of radio division, Bureau of Ships, is now administrative assistant to Dr. DuMont.

Orrin E. Dunlap Jr., in our book the nation's No. 1 pundit on radio subjects, has been elected RCA v.p. in charge of advertising and publicity. He's a Harvard grad, veteran radioman, author of notable books in field; since 1940, when he quit radio editorship of *New York Times* to become information manager of RCA, he's been public relations advisor to David Sarnoff.

Much-delayed Pearson-Allen application for WBAL facilities under Blue Book (Vol. 3, No. 8) is now set for hearing in Baltimore starting Oct. 6, with FCC Comr. Hyde sitting—but WBAL counsel are trying again to get new court injunction.

New group of 1 kw daytimers (AM) is forming in Washington under aegis of their attorneys, with object of formulating common policies to be followed before FCC, engaging engineer to represent them jointly at clear channel hearings due to resume in September. Total number of FM stations operating at mid-July was 248, of which—as reported in July "timebuyers' guide" issue of FM industry's trade journal, FM Business—51 are selling time. Full data on commercial activities of 43 of these (service area maps, estimated number of receivers, rate cards, list of sponsors) are published in the edition, first time such information was ever compiled under one cover. Publication promises to keep subscribers up-tominute with this type data, valuable especially to agencies.

First attack on Zcnith's Phone Vision system of payas-you-see TV (Vol. 3, No. 27) came Friday from Farnsworth's E. A. Nicholas, who said it's "impractical and unnecessary" since "American people are accustomed to the radio way... do not pay a tax... drop no nickels in slots ... receive no bills." He told this to distributors at Chicago convention, where Farnsworth showed its \$349.50 table model TV, \$497.50 consolette with TV-FM-AM.

Flying saucer stories seem to penetrate every publication in the country; rcsignedly, we fall in line since one turned up with a TV twist. Some excited yokel called Washington's TV station WNBW to report a big black disc tangled in its tower. The airborne soup-holder, of course, was receiving dish of microwave relay.

Communications subcommittee of House Interstate & Forcign Commerce Committee (Rep. Howell, chairman) plans no meeting this session on Wolverton Bill, companion to moribund White Bill, nor on Lemke Bill, to add 50 mc band to FM allocation (H.Res. 78). Howell has asked NAB and networks to draft amendments they'd like made to radio law.

WNBT's proof-of-performance test, first such submitted to FCC, and a model job, shows 45-50 mi. coverage radius, pattern egg-shaped with long ends in New Jersey and Connecticut; it's based on present 7 kw transmissions from Empire State, 1,280 ft. high. DuMont's WABD and NBC's WNBW, Washington, are now conducting tests.

Zenith's Ted Leitzell does interesting sketch of his boss, Gene McDonald, titled "Two-Fisted Dreamer" in July 13 American Weekly. Zenith's pay-as-you-look Phone-Vision system of TV (Vol. 3, No. 27, 28) also gets good play in July 14 Time, is highly lauded in editorial in July 16 New York Times.

CBS's Ed Murrow had enough of being an executive (v.p. for public affairs), so is quitting title, returning soon to mike as newscaster, his duties taken over by program v.p. Davidson Taylor, whose program directorship in turn is assumed by Hubbell Robinson Jr., newly named v.p.

Week-end before NAB convention in Atlantic City, or Sept. 12-13, has been fixed as time, Washington's Hotel Roosevelt as place, for next FMA convention. Hope is to have FCC Chairman Denny speak again.

We've just received consignment of embossed binders, suitable for maintaining your file of Newsletters and Supplements. They're available at cost—\$2.10. HARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING AND FREQUENCY MODULATION ARTS AND INDUSTRY

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July 26, 1947

Reports

NEW BLOOD GOING INTO TV: Quite a few Washington radio lawyers and consulting engineers confirm what FCC told us last week (Vol. 3, No. 29) -- <u>say they're getting</u> <u>more inquiries than ever about TV</u>; that some clients are definitely interested in applying and some probably will be prodded into doing so as soon as competitors apply or channels get scarcer; that a few applications actually are now in the making. So they forecast an upsurge in their TV activity this fall and winter.

