# MARTIN CODEL's

AUTHORITATIVE NEWS SERVICE FOR MANAGEMENT OF THE VISUAL BROADCASTING AND ALLIED ELECTRONICS ARTS AND INDUSTRY



PUBLISHED WEEKLY BY RADIO NEWS BUREAU . WYATT BLDG. . WASHINGTON 5, D.C. . TELEPHONE STERLING 3-1755 . VOL. 10: No. 18

May 1, 1954

In this

Present Status & Prospects of Color, pp. 1 & 10
Uptrend in Rates: WCBS-TV's \$6000 Hour, pp. 1 & 7
DuMont Color Tube & Scanner Impressive, page 2
Grants Decrease, Senate UHF Probe Deferred, pp. 3 & 12
XELD-TV & CMTV Quit; New Starter in Okla., page 4

KTYL-TV Sold to Phoenix's KTAR, page 4
Transmitter Shipments & Upcoming Stations, page 6
Price Trend Vague, Color Moving Slowly, page 8
TV-Radio Report for First Quarter, page 9
Network TV-Radio Billings—Jan.-March, page 12

PRESENT STATUS & PROSPECTS OF COLOR: Important symposium on color TV, conducted by Assn. of American Advertising Agencies at White Sulphur Springs' Greenbrier April 23 didn't get full attention it deserved in trade press -- largely because of deadlines.

Current "interim" period in color developments is so confusing that talks by NBC pres. Pat Weaver and CBS pres. Frank Stanton had unusual significance, merit the particular attention of everyone in telecasting, advertising and associated fields. What they said is so basic to the whole concept of colorcasting that we've reprinted the full texts of both talks as a Special Report herewith.

The talks on color set production and on network color rates -- by RCA's Joe Elliott and CBS's Jack Van Volkenburg, respectively -- were reported in essential detail last week (Vol. 10:17). Substance of Stanton's talk is that color may now be on "dead center" but the tube bottleneck will be broken before long; that the future of TV is color; that "the time is rapidly approaching when a substantial competitive advantage will attach to getting into color TV early." Essence of Weaver's remarks was that color is here now; that it will materially change advertising costs and concepts; that "the time [for advertisers] to start color TV is this fall."

UPTREND IN RATES: WCBS-TV's \$6000 HOUR: Talk all they want about TV pricing itself out of market, admen face fact that station rates are constantly going up apace with increased coverage and sets-in-use. Boldest rate hike of them all was announced this week -- CBS's New York flagship WCBS-TV upping basic Class A hour (7-11 p.m. Mon.-Sat. & 6-11 p.m. Sun.) from \$4800 to \$6000. Other segments go even higher percentagewise in Rate Card No. 14, effective May 15. For example, a 20-second station break (or 1-min. on sound film) goes from \$1075 to \$1500, and 10-second spots from \$550 to \$750. Current sponsors are given usual 6-month extensions at the old rates. (For digest of the new WCBS-TV rate card, see p. 7.)

This \$6000 hour is highest in TV, likely will spark other network keys, to say nothing of other stations, to raise their rates for same reasons: more coverage, more sets-in-use, more viewing, lower cost-per-1000 viewers. With its time largely sold out even for summer months, WCBS-TV also claims larger share of audience, which its rivals undoubtedly will dispute. J. Walter Thompson Jan. 1 count shows New York market area with 3,358,269 TV sets in 4,256,400 households, or 83.6% saturation -- and that doesn't purport to embrace whole TV service area by any means.

NBC's New York key WNBT, whose \$5500 Class AA rate (10:30-11 p.m. Mon.-Sat. & 6-7:30 p.m. Sun.) has been highest on record since last Dec. 1 (Vol. 9:48), can be expected to ponder another increase soon, as may other N.Y. stations. WNBT's Class A time (7-7:30 p.m. Mon.-Sat.) was then set at \$4250 per hour, \$750 for 20 seconds, \$350 for 10 seconds. Other N.Y. stations' highest hour rates are: WABC-TV, \$3100; WABD, \$2200; WOR-TV, \$1500; WPIX, \$1500; WATV, \$1000. (For digest of all U.S. and Canadian stations' rate cards, see our TV Factbook No. 18 of Jan. 15, 1954.)

Radio rates continue relatively static, by contrast, few changes being made and increases a rarity. None even approaches the rates of TV network flagships. The

highest radio rates on record are those of the networks' WCBS, New York, \$1350 per Class A hour (7-11 p.m.) and WNBC, New York, \$1200 (6-10:30 p.m.), with WOR at \$1200 from 6-10:30 p.m. and WABC at flat \$720 from 8 a.m.-10:30 p.m. Highest outside New York is Cincinnati's WLW at \$1080 from 6-10:30 p.m.

DuMONT COLOR TUBE & SCANNER IMPRESSIVE: Dr. Allen B. DuMont's well-known skepticism about imminence of color TV seems to have been dispelled. This week, he called in newsmen, telecasters, network and film folk to show them 2 developments he believes will provide a practical foundation for color.

These are a 19-in. color tube and a 16mm color film scanner.

Dr. DuMont foresees 19-in. color set at \$500-\$600 within 2-3 years, says it can be sold at \$1000 this year (price of currently offered 15-in.). With scanner, he sees means for stations to begin local programming immediately and inexpensively.

Though DuMont company is most eager to stress the scanner and its immediate availability, the interest of most observers inevitably gravitated to the tube.

Tube will sell for \$150-\$200 initially, go under \$100 eventually, Dr. DuMont said. Limited production is now underway and deliveries are scheduled for fall. He gave no indication of present or prospective rate of production. RCA hasn't fixed price for its 19-in. when commercial production starts; samples sell for \$315.

Reason he's finally getting hopeful about mass production of color, Dr. Du-Mont says, is that he believes there is now a method for making a large-screen set to sell at reasonable price eventually.

\* \* \* \*

<u>Demonstrations were impressive</u>. New devices were shown together -- scanner feeding signals to the tube. <u>End results</u> -- the pictures viewed -- were <u>certainly as good as any we've seen</u>. We're no experts in receiver production or scanner operation, but DuMont's presentation made it even clearer to us that color TV is going to flourish in an atmosphere of fierce, productive competition.

Tube is the shadow-mask type pioneered by RCA, modified by CBS-Hytron -then further modified by DuMont. It employs 3 guns, triads of phosphor dots, and
a pierced mask. Like CBS-Hytron, DuMont places dots on face of tube itself and puts
a curved shadow mask behind it; dots are deposited photographically. RCA employs
an assembly within tube, with a frame supporting flat screen and flat mask.

Where DuMont tube differs most significantly from the other 2 is in new gun. And an important feature of gun is close spacing between the 3 elements, plus electrostatic convergence -- making for simpler set circuitry, according to DuMont.

Specifications of tube: Round, glass, overall diameter 19 5/16-in., length 25%-in. The picture dimensions are 16 9/16-by-12 7/16, giving area of 185 sq. in. Deflection is 60 degrees. DuMont says RCA's 19-in. has 160 sq. in., is 26 15/16-in. long; it didn't compare sizes with CBS, which claims 205 sq. in., because it hasn't received any sample yet Lawrence 21 & 22-in. tubes, it says, have 155 sq. in.

Tube has 1,300,000 dots, each .012-in. in diameter. Holes in mask are all same size rather than tapered out from center as in RCA tube (Vol. 10:4). The mask weighs  $7\frac{1}{4}$ -oz. Overall weight wasn't given, but it's claimed to be less than RCA's.

Big picture is certainly desirable, no question about it. DuMont tube was also excellent in resolution, convergence and color fidelity. We haven't seen RCA's 19-in., which has as yet been shown only to licensees.

Much of result is attributed to new gun. "After all," says research v.p. Dr. T.T. Goldsmith, "we've had more experience with guns than any other organization in the world." A weakness of RCA flat-mask approach, he said, is that mask must be kept stretched, adding that a curved mask retains its shape without stretching. And distance between guns, he stated, has much to do with convergence problems.

Mask is made by etching holes, though DuMont is experimenting with method of building mask by electrolytic deposit. DuMont is also working on 21-in. rectangular color tube, both metal-coned and glass.

Tube created great industry interest, as expected, and DuMont is planning to show it to its patent licensees, others in the industry.

Interesting angle is Dr. DuMont's disparagement of Lawrence tube, despite Paramount Pictures' 26% ownership of DuMont and 50% ownership of Lawrence tube. Dr. Goldsmith says a major drawback of Lawrence tube is "complicated circuitry."

\* \* \*

<u>DuMont's film scanner didn't excite popular attention</u>, but telecasters who have seen it are greatly enthused. DuMont has been working on it for years, came out with monochrome version first (Vol. 8:14, 9:18), but with color always in mind.

Scanner uses principle of continuous motion, doesn't have shutter, sprockets, etc. It has flying-spot CR tube and photocells. It was so planned that monochrome versions (about 30 of them sold so far) can be converted to color.

Among many features claimed for scanner is new "masking" technique, the electronic equivalent of movie practice. Masking permits emphasis or de-emphasis of red, blue or green without otherwise affecting picture. As demonstrated, it is an extremely effective technique.

Scanner was shown with many kinds of film -- Kodachrome original, Kodachrome duplicate, Ansco, Eastman. To us, result was as good as any color movie. And network engineers and TV film folk on hand were definitely impressed.

Black-&-white version of scanner sells for \$8000. Converting it to color runs \$4500. Masking costs additional \$2200. <u>DuMont made 16mm first</u>, is now developing a 35mm -- though it believes only about 25 stations in country will want 35mm.

NARTE convention May 23-28 will provide real battleground for scanners. All manufacturers will be pitching for all they're worth -- because film scanners will provide cheapest means of programming in color locally. Philos showed a 35mm continuous color film scanner last year, is due to have 16mm at convention this year. RCA has come out in favor of a 3-vidicon color camera, rejecting continuous-motion principle. GE and Motorola have announced continuous-motion scanners.

Announcement of DuMont scanner also brought first word of <u>DuMont's start in</u> colorcasting. It begins in September with film on WABD, New York.

GRANTS DECREASE, SENATE UMF PROBE DEFERRED: FCC failed to issue any CPs this week, second grantless week since end of freeze. It did manage to squeeze out an initial decision, however, favoring Ch. 5 to KWHN, Ft. Smith, Ark., after dropout of competing George T. Hernreich. Commission cancelled 3 uhf CPs, bringing total turned in to 60; there have been 12 vhf grants surrendered.

Much of FCC's work was in defense of its vhf grants against attacks by uhf stations and grantees. Uhf folk, in turn, were busy preparing for Senate hearing which was again postponed -- this time to May 19-21 (see p. 12).

Two uhf CPs were surrendered voluntarily -- WSGN-TV, Birmingham (Ch. 42) and WJRE, Indianapolis (Ch. 26) -- while Commission rescinded CP for WSJL, Bridgeport (Ch. 49) for lack of prosecution.

A grant for Ch. 9 was in the works for Minneapolis, KEYD being set up for initial decision with dropouts of WDGY and WLOL.

On the uhf vs. vhf front: (1) FCC granted move of WSPA-TV, Spartanburg, S.C. to Paris Mt.; uhf grantee WAIM-TV, Anderson, will promptly appeal that action to the courts. (2) WTVI, Belleville, Ill. appealed to courts FCC's grant of Ch. 4 to KWK after merger (Vol. 10:17). (3) Still court-shy, FCC allowed WCAN-TV, Milwaukee, permission to intervene in hearing for Ch. 6 allocated to nearby Whitefish Bay.

\* \* \*

FCC's hearing procedure got going over in oral argument April 29 over the wisdom of "points of reliance" system (Vol. 10:17). Counsel for applicants in Ch. 7 Miami case and Ch. 9 Charlotte case told commissioners that pre-hearing haggling over the points were sheer waste of time, that hearings could be over with, or nearly so, by now had it not been for such beating around the bush.

FCC Broadcast Bureau asst. chief Joseph Kittner pointed out that President, Congress, courts and govt. agencies have for years searched for means of shortening hearings and asserted that FCC's procedures, while not perfect by any means, would certainly work if attorneys wanted them to.

XELD-TV & CMTV QUIT; NEW STARTER IN OKLA: Only one new station went on air this week -- KTEN, Ada, Okla. (Ch. 10) -- as first of Mexican-licensed border stations closed down at Matamoros, across Rio Grande from Brownsville, Tex., and as Storerowned CMTV, Havana (Ch. 11) suspended operations in preparation for liquidation.

Pre-freeze XELD-TV (Ch. 7), on air since Sept. 1951, formally announced cessation of operations on April 18 following "major breakdown" of its 100-kw diesel-powered main generator. The 44% devaluation of Mexican peso in relation to dollar, effective April 18, was final coup de grace because, as stated by mgr. Bert Metcalf, it brought "considerable trouble to clients on the Mexican side of the border and sufficient dollars could not be obtained" to enable continued operation.

Television del Caribe, as Storer station in Havana was known, began testing exactly year ago, managed by Al Shropshire of Storer staff, and is reputed to have been loser from start. Nominal license holder Manuel D. Autran, oldtime Cuban broadcaster, says new company will take over Ch. 11. Fact seems to be, however, that 5 stations in Havana are too many; competition was so keen that even Goar Mestre's CMQ-TV (Ch. 6) and CMBF-TV (Ch. 7) have been reported hard-pressed. Press reports say Cuban telecasters as whole are estimated losing more than \$100,000 a month.

\* \* \*

Economic woes of the Mexican border station, which headquartered in Browns-ville, were first bruited last Feb. (Vol. 10:5) when it became certain that the rich Rio Grande Valley would have 2 U.S. outlets. They're KGBT-TV, Harlingen (Ch. 4) and KRGV-TV, Weslaco (Ch. 5), which took over basic network services XELD-TV had had to itself. Onetime big earner, XELD-TV declined gradually because it depends on American sponsors, who preferred to go on U.S. stations.

Founder Monte Kleban, ex-San Antonio radio executive, sold his interest in XELD-TV 2 years ago, continuing as consultant to new co-equal owners Romulo O'Farrill and Emilio Azcarraga, Mexico City TV-radio station owners and industrialists. Both have extensive plans for other TV stations in Mexico (see p. 177, TV Factbook No. 18) and O'Farrill is reported to have ordered equipment for Guanajuato (Ch. 12) and for Monterrey (Ch. 2) which presumably will now be delayed because the orders were in dollars and expected income would be in pesos.

Note: There are 2 other Mexican-licensed border stations now operating -- XETV, Tijuana (Ch. 6), deriving revenues from San Diego area, and new XEJ-TV, Juarez (Ch. 5), across from El Paso, projected as Spanish-language outlet (Vol. 10:17).

\* \* \* \*

KTEN, Ada, Okla. (Ch. 10), though city's 1950 population was only 15,955, is in rich south central part of state, 67 mi. from Oklahoma City, and opens up new TV area with its 25-kw RCA transmitter, 750-ft. Stainless tower. It began testing April 28, this week also got STA for microwave relay over which it expects to carry originations in 2-3 weeks from studios it's renting from KTVQ, Oklahoma City. Heading the project is Rev. C.C. Morris, 32.3%, who operated local radio KADA for 30 years, also owning KWSH, Wewoka, Okla. Bill Hoover is v.p.-gen. mgr., 32.3%; Brown Morris, 32.3%. Base rate is \$300, no network or rep yet reported. It's 387th station on air.

TYL-TV, PHEONIX-Mesa (Ch. 12), which began just about year ago, was sold this week to owners of KTAR, Phoenix's longtime NBC radio outlet controlled by John J. Louis, of the Needham, Brorby & Louis ad agency, and headed by veteran broadcaster Richard O. Lewis. Consideration was assumption of \$150,000 in bank loans and of unpaid balance of \$101,242 owed DuMont. Studios will be leased from Harry L. Nace estate, but new owners will take over the rest of physical plant said to be valued at nearly \$500,000. Sellers besides Harry L. Nace Jr. (53.72%) include gen. mgr. Dwight Harkins, 35.86%, and treas. Lorenzo K. Lisonbee, 10.42%. They are not selling their radio KTYL.

In acquiring KTYL-TV, the Louis group presumably will withdraw from competitive hearing scheduled May 10 on applications for Phoenix's remaining Ch. 3. Other applicant, Arizona Television Co., is 40% owned by ex-U. S. Senator McFarland and 10% by Edward Cooper, exaide to Senate Interstate Commerce Committee, now with Motion Picture Assn. Presumably the channel will go to them by default, but KTAR pres. Richard Lewis states KTYL-TV will retain NBC affiliation.

Reason for buying was not only price but eagerness of KTAR group to get into TV more quickly. Mr. Harkins and staff of KTYL-TV will be retained by KTAR, which is expected to change call to KTAR-TV. The KTAR group is already in TV, owning KVOA-TV, Tucson (Ch. 4) as well as radio stations KYUM, Yuma, and KYCA, Prescott. Station would be Phoenix's fourth, though two (KOOL-TV & KOY-TV) share time on Ch. 10 and are due to be merged shortly into one fulltime ABC outlet (Vol. 10:12, 15). The CBS outlet is Meredith's KPHO-TV (Ch. 5).

Personal Noies: Orestes H. Caldwell, veteran technical editor who was member of original Federal Radio Commission, has retired from editorship of Caldwell-Clements publications, becoming editorial consultant and leaving active management to Maurice Clements, his associate of 32 years . . . David H. Deibler, FCC attorney recently assigned to the renewal branch, Broadcast Bureau, who joined War Dept. as a clerk in 1917 and old Radio Commission in 1928, retired from Federal service as of April 30 . . . E. V. Huggins, Westinghouse v.p. of corporate affairs, under whose jurisdiction falls subsidiary Westinghouse TV-radio station operations, elected secy. of parent company . . . Jack R. Poppele, TV consultant & ex-engineering v.p. of WOR-TV & WOR, is most likely successor to Leonard F. Erickson as Voice of America director when latter returns to McCann-Erickson May 1 . . . Charles R. Delafield, CBC gen. supervisor, succeeds Jean Desy, now Canadian Ambassador to France, as director of the CBC International Service . . . Frank Shakespeare Jr. promoted to gen. sales mgr. of WCBS-TV, succeeding George Dunham, who on May 1 becomes gen. mgr. of WNBF-TV & WNBF, Binghamton, N. Y. . . . Mitchell Stanley named mgr. of WFMJ-TV & WFMJ, Youngstown, succeeding Len Nasman, who has not announced future plans . . . Graeme Fletcher, KAKE program-news director, new gen. mgr. of upcoming KAKE-TV, Wichita (Ch. 10), succeeding Jack Todd, on leave . . . Elihu Harris quits as national director of adv. & promotion, Treasury savings bond div., to join Screen Gems Inc. as adv.-promotion chief . . . John Donald Foley, ex-WCBS, named director of CBS-owned TV stations promotion service, succeeding David Luhmann, now with Young & Rubicam . . . Peter Robeck, ex-KTTV and Consolidated TV Sales, named sales mgr., General Teleradio film div. . . . John E. North, promoted from sales mgr. to v.p. & gen. mgr. of KEDD, Wichita . . . Jean Paul King, commercial mgr., promoted to gen. mgr. of KLAS-TV, Las Vegas . . . Wm. E. Daley promoted to sales mgr. of WTCN-TV, Minneapolis . . . Thomas E. Arend, ex-WNBK, Cleveland, named production mgr. of WMTV, Madison, Wis. . . . Richard Linkroum named producer of NBC-TV's 11 a.m.-noon Home series, replacing Jack Rayel, resigned . . . Clifton Utley back as acting news director, NBC Chicago, after long illness . . . James C. Cole, ex-gen. mgr. WFTV, Duluth, on May 12 becomes gen. mgr. of WDBX, Chattanooga . . . David J. Bennett, gen. mgr. of WTPA, Harrisburg, elected pres. of Pennsylvania Assn. of Broadcasters.

Strike against Philco was called for Mon. May 3 by 8000 workers represented by IUE-CIO, which would halt TV-radio-electronics production in Philadelphia, Croyden, Pa. & Sandusky, O. plants. Union demands include guaranteed annual wage, pay increases, extension of hospitalization benefits to include dependents. Company proposed one-year extension of contract, which expired at midnight April 30. No meetings of company and union officials were scheduled for weekend, and hopes of averting walkout appeared dim as we went to press.

Sen. Eva Bowring (R-Neb.) successor to late Sen. Dwight Griswold (Vol. 10:16), was named this week to fill his post on Senate Commerce Committee. Though Griswold was on communications subcommittee, that vacancy hasn't been filled by committee chairman Bricker (R-O.).

Power increases: KTTV, Los Angeles (Ch. 11), April 25 increased ERP from 31 to 110 kw from new 200-ft. tower atop Mt. Wilson. WHBQ-TV, Memphis (Ch. 6), April 26 boosted transmitter power from 10 to 50 kw.

Earliest network programming in history: Some stations in areas not observing Daylight Time now begin program day at 6 a.m. with NBC's Today or CBS's Morning Show.

Edward Lamb was high bidder for Tampa Bay area's first TV station, WSUN-TV (Ch. 38) along with radio WSUN (5-kw on 620 kc, ABC), when St. Petersburg City Council opened bids on city-owned commercial stations April 28—but whether he gets the stations may hinge on outcome of his current difficulties with FCC over alleged "communist" activity. He offered to pay flat \$476,000 for 20-year lease and assume \$390,000 in obligations, his bid with rentals adding up to \$2,265,000 over 20 years; he placed 30-day limit on offer. Ted Mack's Original Amateur Hour Inc. offered 25-year agreement adding up to \$1,154,500 over 25 years. Third bid by Farris E. Rahall, pres. of WFEA, Manchester, N. H., and owner of AM stations in Allentown & Norristown, Pa. and Beckley, W. Va., was disqualified because it lacked \$50,000 certified check required with each sealed bid: he offered \$400,000 cash and agreed to assume the \$390,000 obligations. Council meets May 6 to decide, its attorney still uncertain at week's end whether to advise city to await long-delayed FCC hearing on FCC charge against Mr. Lamb, who owns WICU & WIKK, Erie; radio WTOD, Toledo; radio WHOO, Orlando; and holds CP for WMAC-TV, Massillon, O.—besides being publisher of Erie Dispatch and owner of various industrial enterprises.

FCC approved takover of WTVH-TV, Peoria (Ch. 19), along with radio WTVH (1-kw on 1590 kc, MBS), by Peoria Journal Star this week, total consideration for 91% % of stock being \$55,000 cash plus assumption of notes and obligations totalling \$155,000. Newspaper publisher, which recently merged morning Star and evening Journal, and headed by pres. Carl P. Slane, acquired the 52% of Hugh R. Norman, Davenport (Ia.) broadcaster, the 36% of L. W. Hicks, of Pittsburgh, and other holdings. Reason for selling is stated as transferors' inability "to continue the obligation of supplying the licensee with the additional capital required for the operation of its stations." Difficulties facing the stations are shown in financial statements showing total liabilities of \$324,770 (\$174,-478 current, \$214,260 long-term). Assets include \$250,126 net value of plant as of March 31 (\$225,078 TV, \$17,356 radio, \$7691 land), \$31,416 accounts receivable, \$31,614 charged against costs of securing CP and license for TV. Stations' operating statement for first 3 months of 1954 shows net loss of \$40,677, of which \$31,331 is charged against TV, \$9345 against radio.

Time Inc.'s proposed purchase of KLZ-TV & KLZ, Denver (Vol. 10:11, 15), is protested in petition filed this week by Denver Television Co., unsuccessful applicant for the Ch. 7 grant in FCC decision of June 23, 1953. Law firm of Arnold, Fortas & Porter (Harry Plotkin handling case) asks reinstatement of Ch. 7 application and grant to it in lieu of grantee Aladdin Radio & TV Inc. on grounds that TV station has been on the air only 4 months (it started Oct. 27, 1953) and was sold to a company which was never an applicant and which it claims it could have defeated in competitive hearing. Unsuccessful applicant, Wolfberg theatre interests, also asserts Aladdin net worth is stated as \$650,000, whereas the stations are being sold for more than \$3,500,000. Stockholder Harry Huffman's reason for selling, illness, was just as apparent last Oct. as now, it's claimed, and pres. Hugh B. Terry, also ill, has been asked to remain as gen. mgr. Stockholders J. Elroy McCaw and Theodore R. Gamble (20.36% each) are not connected with operation. Case is without direct precedent, may open FCC inquiry into whole question of TV-radio station sales deals made soon after grants.

Guy P. Gannett, 72, pres. & chief owner of WGAN-TV & WGAN, Portland, Me. and radio WGUY, Bangor, and publisher of Portland Press Herald and Evening Express, Kennebec Journal, Waterville Sentinel, died April 24 in N. Y. of heart ailment.

ILLION-WATT UHF stations are still at least a year off—but that isn't stopping operators and grantces from assuring themselves a good place in line by placing their orders for the high-power transmitters. Manufacturers aren't soliciting the orders yet, because they can't give definite answers to customers' most important questions-when? and how much? General Electric has about half-dozen unsolicited orders for its projected "60-kw" uhf transmitter (Vol. 10:4), although the klystron tube that will probably power it is still in development stage. Orders are being accepted on contingent basis to establish priority. GE officials informally estimate complete 60-kw transmitter will cost about \$225,000, won't even make a guess at probable cost of 60-kw amplifier. As to timing, nobody expects first high-power unit before mid-1955 at the earliest -and GE isn't due to get Varian Associates' first 60-kw klystron until next fall or later.

No new-station shipments were reported by any of the manufacturers this week. However, RCA reported April 27 shipment of 50-kw amplifier to WNHC-TV, New Haven (Ch. 8) and April 28 shipment of 25-kw transmitter to WJIM-TV, Lansing (Ch. 6). GE had one new order-for delivery within 30 days of a 12-kw amplifier to KEDD, Wichita (Ch. 16).

In our continuing survey of upcoming new stations, these were reports received this week:

WTHT, Wilmington, N. C. (Ch. 3) has ordered 5-kw DuMont transmitter, now plans tests about Aug. 15, programming in Sept., reports 25% owner Milton Hammer, who also produces TV show titled Washington Spotlight. Ninth floor of downtown TV Bldg. (formerly Trust Bldg.) is being remodeled for studios & transmitter. Its 143-ft. tower with RCA superturnstile antenna will be on roof, 104-ft. above street. Rep not yet chosen.