Fourth TV application since color TV decision (Vol. 3, No. 29) went into FCC hopper this week -- from Elm City Broadcasting Corp., operating 250-watt independent WMHC, New Haven, Conn. It asks for city's sole channel (No. 6) for a 1.82 kw community class outlet, estimates coverage of 500,000 population. It proposes to get "off-the-air" service from DuMont's WABD, New York, stipulates DuMont equipment, plans to build and equip studios and transmitter plant for \$100,000 in conjunction with its FM plant on Gaylord Mt. Local program tieups with Yale University are planned. Stockholders are Patrick J. Goode, New Haven postmaster, 40%; Aldo D. Dominicis, macaroni manufacturer, 40%; Garo Ray, consulting engineer, 10%; employes, 10%.

New Haven application may point way to more from smaller towns, smaller stations, especially those on lines of coaxial or within pickup distance of bigger stations. Wilmington and Trenton are cited at FCC as examples of cities still "wide open" for TV. This week, DuMont's H. W. Taylor quoted <u>immediate delivery on trans</u>-<u>mitters for Channels 1-6</u>, 60-day delivery for Channels 7-13, December delivery for "acorn package" (low power, low cost transmitter). He said company has doubled output of image orthicon chains, is filling back orders, will soon have them for immediate delivery, has shipped one to London for J. Arthur Rank's Cinema Television Ltd.

AM-FM DUPLICATION SEEN SOON: It's the networks' next move -- and Jimmy Petrillo's -- in the matter of AM-FM duplication. And, proceeding in a new and friendlier climate, it looks as though it won't be long now before FM stations can carry network musical programs without paying double tribute to the musicians' union. It's pretty well conceded networks must take the lead, that deals then can be extended to cover non-affiliates. Here's how things shape up at this writing:

At meeting with NAB labor relations committee this week, <u>networks stated</u> <u>unequivocally they "will seek to arrange duplication of network AM musical programs</u> <u>on FM radio stations</u>" (in a carefully worded NAB press release, several times revised). Committee endorsed this by resolution, urged action "as quickly as possible."

This week, network officials (notably NBC's Niles Trammell and ABC's Mark Woods, who have always gotten along particularly well with Petrillo) were seeking to arrange parley with him. Meeting dates weren't settled as this is written. But it's known Jimmy was in high good spirits after his meetings Tuesday in office of Rep. Kearns, who conducted recent Congressional hearings into AFM operations (Vol. 3, No. 28). Everything went off beautifully -- <u>first, Petrillo agreed with commit-</u> tee of top musical educators to set up code whereby school kids and college students can play to their hearts' content at civic functions, at music festivals, on radio stations and hookups; <u>second</u>, he agreed with high military brass and their band <u>leaders</u> to arrange for recordings by Army, Navy, Marine Corps, Air Forces bands, to be used exclusively in schools and colleges (i.e., non-commercially).

<u>Rep. Kearns was elated, so were all participants</u>, and a benign Jimmy Petrillo emerged from the cozy, informal parleys -- a Jimmy Petrillo eager to be regarded as a decent fellow, apparently ready and willing to "make a deal" with anyone with a fair proposition. Informally, he frankly agreed maybe he'd been wrong, maybe he ought to get himself a public relations advisor, rely less on his lawyers. <u>Next Thursday he meets again with Kearns in Chicago</u>, and AM-FM may be taken up. Then Kearns goes to Hollywood to start hearings Aug. 4, at which AFM contracts with movies barring musical sound tracks on films for TV will be probed.

Impatient FMers are disposed to chafe, to demand get-tough policy toward AFM in light of new labor laws, to charge networks with same fear psychosis that apparently has always dominated their dealings with Petrillo. <u>Networks say they're</u> <u>delighted</u> at apparent new attitude of Petrillo, but they are inclined to be cautious, point out their contracts are still in force despite Taft-Hartley and Lea acts, aren't disposed to act precipitately for fear of possum tactics. It's pointed out, for instance, that <u>St. Louis' KWK took advantage of new laws</u> to drop 10 of 16 musicians, only to meet such outrageous wage demands from other 6 that it's questioned what was gained.