WDBO-TV, Orlando, Fla. (Ch. 6), with visual part of 35-kw GE transmitter & 6-bay antenna on hand, expects to begin tests in mid-May. It's in process of side-mounting FM antenna on 584-ft. tower, which will also carry TV antenna and be used for AM daytime operation. AM directional operation at night will be from nearby 370-ft. tower. WDBO-TV will be CBS primary interconnected, will also feed from other 3 networks. Base rate will be \$200. Blair will be rep.

WTIK-TV, Durham, N.C. (Ch. 11), call letters to be changed to WTVD (Vol. 10:14), has 700-ft. Kimco tower due for completion by July 24, or 100 days after signing contract. Klein Iron & Metal Co., tower manufacturer, has pledged liquidated damages of \$100 daily for each day's delay beyond completion. Station plans Sept. start with DuMont equipment. Rep will be Headley-Reed.

KFVS-TV, Cape Girardeau, Mo. (Ch. 12), has 808-ft. Truscon tower scheduled for delivery about June 18, is negotiating for 12-bay antenna, expects to get on air by Aug. 1, reports pres. Oscar C. Hirsch. Other equipment not reported. It will be primary interconnected CBS. Rep will be Pearson.

CFCM-TV, Quebec City, Que. (Ch. 4) now is shooting for tests during third week of May, plans 35 hours of programming weekly at the beginning of June, writes mgr. & program director Claude Garneau. It will use 500-watt DuMont transmitter in suburban Ste. Foye and 400-ft. tower manufactured by local Cobra Industries Inc. RCA 3-bay superturnstile antenna is scheduled to be ready around May 15. It's jointly owned by Famous Players Canadian Corp. and AM stations CHRC, CJQC, CKCV. Famous Players also owns 50% of CKCO-TV, Kitchener, Ont., which began last Dec. CFCM-TV base rate will be \$200. Reps will be Weed (for U.S.) and Jos. A. Hardy & Co.

Network Accounts: Oldsmobile signed this week to sponsor Academy Awards presentations again next March on NBC-TV, heading off movement for motion picture industry backing of 2-hour telecast due to criticism that Oldsmobile over-commercialized it this year. Meeting of top movie executives to consider sponsorship was cancelled after Oldsmobile notified NBC it was renewing option . . . Cudahy Packing Co. (Old Dutch cleanser), in first network sponsorship, buys 4 segments of NBC-TV's Show of Shows starting May 8, and 15 weeks of Saturday Night Revue starting June 12, Sat. 9-10:30 p.m., thru Young & Rubicam . . . National Wholesale Jewelers Assn. sponsors Your Night of Jewels on DuMont starting in Sept., date & time not yet decided, thru Lewin, Williams & Saylor; program will have 6 partic. segments for non-competitive jewelry manufacturers . . . Best Foods Inc. to sponsor Wed. 4:45-5 portion of Robert Q. Lewis Show on CBS-TV starting May 5, Mon.-thru-Fri. 4:30-5 p.m., thru Dancer-Fitzgerald-Sample . . . Bymart-Tintair Inc. buys 1 partic. May 10 on NBC-TV's 7-9 a.m. Today, thru Erwin, Wasey & Co. . . . United Steelworkers of America orders 93 stations on Du-Mont for speech by its pres. David J. McDonald Wed. May 5, 9:15-9:30 p.m., thru Wiltman & Callahan, Pittsburgh ... Admiral renews sponsorship of Bishop Sheen's Life Is Worth Living for 3rd season on DuMont starting Nov. 2, Tue. 8-8:30 p.m., thru Erwin, Wasey & Co. . . . Pepsi-Cola renews Pepsi-Cola Playhouse on ABC-TV, Fri. 8:30-9 p.m., thru Biow . . . NBC-TV planning to devote 3-5 p.m. to soap operas in fall, with Procter & Gamble reportedly signed for two 15-min. programs . . . DuMont starts boxing bouts from New York's St. Nicholas Arena May 17, Mon. 9:30 p.m. to conclusion, on co-op sponsorship basis.

More professional football will be televised this year than last, as result of new agreement between National Football League and DuMont Network, which will carry the schedule for 4th consecutive year. Program for this fall: (1) Sun. afternoon "game of the week" to be carried nationally on 50-100 stations Sept. 25-Dec. 11. (2) National Sat. afternoon games Dec. 4 & 11. (3) Sat. night games on regional station lineups. More than 60 games will be shown either nationally or regionally, pattern being same as last year except for the 2 added Sat. afternoon games—with all games again blacked out in immediate area in which they are being played. DuMont sports director Thomas J. McMahon hailed last year's telecasts as "boon to home game attendance," pointing to 5% increase in attendance over 1952 for entire league. Meanwhile, Big Ten, which had opposed NCAA's football control plan and even made veiled threats to go "on its own" in televising its games, this week "reluctantly accepted" NCAA program of televising selected national games over ABC network (Vol. 10:17). Neither ABC nor DuMont has yet announced football sponsors—although General Motors and Westinghouse are reported to be the leading contenders for \$4,000,000-plus college football package.

Interconnected to AT&T network lines last week end: WDEF-TV, Chattanooga; WHO-TV, Des Moines; WSEE, Erie, Pa. Scheduled for May 1 hookup were WTTV, Bloomington, Ind. (replacing private microwave); WRBL-TV, Columbus, Ga. (replacing off-air pickup); WDAK-TV, Columbus, Ga. Canadian Bell this week announced construction is underway on 1200-mi. microwave route linking Toronto and Winnipeg, capable of handling TV, due for completion late in 1956.

Birmingham's WABT (Ch. 13) and WBRC-TV (Ch. 6) swap network affiliations on or before next July 4 by arrangements concluded this week. Also switching are their AM counterparts, WAPI (10-kw day & 5-kw night on 1070 kc) and WBRC (5-kw on 960 kc). WBRC-TV thus becomes last of the 5 Storer stations to affiliate with CBS.

Telecasting Notes: Billboard, which covers the TV film trade quite authoritatively, seems to persist in belief that Howard Hughes' RKO will soon release at least half of the 750 or more of its old feature films to TV, some maybe by the fall selling season. Reporter Sam Chase quotes "tradesters" as reasoning that Hughes might recoup nearly all the \$23,000,000 evaluation of RKO stock by releasing, say, 350 of the films which it's estimated could fetch \$60,000 each over 3-year span . . . Other Hollywood majors have kept vaults shut tight from TV because they felt they might get more out of re-releases to theatres and. more important, because of fear of offending theatre exhibitors. But Chase says these reasons are less applicable with the coming of CinemaScope, Vistorama and other big-screen techniques, so that "ordinary non-smash olddimension pix no longer are in such big demand for reissue to theatres" . . . If Hughes, with his reputation as a "maverick," does pull the plug, he may well force the other majors to follow suit and release at least part of their backlog to TV . . . Live programs are giving way to film shows on all 7 Los Angeles stations, more and more "being axed in favor of the half-hour vidpix," reports Hollywood's Daily Variety; reason is "strictly economics." Only station with as high as 75% live, survey shows, is KHJ-TV-but that's now because of baseball; normally, it's 51% film, and even CBS's KNXT runs 70-80% film if you count in kines . . . Third edition of Directory of Free TV Film (416 pp.), listing thousands of "public relations films" available to TV stations, has been published by Broadcasting Information Bureau, 353 Fifth Ave., N. Y. (Judy Dupuy) . . . Old Biograph studios on E. 175th St., New York, closed since 1929, will be reactivated in June

IGHEST RATES in TV are those of CBS's New York key WCBS-TV, whose Rate Card No. 14 becomes effective May 15 (see p. 1), exactly 8 months after last rate card was published. Gen. mgr. Craig Lawrence announces also that discount structure remains same, namely, 5% on 26-weck or longer program schedules, 10% on 52week; 2½% on 26 or more announcements, 5% on 52. Current advertisers are given 6-month extensions at present rates (for digest of Rate Card No. 13, see p. 113, TV Factbook No. 18 of Jan. 15, 1954). This is a digest of the new rates:

DIGEST OF RATE CARD NO. 14 - (May 15, 1954) 30 Min. 15 Min. 10 Min. 5 Min. Min. 10 Sec. Hour Class A (Group 1)-7:30-10:30 p.m., Mon.-Sat.; 6-11 p.m., Sun. \$3600.00 \$2400.00 \$6000.00 Class A (Group II)—7-7:30 p.m.; 10:30-11 p.m., Mon.-Sat. 5500.00 3300.00 2200.00 \* Mon.-Sat.; 11-11:15 p.m., daily.† 1500.00 1250.00 1125.00 750.00 -7 p.m., 2250.00 Class B-6-7 3750.00 375.00 Class C—9 a.m.-6 p.m.; 11 p.m.-midnight, daily.‡ 2500.00 1500.00 1000.00 833.33 750.00 500.00 250.00 Ciass D—Sign-on-9 a.m.; midnight-signoff, daily. 1250.00 750.00 500.00 416.67 375.00 250.00 125.00

As Army-McCarthy hearings dragged on through scemingly interminable miasma of side issues and legal quibbling, more and more local stations began returning to regular daytime programming, even when hearings were available to them through ABC or DuMont. Despite "deluge of protests" committee Chairman Mundt (R-S. D.) said he received after NBC cancelled live coverage, that network stuck to its decision to carry only filmed highlights at 11:15-midnight, as did CBS from outset (Vol. 10:17). NBC said its 2 days of live coverage cost it more than \$125,000 in commercial revenue. Despite declining

by new Biograph Film Studios Inc. to produce TV and other films . . . CBS-TV's Studio One (Westinghouse) wins Edgar Allen Poe Award of Mystery Writers of America for its production of "Crime at Blossoms," adapted by Jerome Ross and adjudged best TV mystery of 1953 . . . More honors for CBS advertising art: 6 posters, created for on-screen promotion of CBS-TV programs by graphic arts director Georg Olden, selected for inclusion in 1954 International Poster Annual, published in Switzerland; 4 will go to permanent poster collection of Stedelijk Museum, Amsterdam . . . Elaborate commercial: 6-room prefabricated house was constructed in ABC-TV's New York studios in 6 hours for use in 6 minutes of commercials on U. S. Steel Hour April 27; the 1600 pieces were shipped from New Albany (Ind.) factory in 47 boxes, set up by stagehands with basic hand tools . . . Golf tournaments, planned and conducted exclusively for TV, will be presented weekly on WNBQ, Chicago, Tue. 11-12 midnight, direct from Tam O'Shanter Country Club starting June 1, pitting 2 top pros and 2 amateurs against each other in 5-hole tourneys . . . Golf lessons via TV is new weekly halfhour feature on WTRI, Albany, featuring area pros, filmed and live . . . Free Class A time, 15-min. each, being given to all candidates for Senator, Governor or Congressmen on equal basis by Iowa State College's commercially-operated WOI-TV, Ames . . . DuMont signs 2-year contract with London Sporting Club Inc., paying \$12,500 per bout, to put on its Mon. night fights from St. Nicholas Arena, N. Y. . . . Rep appointments: upcoming WLOS-TV, Asheville, N. C. (Ch. 13) to Venard, Rintoul & McConnell; WGRB, Buffalo (Ch. 2), to Headley-Reed.

public interest in hearings, some western TV stations were bitter about unavailability of live show via microwave or coaxial. In terms of showmanship, critics agreed hearings couldn't be compared with 1951 Kefauver crime investigation, April 28 Variety headlining its critique "Army-McCarthy Speaktacular; All-Star Cast Needs a Script." New York Times' Jack Gould advised Senators not to worry too much about their comparatively modest Hooper ratings: "With any new daytime drama on TV, the first few months are always the hardest." Live telecast of hearing Fri. April 30 got Hooper rating of 9 in New York, as opposed to 12 the preceding Friday (Vol. 10:17), 18 in Boston compared to 30 the week before. First rating announced for Milwaukee, in McCarthy's home state, was 7 on April 30—comparatively high considering live hearings were carried only on uhf WOKY-TV.

Rio de Janeiro gets its second TV outlet as result of final govt. grant March 26 of Ch. 13 to the Radio Record TV interests, headed by prominent broadcaster J. B. Amoral, who also operates Ch. 7 station in Sao Paulo, Brazil. Since GE equipment is already on hand, construction won't take long after final decree, reports technical director Charles G. Lacombe, onetime GE engineer in Schenectady. Ch. 13 previously had been assigned Radio Maua. According to Mr. Lacombe's report to Television Digest, President Vargas has also consented to construction of Ch. 4 outlet by Assis Chateaubriand's Radio Guarani (PRH-6) in Belo Horizonte, and the big TV-radio-newspaper magnate has secured authorization to spend equivalent of \$362,000 U.S. dollars for equipment. Senator Chateaubriand also owns the only station in Rio, Radio Televisao Tupi (Ch. 6), and one of the 3 outlets in Sao Paulo, Radio Difusora de Sao Paulo (Ch. 3, due to shift to Ch. 4). [For other CP holders in Brazil, see Vol. 10:12.]

New Mississippi libel law, in advance of political campaigning, relieves TV-radio stations of responsibility for defamatory remarks made on air by anyone other than station owner or employe.

<sup>\*</sup> Ciass A announcements are subdivided into Group I—7:59-10:30 p.m., Mon.-Sat., 7:29-11 p.m., Sun.; Min. \$1500, 10-Sec. \$750. Group II—6:59-7:59 p.m., 10:30-11 p.m., Mon.-Sat., 5:59-7:29 p.m., Sun.; Min. \$1100, 10-Sec. \$550. † Announcements only. After 11 p.m., 5-min. programs or longer, Class C rate prevails 11 p.m.-midnight; Min. or less, Class B rates prevail 11-11:15 p.m., Class C rates 11:15 p.m.-midnight.

Trade Report May 1, 1954

PRICE TREND VAGUE, COLOR MOVING SLOWLY: Raytheon broke with 17-in. metal table at \$140, \$150 & \$160 this weekend, matching prices of Crosley's "Super V" which stirred market recently (Vol.10:7,13). Raytheon also went below general industry level with 21-in. table at \$170. Both sizes embody vertical chassis, come in 8 colors.

Thus the industry's over-all price trend, only month or so before marts and conventions where new models are to be introduced, seems to have no pattern at all -- few willing to say whether trend will be up or down, or both ways.

Trade remains full of contradictions. For example, even as Raytheon followed Crosley in bringing out the cheaper sets, Emerson raised its 21-in. table this week from \$180 to \$200. Pres. Benjamin Abrams told us no significance should be read into the increase other than fact that "this particular set was underpriced, so we took steps to correct it." But some thought Emerson was testing market to find out if it could absorb higher prices before introducing new line in June.

Both new Raytheon sets are called "Challenger." The 17-in. contains almost same features claimed for Crosley's. Raytheon, like Crosley, stresses portability, says set weighs only 46 lbs. (vs. Crosley's 53). Raytheon cabinet is only 17½-in. wide, or a mere half-inch wider than picture tube. Controls are on top of the set. Doubled audio power is claimed. "Slip-on" jackets in various colors can be had to cover sets to fit in with decor of room.

If Raytheon sets sell as well as Crosley's are reported to be selling, and if there's profit in them that Crosley claims for itself and its distributor-dealers (Vol. 10:13), other manufacturers may well decide to bring out lower-cost price leaders in June lines. Most manufacturers are uncommunicative about plans these days, awaiting distributor showings. It's reported Philos will announce a few new models in week or so -- some priced lower than comparable sets, others higher.

\* \* \* \*

RCA's first week of color merchandising, in leadoff 4 of 38 cities which will get color sets by May 15, produced no startling results -- RCA spokesman saying movement was "up to expectations, better than we thought in some areas, not as good in others." Of about 100 sets shipped to dealers, at least 15 were reported sold (at \$1000 list) in first 4 days in Washington, Minneapolis, St. Paul & Denver -- and dealers in those cities reported many more prospects were lined up, with more sales likely to be made when network color programming resumes next week. Lack of color programs was chief complaint of dealers in the 4 cities.

Minneapolis-St. Paul distributor F.C. Hayer reported: "We didn't do a big sales volume from dealer to consumer, but at least we were able to answer the oft-repeated question: 'When will color be available?' We showed it to 'em this week." He said appliance stores, most of them open evenings, attracted far greater traffic than dept. stores, most of which close at 6 p.m. He described himself as "pleased" with initial sales effort, looked for greater volume next week.

A Washington dept. store reported sale of 3 sets first 2 days to "folks who just wanted to be among the first in town to have a color set -- big entertainers who are planning to have parties on nights when they program in color."

Sets aroused lots of questions from customers as to when price would come down, when screens would be larger, etc. However, dealers we spoke to differed on whether black-&-white sales were stimulated. A few said it was difficult to trace black-&-white sales to traffic induced by curiosity about color.

Twenty-one more cities get RCA color sets week of May 2, heralded by institutional & dealer ads, as in first 4 cities (Vol. 10:17). [New schedule on p. 10.]

Westinghouse reports 50-60 color sets sold to consumers in 15 major markets where they've been offered since March 1. First 2 weeks of March were devoted to N.Y. market, where 100 sets were shipped. Westinghouse was first to put color set

on market. TV-radio mgr. <u>T.J. Newcomb commented</u>: "The color merchandising problem now revolves around color programming. When more programs are shown, more color sets will be sold. It's as simple as that."

Crosley v.p. Leonard F. Cramer said color production start has been delayed beyond Aug., added Lawrence one-gun tube has been drastically improved but radiation problem is yet to be solved. Stromberg-Carlson gen. mgr. C.J. Hunt said color output would begin May 1 on "very limited schedule," its set also retailing at about \$1000. Emerson's Ben Abrams admitted very few color sets have been leased under his rental plan in last 6 weeks (Vol. 10:11) but said he would continue rentals until a larger size is in mass production. And Zenith pres. E.F. McDonald said his company will not market color set until one-gun tube is perfected (see p. 11).

\* \* \* \*

TV production totaled 109,619 week ended April 23, compared to 108,752 units preceding week and 124,771 week ended April 9. It was <u>year's 16th week</u> and brought production for year to date to about 1,790,000, compared to approximately 2,705,000 turned out in corresponding period of 1953.

Radio production totaled 178,752, compared to 182,685 week ended April 16 and 198,461 in week before. It brought 16-week production to about 3,145,000 vs. about 4,628,000 turned out in same period year ago.

Final first-quarter TV output figure was 1,447,110, of which 337,429 (23.3%) were unf-equipped, according to RETMA report. This compared with 2,259,943 sets in first quarter of 1953 and 1,324,831 in 1952. For March alone, TV production was 599,606, of which 124,855 (20.8%) were unf-equipped. Total factory output of unf sets for 1953 and first 3 months of 1954 was 1,796,904 out of total of 8,661,897. Unf sets turned out in 1952 bring total unf to well over 1,800,000 units to date.

Radio production in first quarter of 1954 totaled 2,581,565 units, compared to 3,834,784 in first 1953 quarter and 2,668,197 in 1952. For March alone, radio output totaled 940,352. Here's RETMA final monthly breakdown for quarter:

	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	<u>Portables</u>	Clock	Auto
January	420,571	871,981	271,036	46,571	159,932	394,442
February	426,933	769,232	233,063	98,275	105,933	331,961
March (5 wks)_	599,606	940,352	244,110	206,130	119,863	370,249
TOTAL	1,447,110	2,581,565	748,209	350,976	385,728	1,096,652

Trade Personals: Norman C. Owen, Webster-Chicago sales v.p., elected pres., succeeding R. F. Blash, who remains as chairman; Peter Jensen, chairman of Jensen Industries, elected Webcor director . . . Frank Folsom, RCA pres., flies to Madrid May 13 to dedicate new RCA plant, goes to Rome May 21 to inspect TV-radio-phono operations, returns about June 1 . . . Benjamin Abrams, pres. of Emerson Radio, addresses Sales Executive Club of N. Y. on "New Miracles in Electronics" at Hotel Roosevelt, May 4 . . . Raymond B. George, Philco v.p. of merchandising, assumes charge of all Philco advertising, sales promotion & merchandising campaign, with new gen. adv. mgr. Morgan Greenwood reporting to him . . . Wm. B. Anderson named asst. to Westinghouse consumer products v.p. J. M. McKibbin . . . Robert L. Klabin, gen. mgr. of General Instrument Co.'s F. W. Sickles div., elected v.p. & gen. mgr. of new Elizabeth div. . . . Ben Z. Kaplan resigns as CBS-Columbia national sales coordinator to become v.p. & gen. mgr. of House of Louis Feder Inc., N. Y. (theatrical costumes) . . . C. M. Granger promoted to Bendix Radio gen. factory mgr. in charge of all mfg. dcpts., replacing H. C. Harr, resigned; Kenneth Brown promoted to TV scrvice mgr., replacing L. D. Shiplett, resigned . . . John V. Deacon promoted to mgr. of adv. & sales promotion, Westinghouse Electric International Co. . . . Ted Martin Jr. gets unspecified special sales assignment for RCA tube div., succeeded as southeastern sales mgr. by Lysle O. Shanafelt . . . J. B. Anger, Motorola sales training mgr.,

appointed asst. sales mgr. for radios, succeeded by George Halsted . . . Ralph C. Seiler, ex-West Coast Electronics Corp., named asst. sales mgr., Triad Transformer Corp., Venice, Cal. . . . Elliott H. Ruttenberg, ex-Raytheon, named price administrator of National Co., Malden, Mass. . . . Herbert B. Nichols, ex-Christian Science Monitor, named mgr. of public information, GE research lab, Schenectady . . . Judson S. Sayre, ex-Avco, RCA & Montgomery Ward, now pres. of Norge div., Borg-Warner Corp.

- 8 -

Robert C. Sprague, Sprague Electric Co., chairman of RETMA, was selected this week to receive RETMA's annual Medal of Honor at convention June 17 in Chicago's Palmer House. Meeting jointly with Canadian RTMA at Niagara Falls, Ont., RETMA board also set up policy committees for guidance on tax and uhf problems, with personnel not yet chosen. RETMA engineering dept. was authorized to set up independent certification laboratory for testing receivers to conform to FCC standards on spurious radiation. GE's Dr. W. R. G. Baker was authorized to report to FCC on those manufacturers who were complying with spurious radiation standards (for full text of standards, see *Television Digest's* Special Report of April 17).

Mort Farr, NARDA chairman & owner of retail appliance stores bearing his name in Upper Darby, Pa., wins Brand Names Foundation's retailer-of-the-year award in electrical appliance store category.

Topics & Trends of TV Trade: New shorter picture tubes, making possible more compact cabinets, will show up in fall lines of some TV makers—including at least one of the top four. The new type 17 & 21-in. tubes, due to be made by all tube makers, use 90-degree deflection angle, as opposed to 70 degrees in current models, and will be 2-3 inches shorter. Current 24 & 27-in. tubes also have 90-degree deflection.

There's nothing like unanimous agreement among set makers as to the role the new tubes will play next fall. All are studying them, but there are disadvantages along with the obvious advantages. Associated components for new tubes will cost somewhat more than for conventional tubes—and, as one big manufacturer said: "The big problem is engineering-wise whether it's good business to change over our production lines to the new circuitry at this time." Corning Glass says it is ready to supply tube makers with production quantities of bulbs for the 90-degree tubes.

\* \* \* \*

Distributor Notes: Admiral establishes Washington factory branch, effective May 10, leasing premises of distributor Mid-Atlantic Appliances, 2046 West Va. Ave. NE; latter will handle Admiral appliance sales to building trades . . . Motorola appoints McClain & Pleasants Inc., Charlotte (Enloe McClain, pres.), replacing Carolina Appliance Co. . . . CBS-Columbia appoints Judson C. Burns, Philadelphia (Charles J. Goodmanson, gen. sales mgr.), replacing S. S. Fretz Jr. Inc.; H. Leff Electric Co., Cleveland (CBS-Columbia) names L. O. Braun major appliance sales mgr. . . . Dorfman Distributing Co., N. Y., relinquishes Raytheon line, new distributor not yet appointed . . . Appliance Wholesalers, Portland, Ore. (Philco) appoints J. R. Keefer appliance sales mgr. . . . Robert L. Rice Co., Portland, Ore. (Crosley-Bendix) appoints Wm. L. Shearer appliance sales mgr., replacing Vincent J. Cooney, resigned . . . Gross Distributors Inc., N. Y. (Stromberg-Carlson) appoints David Stern appliance sales mgr. . . . Zenith-New Jersey appoints John H. Hocter sales mgr., replacing Richard B. Dreazen, resigned.

Color Trends & Briefs: NBC-TV is stepping up color programming schedule little by little, this week announced more summer shows. Most interesting is 13-city tour by mobile unit, starting first or second week of June and running 13 weeks. Goal is to feed Today and Home programs three 10 or 15-min. segments from each city. NBC crew is out now, scouting cities to determine best spots for remotes in each.

Ten of the 13 cities have been disclosed: New York, Chicago, Milwaukee, St. Louis, Cleveland, Dayton, Columbus, Pittsburgh, Baltimore, Washington.

Additional programs, not previously reported, are Ding Dong School across-the-board May 17-21 and Martin Kane May 20.

A substantial increase in summer schedule is in works, should be announced shortly. A big reason for it is grousing of RCA dealers and distributors that paucity of programming makes demonstrations of color sets almost impossible.

Fall series of 90-min. "spectaculars" (Vol. 10:13) gains momentum—but with ultimate weight to be determined by extent of sponsorship. Max Liebman, famed producer of *Show of Shows*, is now assigned 20 of the big shows, and Leland Hayward is set for 13. Plan is to have 3 a month, add a fourth if sold.

\* \* \* \*

Delivery of its first color tube to a distributor—American TV Inc., New Haven—was reported by Raytheon. Tube is 15-in, model 15GP22, built in Quincy plant.