<u>As for networks seeking to retard FM</u> -- "they don't want it," Jimmy told House committee -- they take pains to repeat over and over again their willingness, indeed their eagerness, to get FM going. First, they admit it can't be stopped ("better mousetrap") even if entrenched radio interests wanted it stopped; secondly, all networks stand to gain from superior FM coverage in certain areas; thirdly, big NBC can't afford to sabotage a field its parent company (RCA) is committed to advance. <u>There's an admitted inclination among networks to be stodgy and slow-moving</u> -- but that they're all for FM now seems fairly evident.

WHO'S WHO AMONG TV SET MAKERS: And still they come -- the names of big companies and little (sometimes new ones and obscure) reporting they are going into TV set production. We've published hardly an issue this year without news about new TV manufacturing plans. This week's no exception:

Westinghouse's first TV set, v.p. Walter Evans tells us, will be a table model, probably in \$350 price range, will be ready for introduction first in Boston area at about time company's WBZ-TV transmitter gets going, probably in October; no other details, except that console will be ready for 1948 sale. <u>Bendix is preparing</u>, for September delivery, a TV-AM-FM-phono console to sell at around \$1,000, says its plans are to "ease into the market," not to produce table models as yet.

Farnsworth unveiled its 2 new sets, both with AM-FM (\$349.50 table model, \$497.50 consolette), and President Nicholas urged distributors at convention last week to take active interest in TV, predicted market for 5,000,000 sets over next 5 years. Andrea showed 3 models, all with 12-in. tube, all with AM-FM (\$695 table model, \$795 console, \$995 console with phono), reported planned production of 3-4,000 sets this year, 5-10,000 next, mostly for New York area distribution. And Sonora promised its first set in production by Oct. 1, will show pilot model in special telecast ceremony (WBKB) during Chicago distributor convention July 28.

<u>New name in TV set field soon will be Arcturus</u>. Standard Arcturus Co., Newark, tube maker, is setting up receiver company, promises line of popular priced TV sets. <u>Smith-Jenkins Co.</u>, Los Angeles manufacturer, also announced advent into TV field with §800 table model with 10-in. tube and AM-shortwave, presumably will concentrate sales in that city until other Pacific Coast areas get TV service. <u>Transvision Inc.</u>, New Rochelle, N.Y., TV kit producer, announced showing of new kit for 12-in. tube set at New York's Waldorf-Astoria, July 30-Aug. 1.

So we have a big baker's dozen companies in actual production already, even more promising production soon. <u>Others already making TV sets are</u> (no. in parenthesis denotes issue of our Vol. 3 carrying latest dope): Andrea (21), Belmont (23), Crosley (19, 20), DuMont (23), Emerson (27, 28), Farnsworth (28), General Electric (4, 11), Philco (26), RCA (24), Stewart-Warner (24), Stromberg-Carlson (20), Telicon (20), U.S. Television (20), Viewtone (10).

Other brand-name radio manufacturers promising TV sets this year: Admiral (7), Colonial (Sylvania) for Sears Roebuck (13, 17, 23), Fada (3), Garod (7), Hallicrafters, Howard (14), Majestic (19), John Meck (14), Motorola (23), Packard-Bell (7), Pilot (14), Sentinel (7), Sparton (4). IT&T's Federal announced last winter it would make TV, then said it wouldn't. <u>Then there are some lesser known companies</u>: Bowers Battery & Spark Plug Co., Reading, Pa. (4); Race Television Co., So. Hackensack, N.J. (14); Radio Research & Development Co., Jersey City (5, 7); F. W. Sickles Co., Chicopee, Mass., subsidiary of General Instrument Co. (7); Remington Radio Corp., White Plains, N.Y. (19); Telequip Radio Co., Chicago (7); Telesonic Corp. of America (formerly Medco), New York; Cage Projects Inc., Upper Montclair, N.J. (23); Consolidated Television Corp., New York.

NEW COAXIAL RATES TO COME: New York-Washington telecasters alone benefit by "reprieve" in stiff rate structure on coaxial granted Monday by AT&T, on eve of proposed Aug. 1 effective date (Vol. 3, No. 29). But they won't ride coax freeservice gravy train for long. New rate proposals may be expected well before coaxial lines link many other cities with TV outlets ready for intercity service.