Indicted in alleged \$2,000,000 coin-operated TV swindle April 27 were Preview Television Corp. and United States Sign Corp., Chicago, and American Institute of TV Manufacturers, Washington, along with 14 individuals. The 13-count mail fraud indictment was returned before Chicago Federal grand jury after U.S. attorney Robert Tieken said postal inspectors had received about 400 complaints from alleged victims. Operators of "Preview" scheme, according to indictment, contacted motels and hotels, offering to install coin-operated TV sets with Preview device to give guests 4 minutes of free viewing as inducement to deposit 25¢ to see remainder of half-hour show (Vol. 8:40). U. S. attorneys said that while more than \$2,000,000 worth of franchises and equipment were sold, very few Previewers and sets were delivered, hardly any Previewers worked, and no investor got any return for his money. Preview TV Co. is now bankrupt (Vol. 9:26), as is Transvision Inc., New Rochelle, N. Y., which made Previewer equipment but wasn't involved in indictment (Vol. 9:39, 41). American Institute of TV Manufacturers is organization which set itself up 2 years ago as "new TV trade organization" (Vol. 8:24) and quietly folded up about a year later. It claimed to own Preview patents. Individuals indicted—each facing maximum of 65 years in prison and \$22,000 fine if convicted: Previewer pres. Bruce Hantover, Houston; American Institute pres. Wm. F. Robichaud, Washington; U. S. Sign pres. Nathan James Elliott, Chicago (also known as J. Matt Thompson and reportedly held in New York on another mail fraud count). Also indicted were these former Preview officials and salesmen: Dana J. Maxim, Blanchel A. Murrelle, Earl C. Raphael, Milton G. Severinghaus (onetime Preview pres.), Cyrus Simmons, Lyman B. Jones and Edward C. MacReady, all of Chicago; Eugene R. Flitcraft, Oak Park, Ill.; Dell W. Kettering, Monmouth, Ill.; John Ponsaing, Oakland, Cal.; Herman J. Rodnick, Los Angeles.

Capehart Argentina S.I.A.C. has been formed in Buenos Aires to manufacture TV & radio receivers, phonographs, CR and other tubes, its capital supplied 50% by IT&T and 50% by Argentine industrialists.

RCA's schedule for introduction of color sets between now and May 15, as revised (see story p. 8): May 2—Baltimore, Chicago, Cincinnati, Cleveland, Detroit, Grand Rapids, Huntington & Charleston, W. Va., Kansas City, Milwaukee, New York, Omaha, South Bend, St. Louis. May 3—Houston, Newark, Jersey City, Oklahoma City, Trenton. May 7—Salt Lake City, San Francisco-Oakland. May 9—Boston, Bridgeport, Dallas, Ft. Worth, Harrisburg, Pa., Hartford, Los Angeles, New Haven, Providence, Springfield, Mass., Stamford, Conn., Waterbury, Conn. Dates are still to be set for Johnstown & Lancaster, Pa., Philadelphia-Camden, Tulsa, Wilkes-Barre, Wilmington, Youngstown.

Color kines were shown by NBC-TV for first time when color coordinator Barry Wood demonstrated them to convention of American Women in Radio & TV in Kansas City April 23. They were recorded on 35mm color negative film, prints made by optical reduction onto 16mm color positive film. Quality was termed excellent; drawback is cost.

With daily hour color show (Vol. 10:17), WKY-TV, Oklahoma City, is now carrying more color than all networks combined—and mgr. P. A. Sugg plans to add even more soon. Only other non-network-owned station with live cameras—WBAP-TV, Ft. Worth—is busy installing them, will announce program schedule shortly.

Fourth hospital to get CBS closed-circuit color system is St. Francis, Long Island. Other 3 are Universities of Pennsylvania, Kansas, Chicago. More are scheduled.

Special Report May 1, 1954

## Full Texts of Speeches

# Color Television Appraised by Network Presidents

# Present Status and Immediate Prospects

Symposium Talks by CBS President Frank Stanton and NBC President Sylvester L. Weaver Jr. At Annual Convention of American Assn. of Advertising Agencies, White Sulphur Springs, W. Va., April 23, 1954

## "Now It Looks to Me"

## By FRANK STANTON, President, CBS

THE DRAMATIC VALUES and greater impact of color television are such as to tempt me to repeat what others have already said about this exciting new medium of mass communication. Great as television is today, and I believe it has already demonstrated its amazing powers to inform and entertain, the fact is that we see the world on the end of the picture tube solely in the gray scale of values from black to white. I am told this is also the way a dog sees the world — in only black and white. I don't think this should happen, even to a dog.

With respect to television, at least, we have been living in a dog's world. As a series of printed letters or as an articulated sound on the radio or as a combination of the two on black-&-white television, blue, for example, is nothing more than a word. On the color tube, blue is precisely the blue it is—and the blue you see. Color television wholly eliminates the complex process by which you take a black-&-white image into the dark room of the brain and print the true color picture which the eye actually sees. Thus color television adds speed and clarity, greater impact and more information, to every image. And curiously enough, color adds a lifelike third-dimensional depth quality to television. Putting it another way, color tells more in less space.

You have heard each of the previous speakers present a specific analysis of the component factors involved in color television, namely, the economics of color broadcasting, the problems of programming and production, and the manufacture of tubes and receivers. I have been given the assignment of summarizing the present situation. . . .

#### Key to the Lock Is Color Tube

Right now it looks to me as though it is on dead center. Color television is in a locked-in situation because of the interdependence of the problems of the manufacturer, the broadcaster, and the advertiser.

In my judgment, the key to the lock is the color tube. Insofar as the set is concerned, today's television market is conditioned by two things: size and efficiency of the picture tube and the price of the receiver. Despite the far more compelling aspects of color, it is unrealistic, I think, to expect today's viewer or potential viewer to be satisfied with anything less than these standards in an instrument which sells at a price much higher than he has been accustomed to pay. The receiver manufacturer is clearly alert to this condition, and in the absence of a color picture tube of size and price comparable to the 17 & 21-inch black-&-white tube, he will be slow to get production rolling. Production schedules for color receivers have had to be revised downward pending the development of larger tubes.

It may be interesting to examine why the cost of a color receiver is so high. There are two elements involved.

(Continued on Page 3)

## "The Time to Start Is This Fall"

By SYLVESTER L. WEAVER JR., President, NBC

HIS IS A GREAT occasion, because it is the birth of another revolution. This one is named color television, and most of you know something about it already. At least, some 36 agencies have already held color clinics, and demonstrations, and testing periods with NBC during our introductory year. We have produced with most of you most of the shows on the NBC schedule, from simple ones like Ding Dong School to complex ones like the 90-minute Show of Shows. We have tested and done commercials with something over 200 products advertised on NBC. We have learned that the only difficult thing about color is the black-&-white picture, which most viewers will be watching, and NBC has had long experience in compatible color.

Information about what we have learned is available to all of you... all we know is available to all of you. This includes production experience, designing and costuming and all other staging and lighting lore. It includes all we have learned about kinescoping, film characteristics for color filming needs. I do not wish to waste all of your time with specifics which each of you can get from NBC, nor do I wish to summarize that type of knowledge that we now have.

In the few minutes available, I would like to make you think about color as a new force in television and in selling, because the advertising agencies of our economy have more influence than any other factor in the shaping of its future.

Color in television brings reality to every home, creates a magic door out into the real world and the world of entertainment that is exactly the same as physically viewing the event in person. The power of television, and of color television, is so great that it creates a need for the whole new sense of dedication by all of us concerned with communications in modern society.

Color, and the millions of homes that will add both color and black-&-white television, cannot help but mean increasing costs to use national television.

#### Costs and Changing Advertising Concepts

Five years ago, I stood in this very room to make my first talk to NBC affiliates, having just come from your business—the agency field. I evaluated the future of television from my client and agency experience, essentially as an advertising and marketing man. I told the stations that the patterns which had made them rich in radio broadcasting would fail in television, that they must unlearn their broadcast ritual if they were to develop television properly, for television was a communications instrument more important to mankind than the invention of type.

This morning we again have a new force in our hands—color television. But my 1949 questions and answers are good again for color television. These were the principal 1949 Greenbrier questions and I quote:

(Continued on Next Page)

## Weaver—(Continued)

"First, how are our smaller clients going to afford to enter, and all our clients afford to stay in, television? How many advertisers are there who can pick up a tab for several million dollars on one advertising operation?

"Next, how can the small advertiser get into attractive, glamorous nighttime television that will reach virtually everyone with a set and their thirsty friends?

"How can we take the circulation risk out of television for agencies and clients? It was bad enough in radio to lay an egg, and have to settle for an under ten rating with a high cost show, but how can our backers survive the much higher cost of picking up a neat 2 Nielsen in television?"

Will not the cost rise for color and more circulation necessarily continue the pattern that has served so many so well in black-&-white television? Will not the insert-type programs, like *Today* and *Home*, be more attractive to more buyers? Is it not obvious that costs will rule out the alternate week sponsorship device for a whole category of budgets just as black-&-white TV costs ruled out the radio pattern of single sponsorships?

## The Facts of Economic Life

And these changes are not being forced on the medium, except by the facts of economic life. If you want a great national television service, its costs must be broadly distributed, and the programming must be sold in a way that responds to the many different needs of the many different advertisers. This need not rule out program sponsorship for the big companies who can divide up the time among their own products, but it does mean that the network must serve the same role for smaller advertisers. All-night speculators, 5-second billboards, 365-day continuity, oncea-year explosion—you name it and we'll have it, in color.

The reason this subject is vital to you is simple. It is true today, and will be truer in the future with color, that the television campaign of an advertiser will determine his share of market in television homes. The so-called magazine concept merely means that one does not sponsor one program with all one's funds, but spends for those values one needs—whether personal selling, blue chip association, highly visible advertising, tremendous frequency, or tremendous conversation-piece quality. Whatever an advertiser wants for his program, that he can get on a national basis in color from NBC, no matter how big or how small his budget.

From my first days at NBC, as my 1949 questions indicated, we built advertising values aimed at the whole range of national advertisers, even though we set up discounts and other incentives to make the big advertisers as happy in television as in radio. We also built an operation in which no time would be sold in the old radio franchise sense, because we knew that programming had to be a far more incisive factor than in radio, for the simple reason that the great facilities advantages of 50-kw clear channels did not exist.

All major shows on NBC were multiple sponsored, the key pivots of the program schedule which reassured NBC program leadership.

## Color on a National Basis

We started at NBC on the basis that any national advertiser should be our potential client, that we should devise patterns to take care of any and all advertising needs. We started also on the basis that every human being was our viewer, and that in addition to finding hits in the great entertainment categories of drama and comedy and extravaganza, etc., and in news and information shows, we should devise special television attractions to offer inducements for non-viewers to view.

Because all advertisers must have it, and because it is equitable that they do have it, color television on a national basis will be available to them.

Because it is vital that the power and influence of tele-

vision be extended to our society, in all its segments, and with all its varied interests, so color television will be developed in a form that enables a network to offer program innovation, specialized programming and right-of-way scheduling. Only thus can we be sure that the instrument is not depressed to a toy status, a feeder of pale carbon copies, offensive to no one, and fighting for the larger share of the sets which a half of our people surrender themselves to, moving from channel to channel to find escape.

## Advice to Advertisers: Be Ready This Fall

When it comes to color television, this year, I have this counsel:

First, the color television campaign will determine the share of market of most consumer goods in color television homes and this will start within this coming year. To those companies which need effective advertising to survive—all package goods trademark brand items—I say the time to start color television is this fall. And the place to get the money is from management as extra money to insure that the company learns how to use the most vital new force in its history, and at once.

Second, if you have any clients whose success is largely dependent on the elan and spirit of its selling, dealer and distributor organization, then color television can make new leaders before the year is out. For even the few thousand sets now coming into the market are still enough to permit dealer color television demonstration meetings, and prospect color television parties, and other obvious demonstrations. This kind of color power to sell goods NOW is part of the broader power of color as the new thing, the new-talked-about, exciting, all-interest-focusing conversation piece of the American scene.

There are many companies who will need color because they are expected to lead and they must lead; and therefore they must be in color or suffer grave loss of standing and prestige within their own trade groups. There are many more companies who will see in color a way to excite their own overall organizations . . . to give them a chance at leadership which may have slipped out of their hands.

#### "Go to Color With Present Shows"

So, I recommend that all major advertisers go to color with their present shows if they can get the facilities, this fall, to learn and to insure their prestige as leaders. And I recommend using new selling punch right now—selling with color even before color is a circulation factor—for those with new programming developed especially for color, and for the promotion possibilities of such special programming.

We hope to have at least one such program a week from NBC, programmed on a once-a-month basis, replacing regular programming on a right-of-way premise.

Television is too great and too powerful to be shackled with chains of custom and usage from radio. We must serve all segments and all interests in our population, and there must be an overall program control that makes the rules in the interest of public service and all-segment population service. This is the business of the networks. If our service dwindles, you will use less of it, or pay less for it. That's the end of your responsibility. If we cater to the heavy viewers with a flood of trivia, as accused in some quarters, we cannot look to you, or to the advertisers large or small, for your jobs are rightly defined by your interest—the sale of the goods and services of your clients. It is not for you to take the blame if the mission of television is reduced from revolutionizing the individual's understanding of his world, as I believe color television should hold as its mission, to becoming a living room toy to keep the kids quiet.

The kind of programming we will do in color this fall will sell color sets just as our program innovations in 1949 and 1950 sold black-&-white sets. Color is here to stay, and it's very much later than you think.

## Stanton—(Continued)

The first is the higher cost always encountered with the development of a new product. New types of components are required and these must be expensive until they are produced in great quantities.

The second expense factor is the inherent complexity of the circuits involved in color television. The black-&white broadcast standards set up by the Federal Communications Commission were designed for the most efficient possible use of the limited spectrum space required by the type of information to be transmitted—namely, the black-&-white signal. In order to provide a color signal, it was necessary to fit and squeeze additional information into the nooks and crannies of the standard black and white signal in such a way as not to disturb reception on black-&-white sets. This great engineering achievement was accomplished at the expense of adding considerable complexity to the circuitry. As a result, we now have a color television system capable of delivering an excellent color picture that can be received in color on color sets and in black-&-white on ordinary receivers; but the equipment, both transmitting and receiving, is complex and expensive.

Present color sets require a minimum of 35 tubes compared with about 20 tubes for black-&-white sets. The color set also involves twice as much hand work in assembly, and uses components, some of which cost ten times as much as their black-&-white counterparts. However, the history of black-&-white television affords an encouraging example of the possibility of simplification of circuitry and the reduction in the cost of the components. Once the initial hurdle of consumer acceptance is overcome, we shall be well on the way to a reduction of the costs of television receivers.

#### Present Hogtie: Few Sets, Limited Programming

In the absence of a substantial set population, the broadcaster finds it practical to undertake only limited programming. And finally, for the same reason the advertiser who is primarily interested in circulation is reluctant to experiment with color television advertising.

This essentially is the nature of the present hogtie, with each group looking to the other to loosen it. Although I have indicated that, in my opinion, the development of a satisfactory picture tube lies at the heart of the problem, I should say that there are presently in the process of development and production various tubes which, according to their proponents, promise to fulfill the necessary conditions of size, performance and price. I can tell you of at least one such tube—the CBS-Colortron "205"—so named because its picture area is 205 sq. in. This is contrasted with the 99-sq.-in. picture area of the color sets now being offered commercially. Because of the simplicity of construction of the "205," it offers not only a larger picture than has been commercially available up to now, but also presents the opportunity for more economic production.

I am persuaded that the commercial availability of the CBS-Colortron "205" in large numbers in the second half of this year will get the production of color sets off dead center and initiate the process of consumer acceptance and cost reduction that will rapidly lead to mass output. The importance of the "205" is that it is superior in performance and economy of construction to other tubes potentially available this year.

With our new CBS-Hytron picture tube plant at Kalamazoo nearing completion, we are in an excellent position to proceed on large scale manufacture of color picture tubes. That plant will be the world's most modern facility for the production of picture tubes, both color and black-&-white. It will double our picture tube production capacity.

However, I would like to emphasize at this point that in holding out the merits of the CBS-Colortron "205," I do not wish to imply that we will not go along with any other tube that fulfills the requirements of size, picture

quality and price. Our relationship to the problem of the color tube is the same as our relationship was to the problem of a satisfactory color television system. CBS' fundamental position, stated publicly in 1949, toward a color television system was that we would "support any system which best suits the problem, no matter by whom invented, no matter by whom suggested." This position applies equally to the color tube.

#### Uncertainty Among Manufacturers

At the same time, the mere appearance of such a tube is not sufficient in itself to enable the set manufacturer to go full steam ahead. What is primarily required is the settlement of the question facing the manufacturer as to which tube will be generally adopted by the industry. At this moment the leading tube manufacturers, including our own tube division as I have indicated, are engaged in the development and production of picture tubes holding out this promise. It is therefore understandable, I think, that a certain degree of confusion should exist among the receiver manufacturers concerning which of these tubes they should commit their investment to. Nor should we minimize the cost of this investment to the set manufacturer. Tooling-up and getting production started on a mass level can run to several millions of dollars.

The uncertainty which receiver manufacturers face was articulated recently by Dr. W. R. G. Baker, chairman of the National Television System Committee, who declared: "If the proponent of each type of tube takes the position that he can lead the industry out of the wilderness of confusion, then perhaps we have too many leaders . . . A half dozen or more manufacturers are well on the way in developing other tubes using different principles or variations, each claiming points of superiority in performance or cost. The net result is a 'technological dilemma,' with corresponding confusion among the set makers as to which way to head their future set design."

A variant of this reaction was expressed by William Balderston, president of the Philco Corp., who stated that before mass production can be achieved in color television, a vastly simplified color tube eliminating complicated internal assembly has to be developed. As contrasted with Dr. Baker, Mr. Balderston suggested that there were at the present time no leaders in the field rather than too many, and went on to predict his confidence in the ultimate development of the type of color tube he had in mind.

#### Color Needs Coordinated Industry

The major implication that flows from these circumstances seems to me obvious. Once a tube is developed which satisfies the criteria of size, efficiency and price, there is a clear need for coordinated action among the different branches of industry involved if further deadlocks in color television are to be avoided. This cooperative action is mandatory if only out of self-interest, since it is these three groups—the set manufacturer, the broadcaster and the advertiser—who have the largest stake in the tremendous potential which color television affords.

Once the manufacturers are in a position to produce sets, it is of the utmost importance for them to get together on a comprehensive campaign to promote the sale of color television receivers. We know that there is a tremendous public interest in color television. The explosive growth of black-&-white television speaks for the public's appetite for television per se. And the public has been pre-sold on color for a long time through the movies, through photography, through the 4-color content of magazines, which all reflect the world of color in which we live.

Selling color television to the public, as you well know, not only involves telling them about it through advertising messages, but actually demonstrating it to them through programs. This is where the broadcaster must come in and expand his production and programming

(Continued on Next Page)

efforts. I would think such an effort would look forward in the near future to an over-all color schedule which would provide an even distribution of color programs throughout the week.

This programming would include both daytime and nighttime broadcasts scheduled in such a manner as to minimize duplication in order to achieve the maximum possible audience for each color program. The existence of such a schedule should be of great benefit not only to the consumer, but to the dealer and service man as well. It should give considerable momentum to public interest in color and provide reassurance to the agencies and advertisers that color is being launched in the most systematic and effective manner.

It is clearly to the advertiser's long-term interest to supplement the efforts of the manufacturer and broadcaster during this transitional period by getting his programs into color wherever and whenever possible. Even now, the advertiser's interest will be served by the lead in knowledge and skills to be gained through such participation. The time is rapidly approaching when a substantial competitive advantage will attach to getting into color television early.

#### Burden on the Broadcasters

I recognize that for the present the main burden of color programming must fall on the shoulders of the broadcaster. The heads of the two leading television networks have already outlined their plans for spear-heading this exciting new service. By fall of this year, over 100 stations will be equipped and ready to carry these programs. I also recognize that my proposal for coordinated action on the part of the set manufacturers does not resolve the fundamental problem of producing a type of color tube which will earn the support of a substantial part of the industry. I believe this is still the primary knot that has to be untied. Precisely how much longer it will take to untie it I am unable to say, but I suspect it will be sooner than most people think.

In short, this is how it looks to me: we have gone through a long and expensive period of technological development and have brought out of the laboratories a workable television system capable of delivering color pictures of exceptional quality, while still permitting 30,000,000 sets now in the homes of the American people to receive a high quality black-&-white picture. And I am particularly proud of the hand CBS has had in this joint achievement.

This development has opened the way to the greatest and most revealing medium of entertainment and information the world has known—a prospect which in turn leads to what Jack Van Volkenburg has previously described as "the ultimate in advertising value."

Let me say categorically that there is no doubt in my mind that the time will come when all television will be in color. I have been asked to give you a timetable for its arrival. I regret to say there is no timetable, since there is no inexorable rate of progression toward the moment that I regard as certain. You don't invent by the clock or calendar.

The history of invention reveals that for those developments which have had broad social importance. two stages can be recognized. The first, or laboratory stage, includes that group of inventions which enable the machine to function. The second, or commercial stage, involves that group of inventions which transforms the machine from its primitive, rudimentary form into an efficient, high-performance, and universally employed device.

The automobile is an example of this type of evolution. The first, or laboratory stage at the turn of the century, brought forth an internal combustion engine installed in a buggy. Today the automobile is still an engine and a buggy, but with certain notable differences—the pneumatic tire, the four-cycle engine, the self-starter, the shockabsorber, the geared or hydraulic drive, and the automatic transmission. All of these differences emerged during the second, or commercial stage of development.

It is well to remember that color television is right now only on its way out of the laboratory. It has probably been carried farther in the laboratory than any invention of comparable significance. It can now be expected to enter the same process of improvement and cost reduction that has historically characterized such devices as the automobile and radio after they entered the commercial stage.

#### Commercialization Apace With Improvement

It is for these reasons, therefore, that I have emphasized the necessity for coordinated activity on the part of the various branches of the television industry. For it is through the interaction of these forces—the commercial as well as the technological—that color television can reach its full maturity. And by its full maturity, I mean its maturity as an electronic mechanism, as a medium of entertainment, information and commerce, and as an essential feature in the life of the family.

As I have previously said, because the universal adoption of color television by the American public still awaits further technical development there is a natural human tendency to suspend action until perfection is achieved. This implies a misunderstanding of the process of technical improvement. At this stage this process becomes concurrent with the commercialization of color television. The one feeds upon the other. And as commercialization emerges the process of technological improvement becomes self-propelling.

We cannot expect to bring forth color television in its ultimate stage of perfection at one fell swoop, like Athena sprung full-grown from the forehead of Jupiter. What we can hope for, and what we are on the threshold of achieving, is a degree of performance and reliability that makes the widespread acceptance of color television inescapable. The acceleration of this end-result is likewise inevitable if only because of the inherent appetite of the public for color television, the technical probability of satisfying that appetite, and the contribution which color television will make to our national economy.

Electronics Reports: Another offspring of the transistor, a "solar battery," has made its debut, introduced by Bell Labs, originator of the transistor. New device is extremely simple looking—consisting of thin strips of silicon measuring about 3-in. by ½-in. Operation is simple, too: shine any light source on it and electric current begins to flow.

Bell Labs officials wouldn't predict when, if ever, solar batteries would be useful for the home. However, they'll soon be employed usefully with transistorized phone system in Americus, Ga. (Vol. 10:11), may eventually be used with low-power mobile transmitters and receivers. They were demonstrated powering tiny 100-mc FM transmitter.

Unit demonstrated at Murray Hill, N. J. labs and at Washington's National Academy of Sciences had 10 silicon strips. Rate of power delivery is about 50 watts per sq. yd. of silicon surface. Bell engineers state battery with area equivalent to roof of average house could probably supply enough electricity for the home.

Disadvantage of solar battery is its dependence on sunlight. It's expected, however, that it will be employed economically for some purposes in conjunction with storage batteries and other conventional sources of current.

Battery converts 6% of light energy into current, is believed to have potential of 10%—figures which compare favorably with efficiency of gas and steam engines. Previous photoelectric devices achieved up to 1%.

Heart of Bell's contribution is development of gas diffusion technique for introducing exact amounts of impurities, such as boron, into surface of silicon wafers.

At this stage of development, device produces several million times as much current as does RCA's "atomic battery" which develops one-millionth of a watt (Vol. 10:5). Another difference is that the RCA battery has a "half life" of 20 years (i.e., loses half its power in 20 years of use) whereas life of Bell battery has no predictable limit. An obvious advantage of the "atomic" approach is that it would be round-the-clock, independent of sunlight.

Radar-Radio Industries of Chicago Inc., association formed during World War II and reactivated during Korean war for liaison between govt. agencies and Chicago area electronics makers, goes on "standby" basis. Leslie Muter continues as president, and group's directors will serve as "emergency committee."

Raytheon's new \$2,000,000 electronics lab at Bedford, Mass., for advanced development of military equipment, was formally opened this week.

Westinghouse closes Sunbury, Pa. TV-radio assembly plant Aug. 27, all production now consolidated at Metuchen, N. J.

Sylvania Electric (Canada) Ltd. starts TV production May 15 in temporary quarters at Dunnville, Ont. pending completion of 60,000-sq. ft. factory there about Aug. 1.

Armed Forces Communications Assn. convention will be held in Washington, May 6-8.

Even while DuMont was hailing new 3-gun color tube (see p. 2), Zenith pres. E. F. McDonald was telling annual stockholders meeting in Chicago that 3-gun tube is a "Rube Goldberg contraption" and that Zenith would wait for 1-gun tube before offering color sets to public. McDonald said RCA is "attempting to strong-arm the introduction of color" quickly because it's having trouble signing up manufacturers for patent renewals. This week, RCA distributed brochure designed to emphasize importance of its patents, listing specific ones of significance to tubes, radio receivers, monochrome & color picture tubes and receivers, transistors, transmitters, etc. RCA and Zenith have been litigating since 1948 over latter's refusal to pay patent royalties.