TV enterprisers naturally were elated, even FCC officials said they were gratified, for no one believes today's TV could pay \$40-per-mile base cost plus connection charges (Vol. 3, No. 23). Significance was seen in phraseology of FCC statement Tuesday granting request of company to withdraw proposed tariff "without prejudice to a subsequent filing of tariffs for this service...to permit the telephone company's technical people to undertake <u>further studies with the television</u> <u>industry</u>." This is construed to mean company will sit down with TBA, which now includes all the networks as members, to work out policy and a rate structure that will keep everyone happy -- possibly on a sliding scale permitting TV to sweat out its salad days. TBA did not file vigorous protest brief its counsel had prepared last week. Plenty of TV elements, however, still think main hope is radio relay.

SCUTTLEBUTT AND BOPESTERS: FCC Chairman Denny isn't saying anything, so all sorts of scuttlebutt is going the Washington rounds -- some professing to be inside stuff. We can only guess, too, for Denny isn't in town much these days (he's chairman of the International Telecommunications Conference in Atlantic City, which looks like it's going well into September), and to all inquiries he turns a deaf ear. <u>Dopesters</u> <u>have him resigning this fall</u>: (1) to form law partnership with Vernon Wilkinson, FCC assistant general counsel, which latter won't comment on except to say they've been together ever since their days at Dept. of Justice; (2) to go with a network in executive capacity, which those mentioned absolutely deny.

Also, so the oracles have it, President Truman would not be loath to see Denny quit (his logical move while at top and in view of brashly stated purpose of Jones' appointment; Vol. 3, No. 26), so he can name another Democrat more to taste of certain Capitol Hill politicos who haven't liked certain FCC actions unfavorable to themselves and friends (Vol. 3, No. 25). In that connection name of Leonard Reinsch, presidential radio advisor, is most frequently mentioned.

Meanwhile, Denny's plans to revamp FCC structure in October, reinstituting division system, were made known. He would set up 3 natural divisions: Broadcast (including AM, FM, TV), Common Carrier, Safety & Special Services -- each with 4 members, each with chairman as ex officio member. Chairmen of respective divisions wouldn't be hard to guess, but GOP victory at polls next year might thrust full chairmanship on newly named Comr. Jones.

COAXING FM INTO THE HOME: <u>Pilot Radio Corp.</u> makes no bones about its conviction "AM is on the way out, FM on the way in," so is putting everything it has behind FM -- particularly into its "Pilotuner" (Vol. 3, No. 29) launched with big ads in New York City this week. At impressive demonstration for Washington dealers and newsmen Tuesday, v.p. Ernest Hall said <u>\$29.95, AC-only tuner will be produced at</u> rate of 2,000 daily in 3-4 weeks, sold direct by factory to dealers at \$22, can be bought singly by FMers at that price.

That inexpensive FM circuit of Hazeltine's (Vol. 3, No. 29) is really piquing curiosity, but company is holding off details for few more days. It's understood Colonial will turn it out for radio-smart Sears Roebuck. Bendix is busy acquainting dealers and servicemen with its \$124.95 FactoMeter (Vol. 3, No. 26). Idea is to give prospective customers quick, easy demonstration of FM and to determine best position for receiver. Company predicts device will eliminate need for half of proposed home antenna installations -- in fact, is so convinced of unit's value it's currently building it in lieu of table AM-FM. Add to last week's list of converters a 2-tube unit at \$19.95 made to simulate a book, built by Effem Radio Products Co., 5100 Eastern Ave., St. Louis.

______ SIGHT AND SOUND _____

Zenith's proposed Phone Vision system of pay-as-youlook of TV (Vol. 3, No. 27) is still stirring up cats, causing lots of intra-industry talk pro and con. Comdr. McDonald told his stockholders' meeting Tuesday he talked to 2 AT&T v.p.'s about it 3 months ago, that 3 power companies have approached him to use power instead of telephone lines, that he kept system under wraps until recently because patent attorneys wouldn't let him disclose it. FCC says Zenith has still not asked for requisite frequencies, and AT&T says no concrete proposals for wire connectious, charges, etc. have yet been made.