Financial & Trade Noies: Zenith Radio reports first-quarter profit and sales way down from comparable period of 1953, pres. E. F. McDonald blaming "narrow margins" on low-priced TVs. He said he hoped fall prices will become "firmer" and demand for higher-priced TVs & radios will increase. Earnings were \$827,521 (\$1.68 a share) on sales of \$29,335,190, compared to \$2,109,461 (\$4.28) on \$47,898,773 in first quarter of 1953 and \$1,083,242 (\$2.20) on \$25,755,332 in 1952. For all of 1953, Zenith profit was \$5,631,701 (\$11.44) on record sales of \$166,733,276 (Vol. 10:12). At annual stockholders meeting, gen. counsel Joseph S. Wright was elected director, succeeding late Irving Herriott.

Standard Coil Products Co. reports 1953 sales of \$89,-270,964, new record, and net profit of \$2,972,481 (\$2.02 a share on 1,470,000 shares of common) after \$4,790,000 income and excess profits taxes. This compares with \$65,-990,177 sales, \$2,861,290 (\$1.95) net profit, \$4,275,000 taxes in 1952. Production of TV tuners last year totaled 2,900,000 units, annual report claiming more than 40% of sets-in-use now utilize Standard Coil tuner. Backlog of orders at end of 1953 totaled \$39,200,000.

Hoffman Radio reports net profit of \$470,238 (81¢ a share) on record sales of \$14,147,572 in first quarter, compared to \$476,647 (82¢) on \$13,849,974 in first quarter of 1953. Pres. H. L. Hoffman noted that dollar value of TV deliveries in first quarter was 11% below year ago, though unit sales showed virtually no decline. He said first color sets, being shipped this month, are for display purposes only.

Olympic Radio reports profit of \$58,072 (13¢ per share) on sales of \$4,860,015 in first quarter of 1954. Company didn't issue quarterly reports last year but profit in first 6 months of 1953 was \$21,115 (5¢) on sales of \$7,628,352. Pres. Morris Sobin attributed improvement to more stabilized market, concentration on lower-priced TVs, expansion of radio & air conditioner production.

Packard-Bell reports sharp decline in profit & sales for 6 months ended March 31—earnings being \$328,647 (48¢ a share on 688,000 common shares outstanding) on sales of \$11,118,097, compared to \$965,748 (\$1.64 on 588,000 shares) on sales of \$19,467,477 in comparable period year ago. Regular 25¢ quarterly dividend was omitted.

General Precision Equipment Corp. reports first-quarter profit of \$1,055,648 (\$1.48 a share on 653,591 common shares outstanding) on sales of \$23,489,132, compared to \$664,910 (\$1.01 on 646,087 shares) on \$20,116,987 in first quarter of 1953.

P. R. Mallory & Co. reports net income of \$390,998 ( $50\phi$  a share) on sales of \$14,664,955 in first quarter, compared to \$907,588 (\$1.49) on \$19,479,600 in first 1953 quarter.

Webster-Chicago Corp. reports profit of \$205,945 (41¢ a share) on sales of \$6,899,586 in first quarter, compared to \$184,773 (37¢) on \$6,945,058 in same 1953 period.

Erie Resistor Corp. reports net income of \$595,511 (\$2.02 a share) on sales of \$12,845,735 in 1953, compared to \$450,333 (\$1.02) on \$10,750,936 in 1952.

Clarostat Mfg. Co. net income for 1953 was \$247,555 (59¢ a share) vs. \$235,282 (56¢) in 1952.

Dividends: Zenith Radio,  $50 \, \phi$  payable June 30 to stockholders of record June 11; Magnavox,  $37 \frac{1}{2} \, \phi$  payable June 15 to holders May 25; P. R. Mallory,  $50 \, \phi$  June 10 to holders May 19; Standard Coil Products Co.,  $25 \, \phi$  May 18 to holders May 5; Servomechanisms,  $10 \, \phi$  May 17 to holders May 3; Howard W. Sams & Co.,  $10 \, \phi$  May 10 to holders April 29; Westinghouse,  $50 \, \phi$  June 1 to holders May 10; Stewart-Warner,  $40 \, \phi$  June 14 to holders June 5; Aircraft Radio,  $10 \, \phi$  May 24 to holders May 7.

## Network TV-Radio Billings

March 1954 and January-March 1954
(For February report see Television Digest, Vol. 10:14)

IRST QUARTER network TV billings jumped to record \$74,455,976 from \$51,638,178 same 3 months of 1952, reports Publishers Information Bureau. Network radio dropped slightly—from \$41,202,026 in 1952 period to \$39,412,522 in 1953.

In TV, CBS retains its lead, having edged out NBC in March as in preceding 2 months of this year. Its March billings were \$11,379,631 vs. NBC's \$11,058,748, ABC's \$2,696,244, DuMont's \$1,185,586—total of \$26,320,209 comparing with \$18,521,246 in 1953. For quarter, CBS total is \$32,058,441 vs. NBC's \$30,678,994, ABC's \$7,979,190, DuMont's \$3,739,351.

In radio, only MBS showed March ahead of 1953—but declines of others were slight. CBS continued lead, with \$5,471,773. For quarter, the 4 radio networks were down from \$14,662,394 in 1953 to \$13,907,103 in 1954. The full PIB report:

#### NETWORK TELEVISION

NBC			March 195 <b>4</b>	March 1953	JanMar. 1954	JanMar. 1953
Total \$26,320,209 \$18,521,246 \$74,455,976 \$51,638,176  NETWORK RADIO  CBS \$5,471,773 \$5,527,290 \$15,402,702 \$15,355,277  NBC 3,639,278 4,342,082 10,208,000 12,416,239  ABC 2,764,547 2,797,544 8,089,938 8,010,829  MBS 2,031,505 1,995,478 5,711,882 5,419,689  Total \$13,907,103 \$14,662,394 \$39,412,522 \$41,202,026  NETWORK TELEVISION—January-March 1954  ABC CBS DuMont NBC Total  Jan. \$2,780,574 \$10,713,329 \$1,445,608 \$10,116,937 \$25,056,448  Feb. 2,502,372 9,965,481 1,108,157* 9,503,309 23,079,3199  Mar. 2,696,244 11,379,631 1,185,586 11,058,748 26,320,209  Tot. \$7,979,190 \$32,058,441 \$3,739,351 \$30,678,994 \$74,455,976  NETWORK RADIO—January-March 1954  ABC CBS MBS NBC Total	NBC ABC		11,058,74 2,696,24	8 7,998,13 4 1,728,446	30,678,994 7,979,190	\$21,445,060 22,478,798 4,814,370
CBS						\$51,638,178
NBC			NETWO	ORK RADIO		
NETWORK TELEVISION—January-March 1954  ABC CBS DuMont NBC Total  Jan. \$2,780,574 \$10,713,329 \$1,445,608 \$10,116,937 \$25,056,448  Feb. 2,502,372 9,965,481 1,108,157* 9,503,309 23,079,319  Mar. 2,696,244 11,379,631 1,185,586 11,058,748 26,320,209  Tot. \$7,979,190 \$32,058,441 \$3,739,351 \$30,678,994 \$74,455,976  NETWORK RADIO—January-March 1954  ABC CBS MBS NBC Total	NBC ABC			8 4,342,082 7 2,797,544	10,208,000 8,089,938	\$15,355,271 12,416,239 8,010,829 5,419,687
ABC CBS DuMont NBC Total  Jan. \$2,780,574 \$10,713,329 \$1,445,608 \$10,116,937 \$25,056,448  Feb. 2,502,372 9,965,481 1,108,157* 9,503,309 23,079,319*  Mar. 2,696,244 11,379,631 1,185,586 11,058,748 26,320,209  Tot. \$7,979,190 \$32,058,441 \$3,739,351 \$30,678,994 \$74,455,976  NETWORK RADIO—January-March 1954  ABC CBS MBS NBC Total	,	Total	\$13,907,10	3 \$14,662,394	\$39,412,522	\$41,202,026
ABC CBS DuMont NBC Total  Jan. \$2,780,574 \$10,713,329 \$1,445,608 \$10,116,937 \$25,056,448  Feb. 2,502,372 9,965,481 1,108,157* 9,503,309 23,079,319*  Mar. 2,696,244 11,379,631 1,185,586 11,058,748 26,320,209  Tot. \$7,979,190 \$32,058,441 \$3,739,351 \$30,678,994 \$74,455,976  NETWORK RADIO—January-March 1954  ABC CBS MBS NBC Total		NETWO	ORK TELEVIS	ION—Janua	ry-March 195	4
Feb. 2,502,372 9,965,481 1,108,157* 9,503,309 23,079,319; Mar. 2,696,244 11,379,631 1,185,586 11,058,748 26,320,209  Tot. \$7,979,190 \$32,058,441 \$3,739,351 \$30,678,994 \$74,455,976  NETWORK RADIO—January-March 1954  ABC CBS MBS NBC Total						
NETWORK RADIO—January-March 1954 ABC CBS MBS NBC Total	Feb.	2,502,372	9,965,481	1,108,157*	9,503,309	23,079,319*
ABC CBS MBS NBC Total	Tot	\$7,979,190	\$32,058,441	\$3,739,351	\$30,678,994	\$74,455,976
		NET	WORK RADIO	)—January-	March 1954	
Jan. \$2,830,654 \$ 5,173,757* \$1,896,925* \$ 3,391,873 \$13,293,209		ABC	CBS	MBS	NBC	Total
					3,176,849	\$13,293,209* 12,212,210* 13,907,103

<sup>\*</sup> Revised to April 26, 1954.

\$15,402,702

Tot. \$8,089,938

Television Advertising Bureau being projected as counterpart of highly effective ANPA Bureau of Advertising got 8 more supporters this week, all of whom were immediately added to organizing committee named last week under KTTV's Richard A. Moore, temporary chairman (Vol. 10:17). Purpose is to set up agency for intensive sales, advertising & promotion effort, to devolep new sources of revenue and new sales techniques, to service agencies & advertisers. New members: James H. Bone, WNEM-TV, Saginaw, Mich.; James C. Hanrahan, WEWS, Cleveland; Stanley E. Hubbard, KSTP-TV, St. Paul; Vernon A. Nolte, WHIZ-TV, Zanesville, O.; L. H. Rogers, WSAZ-TV, Huntington, W. Va.; W. D. Rogers, KDUB-TV, Lubbock, Tex.; Henry W. Slavick, WMCT, Memphis; Victor A. Sholis, WHAS-TV, Louisville.

\$5,711,882

\$10,208,000

\$39,412,522

Two applications for New York City's Ch. 31 are out of running, leaving city-owned WNYC free to get grant if it still wants channel. New WNEW owners (Vol. 10:16) have indicated they will drop uhf application, and this week WHOV-TV Inc., formed by Ralph Weil's WOV and Fortune Pope's WHOM, have stated they are pulling out because of "insurmountable" economic problems involved in starting a uhf station in N. Y.

ENATE UHF hearings were postponed this week to May 19-21, while uhf stations' "operation united front" (Vol. 10:16) gained further support from uhf operators. Second postponement, like the first (from Apr. 27 to May 4) was due to length of Army-McCarthy hearings, currently occupying most of the time of subcommittee Chairman Potter (R-Mich.). No further postponement is likely—even if McCarthy dispute drags on beyond May 19.

Two of the 3 groups preparing testimony for uhf hearings got together this week, when Leon Green of KNUZ-TV, Houston, joined UHF Industry Coordinating Committee, headed by Harold Thoms, WISE-TV, Asheville, N. C. (Vol. 10:16-17). Green had previously called meeting of uhf operators in Washington for day before the scheduled hearings.

Coordinating Committee now has some 50 station members, is shooting for at least 75 before start of hearings. This week it engaged economic consultant Melvin Goldberg, onetime exec. secy. of UHF TV Assn., to help prepare testimony—and called mass meeting of uhf operators for May 18 in Washington. UHF TV Assn. still plans to appear before subcommittee as separate entity, though most of its members have joined Coordinating Committee.

Meanwhile, the search for measures to help uhf continues. Beverly Hills (Cal.) attorney Joseph Brenner submitted 4 petitions to FCC: (1) To require networks to have one-third of their affiliates in uhf band after one year, one-half within 2-year period. (2) To authorize subscription TV, for uhf stations only. (3) To permit stereophonic sound transmission, for uhf stations only, by authorizing multiplexing of sound channels. (4) To permit uhf stations to provide music along with test patterns, slides or other unrelated video signals.

FCC this week turned down petition by uhf WITV, Ft. Lauderdale, Fla., to permit it to broadcast audio of McCarthy-Army hearings while carrying test pattern. Comr. Sterling dissented and voted for approval.

**- 1**7 -

Bill to ban newspaper control of TV-radio stations in cities of 100,000 or more (S-3350) was introduced this week by Sen. Johnson (D-Colo.) and referred to communications subcommittee of Senate Commerce Committee. Measure would prohibit TV or radio station ownership by "any person who publishes or has a substantial interest in or exercises control over a newspaper of general circulation published in a city of 100,000 or more population [and by] any corporation of which any of the capital stock is owned of record or voted by a person who publishes or has a substantial interest in or exercises control" over such a newspaper. Its chances of passage are regarded as virtually nil.