Zoomar lens which permits near and distant shots without switching cameras (Vol. 3, No. 14), in first public test (Dodgers-Reds game Monday over WCBS-TV), looked like just what Dr. Frank Back, its inventor, ordered. Success in following plays prompted *Variety* to call it "best thing that's happened to television sports since the invention of the RCA image orthicon tube."

Marshall Field's proposed purchase of *Chicago Times*, subject to stockholders' acceptance by Aug. 25, may carry with it a TV application which *Times* counsel have about completed but not yet filed. All Field's AM stations are in for F'M, but none yet for TV (WJJD, Chicago; WSAI, Cincinnati; KOIN, Portland; KJR, Seattle).

Radio Projects Inc. (Newhouse newspapers) Class A applications for Jamaica and West New Brighton, N. Y., long fallow in FCC's files, were dismissed this week. FCC said they fell within metropolitan New York area, thus unacceptable under Section 3.203(b) of Commission Rules (Supp. 39). FCC also returned company's reapplication for Newark Class B, saying in effect "wait until New York hearing is final."

FMA's protest against FCC's calling AM stations "standard" rather than "amplitude modulation" seems likely to get more sympathetic consideration, now that application forms are being revised anyway. Same request last February was turned down because of "administrative difficulties" (Vol. 3, No. 6).

In a sweat after House passed bill July 15, prohibiting radio towers in Washington's residential areas (Vol. 3, No. 28), District broadcasters got to Senate District Committee in time, persuaded it to shelve bill until next session.

NAB convention's engineering conference at Atlantic City Sept. 15 has scheduled NBC's engineering v.p. O. B. Hanson for talk on TV, Paul de Mars on FM, plus roundtable of top FCC engineers.

FMA's convention Sept. 12-13 will be held in New York's Hotel Roosevelt, not Washington's as we erroneously reported last week. Several firm bids, many inquiries, lots of guessing (Washington News, Times-Herald, Crosley) have resulted from notice Washington's WQQW is on the block because it can't make ends meet with longhair programming and present management (Vol. 3, No. 29). It's certain 1 kw 570 kc daytimer (with FM grant) will have ready purchaser when its 204 stockholders meet Aug. 18. Of station's \$181,000 investment, about \$100,000 is in physical equipment. Bids were said to be well above that figure. One offer was said to be from Columnist Drew Pearson.

Now is the time for all good TV stations to begin signing up college and pro football games. First to report: NBC's WNBT, home games of New York Giants grid team (again sponsored by Hoffman Beverages); Philco's WPTZ, U of Pennsylvania and Philadelphia Eagles home games; *Philadelphia Inquirer's* WFIL-TV (expected to be on air in time), Temple U and Villanova home games. Many more contracts are in making, including Gillette placement of Army-Navy game. Sponsor news this week also was Ford's (J. Walter Thompson) signing to pay for KSD-TV telecasts of St. Louis baseball games, starting July 26.

TV-facsimile combination, long theorized as powerful, double-barreled sales package, will be offered to timebuyers at joint rate by *Philadelphia Inquirer's* WFIL when it goes on with TV this fall. Station says it may have two rates for FX edition of *Inquirer*—one for home recorders, one for public units. Potential viewers of 10 strategically placed recorders are estimated at almost a million daily.

Rep. Leonard Hall (R-N. Y.) has no plans for House hearings on Wolverton Bill, though he succeeds to chairmanship of subcommittee in view of Rep. Howell's appointment to Federal judgeship. So it's pretty clear nothing will be done until next year's session of Congress.

"Tough code" for keeping radio's house in order will be presented NAB September convention; that's all committee will say about its closely guarded contents, approved by Special Standards of Practice Committee Tuesday, still subject to board approval.

Crosley's chief TV engineer, Roscoe Duncan, ex-RCA and Philco, has been appointed acting director of TV operations. Phil Konkle continues to supervise construction of 3 projected stations: WLWT, Cincinnati; WLWC, Columbus; WLWD, Dayton (Supp. 18-C).

Promotional tieup between Paramount's KTLA, without AM adjunct, and Dick Richards' 50 kw KMPC, without TV affiliation, is in making in Hollywood. All other Los Angeles TVs have AM affiliations, except Los Angeles Times' which has an FM grant.