Week's only TV application was for Parma-Onondaga, Mich., Ch. 10, by Booth Radio & TV Stations Inc. (John L. Booth, pres. & principal owner), grantee of Battle Creek's WBKZ-TV, which went off air last week (Vol. 10:17), and Saginaw's WSBM-TV, and owner of AM stations in Flint, Detroit & Saginaw. Booth has contracted to buy WIBM, Jackson, Mich., also applicant for Parma Ch. 10. Applications pending now total 256 (40 uhf). [For further details see TV Addenda 18-Q herewith; for complete listings of all grants, new applications, dismissals, hearings, etc., see TV Factbook No. 18, with Addenda to date.]

Deadline for comments on FCC's 5-kw uhf transmitter "floor" proposal (Vol. 10:10-11, 15-17) has been extended from April 16 to May 17, on request of NARTB. Deadline for countercomments is now May 27.

H. Gifford Irion, FCC hearing examiner, is author of a novel titled Windward of Reason, being published by Dial Press May 20.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE FOR MANAGEMENT OF THE VISUAL BROADCASTING AND ALLIED ELECTRONICS ARTS AND INDUSTRY



PUBLISHED WEEKLY BY RADIO NEWS BUREAU, . WYATT BLDG. WASHINGTON 5, D.C. . TELEPHONE STERLING 3-1755 . VOL. 10: No. 19

Merchall and Market

May 8, 1954

In this issue:

Few Now Hurrying; Week's Sole Starter, pp. 1 & 4
First Round of TV Processing Almost Over, page 1
15th Station Off the Air, 72nd CP Returned, page 2
DuMont's Approach to Problems of UHF, page 3
Microwave CP Sparks Community Antennas, page 3

Transmitter Shipments & Upcoming Stations, page 7
Labor and Price Enigmas Worry Trade, page 8-9
Philco Strike Enters Second Week, page 11
Some Patent Licenses Signed—Sarnoff, page 11
Armed Forces TV 'Network' Planned, page 14

FEW NOW HURRYING; WEEK'S SOLE STARTER: Only 41 new stations have gone on air in the 15 weeks of 1954 to date and an even dozen have quit -- and we're now more convinced than ever that 100 for all this year is liberal estimate. In other words, only about 60 more 1954 starters; and no telling how many more giving up the ghost.

Even 60 is stretching prospects a bit, as we see them at this writing, for the simple facts are that (a) very few one-station markets of any size remain; (b) without network affiliations in view, many enterprisers are taking a second longer look; (c) uhf CP holders aren't hurrying -- indeed, more have adopted a wait-&-see policy than are building or have even ordered equipment; (d) the economics of TV, as evidenced by number still in red or quitting, simply do not conduce to low overhead and easy pickings (as in smalltime radio) or getting-rich-quick (as in earlier TV).

The 100 new stations for this year would compare with 231 last year, 17 in 1952 (after midyear lifting of freeze) and 108 pre-freeze. They would come from the 196 commercial & 24 educational CPs presently outstanding plus those the FCC grants rest of year. As of now we count only 252 applications pending, mostly in conflict and many to be dropped -- the residue of a peak of 777 in Dec. 1952. New applications are a rarity nowadays; mergers or dropouts are more commonplace.

Our own carefully kept records show that of the 220 CPs outstanding, only about 80 have reported target dates within the year. Yet only 18 are known to have equipment on hand while 45 have stated they ordered equipment. That would indicate at least 62 building or preparing to build -- but the fact is that 31 are uhf and a mere 5 of these actually have equipment on hand.

List of the CPs reporting 1954 targets will be found on p. 4.

\* \* \*

KGLO-TV, Mason City, Ia. (Ch. 3) was the only new starter this week, bringing total to 384 now on air -- after subtracting 3 more uhf stations (see p. 2) and taking into account merger of 2 halftime stations in Phoenix (see p. 14). KGLO-TV began testing May 5, begins programming May 15 with CBS & DuMont affiliations. It's second outlet in rich farm area, first having been KMMT, Austin, Minn. (Ch. 6), 37 mi. away, which began last July. DuMont 25-kw transmitter and 400-ft. Truscon tower are 15 mi. north of city so as to cover "Golden Triangle Area" formed with Austin & Albert Lea, Minn. Ownership (Lee Radio) interlocks with Mason City Globe-Gazette and KHQA-TV, Hannibal, Mo. Herbert R. Ohrt is exec. v.p. & gen. mgr.; Walter Rothschild, national sales mgr.; Roger Sawyer, chief engineer. Base rate is \$200. Rep is Weed.

FIRST ROUND OF TV PROCESSING ALMOST OVER: The granting of uncontested applications and scheduling of hearings has progressed so far at FCC that mere 32 applications in 9 cities remain to be set for hearing.

The trickle of grants nowadays comes almost solely from hearings that are cut short after competitors drop out, usually after merger agreements. This week's sole CP, Ch. 2 to Murray Carpenter & Associates in Bangor, Me. was achieved that way. The

same goes for <u>initial decision for Ch. 36</u> to Fergum Theatres in <u>Mansfield</u>, <u>0</u>. And another CP is in the works for <u>Ch. 5 in Hastings</u>, <u>Neb.</u> to ex-Sen. Fred Seaton's Seaton Publishing Co. after the dropout of Strand Amusement Co.

Preponderance of applications pending are vhf -- 214 currently on file, compared with mere 38 uhf. Greatest interest is in the fiercely competitive vhf hearings which have been completed and await <u>final decisions</u>. With addition of more experienced attorneys to group preparing decisions -- Office of Opinions & Review -- Commission promises results soon. Major decisions are expected <u>in next few weeks</u>.

The 9 cities to be set for hearings are: Beckley & Bluefield, W.Va., Parma, Mich., San Francisco-Oakland, Boston, Orlando, Toledo, Washington, Los Angeles.

Hassle over hearing procedures, involving how much detail parties must submit in their pre-hearing "points of reliance" (Vol.10:18), was settled by FCC this week when it ruled substantially in favor of contestants and against its Broadcast Bureau, saying that matter will be left to discretion of examiners. Comr. Hennock issued separate concurring opinion stating that decision so relaxes rule that the points of reliance should be abolished altogether.

On allocations front, Commission finally assigned Ch. 21 to Huntington, Ind.; reserved Ch. 5 for education in Weston, W.Va.; substituted Ch. 53 for Ch. 23 in Fitzgerald, Ga. Little or no objection to the proposals had been filed.

15th STATION OFF AIR, 72nd CP RETURNED: You can expect quite a few more of today's 126 uhf stations to leave air next few months -- and perhaps a few more vhf. That is, unless some near-miracle occurs to alter the economic climate around many of them.

We know of a dozen or more uhf stations struggling with fateful decisions -- but we must add hastily that we know of many successful uhf operations. Latter go their way quietly, some even reluctant to tell their "success stories" to upcoming Senate committee hearings. But the limelight now seems to be on "casualties."

Atlantic City's WFPG-TV (Ch. 46), second oldest uhf station, this week became latest casualty, following close on suspension of operations of WTAC-TV, Flint, Mich. (Ch. 16) and KFAZ, Monroe, La. (Ch. 43), both of which went off air May 1.

To date, 15 stations have gone off air or announced they will go off -- 13 of them uhf, 2 vhf -- not counting those which suspended and later returned. Twelve of the 15 left air since March 1, but only 5 surrendered their CPs -- the others hoping to return if conditions become more favorable.

Total of 72 grantees have surrendered CPs since freeze -- 60 uhf, 12 vhf == including the 5 which were on air. Latest to ask cancellation of grant is WCBI-TV, Columbus, Miss., which relinquished Ch. 28 CP to apply for Ch. 4 there.

Atlantic City station decided to give up the ghost after 17-month struggle against inroads of Philadelphia's 3 pre-freeze vhf stations in resort community 56 mi. from Quaker City. WFPG-TV began Dec. 21, 1952 with 4-network interconnection. But pres. Fred Weber says it lost 33 half-hour programs since last summer, the most crushing blow being power increases of his vhf rivals. WFPG-TV signs off May 17.

Flint's WTAC-TV had competition from Detroit's 3 vhf outlets 57 mi. away, and went off air May 1 after losing minimum of \$10,000 a month since it began operation Oct. 28, 1953, according to veteran broadcaster v.p.-gen. mgr. H. Allen Campbell.

Monroe's KFAZ also suspended May 1, gen. mgr. John Ferguson telling FCC it lost "well over \$100,000" since Aug. 11, 1953 debut. KFAZ has petitioned Commission to substitute Ch. 13 for 43 in Monroe, so it can "compete effectively" with local competitor vhf KNOE-TV (Vol. 10:16).

\* \* \* \*

Stations which have left air permanently, relinquishing CPs (in chronological order): WROV-TV, Roanoke, Va. (Ch. 27), July 18, 1953 (station's owners are now in hearing for Roanoke's Ch. 7); WBES-TV, Buffalo, N.Y. (Ch. 59), Dec. 18, 1953; KCTY, Kansas City (Ch. 25), March 1, 1953; WOSH-TV, Oshkosh, Wis. (Ch. 48), March 22, 1954; KRTV, Little Rock, Ark. (Ch. 17), March 31, 1954.

Those which suspended, but still hold CPs (in addition to the 3 reported this week): KFXD-TV, Nampa, Ida. (Ch. 6), Aug. 12, 1953 (station sold and call letters

changed to KTVI, Boise); KFOR-TV, Lincoln, Neb. (Ch. 10), March 13, 1954 (owner John Fetzer planning to switch his KOLN-TV to Ch. 10 and dispose of KOLN-TV's Ch. 12 equipment); WIFE, Dayton, O. (Ch. 22), March 13; WACH, Newport News, Va. (Ch. 33), March 26; KACY, Festus-St. Louis (Ch. 14), April 2; WKLO-TV, Louisville (Ch. 21), April 20; WBKZ-TV, Battle Creek, Mich. (Ch. 64), April 23.

**DuMONT's APPROACH TO PROBLEMS OF UHF:** Greatly dependent on uhf, DuMont Network is likely to make one of most vigorous presentations at Senate hearing now set for May 19-21. This week, Dr. Allen DuMont summed up for us his views on status of uhf and what should be done about it -- a preview of his Senate testimony.

"If uhf isn't taken care of," he said, "we won't have 4 networks." Basic error, he stated, was in FCC's allocation plan which intermixed vhf and uhf channels in same cities. "What could have been accomplished by allocation," he said, "must now be done by regulation. The allocation plan we submitted to FCC in 1949 would have prevented what has happened. The situation has developed just as we warned it would if vhf and uhf weren't separated. However, it's too late to try to change the allocation plan now."

What regulation can now cure the problem? "Since the answer is 90% in programs and in networks," Dr. DuMcnt said, "the FCC should require stations to share the networks equally." A formula should be adopted, he said, whereby no station can carry more than one network in any market with 4 or more stations; at other extreme, stations in one-station markets should be prohibited from carrying any network more than 25% of the time. Two-station and 3-station markets would be in proportion.

<u>DuMont's proposal isn't new</u>. During 1948-52 freeze, FCC began rule-making along those lines, supported by both ABC and DuMont, in attempt to distribute equally among the 4 networks the few stations and limited cable facilities. Opposition was too strong, however, and Commission quietly pigeonholed idea.

Casting about for means of helping uhf, FCC has again been giving thought to the idea. Among many proposals considered, Commission seems to regard this one as about half-way between the impossible (e.g., move everyone to uhf) and the insignificant (e.g., require uhf stations to use 5-kw transmitter as minimum).

"There's too much talk about technical aspects -- about receivers and transmitters," Dr. DuMont said, "but those problems are minor. Programs are the thing." He believes there are 4 basic facts of station-network economic life:

- (1) Networks are essential to all stations, whether vhf or uhf.
- (2) <u>Number of networks is determined by</u> number of stations per city. Top 100 markets can support 4 stations each.
  - (3) Stations must have at least 100,000 population for support.
  - (4) Networks must have "competitive clearances" and 5 stations of their own.

With only 2 strong networks, Dr. DuMont said, competitive situation in other businesses is also affected because <u>CBS and NBC are sold out</u> while <u>ABC and DuMont can't clear</u> sufficient stations. Thus, he stated, sponsors who climbed aboard NBC or CBS at an early date have decided advantage over competitors now seeking TV time. Dr. DuMont said that one advertiser cancelled plans to spend \$40,000 weekly on TV because of inability to get clearance on enough stations.

There's no telling what will come of proposal: It failed to get through FCC when Commission was headed by Wayne Coy and was much more inclined to regulate. On the other hand, there weren't a lot of desperate uhf stations then.

MICROWAVE CP SPARKS COMMUNITY ANTENNAS: Accelerated expansion of community antenna systems was foreshadowed by FCC's action this week in granting specialized microwave to J.E. Belknap & Associates, Poplar Bluff, Mo., to feed TV station signals from Memphis to community systems to be built in Poplar Bluff and Kennett, Mo.

Situation became complicated immediately in Memphis case when city's 2 stations served notice that they wouldn't consent to use of their signals by community systems. In other places, however, where stations regard systems as tools for extending their service areas, Commission's action opens new towns to community systems.

tems -- because microwave can supply adequate signal from long distances, whereas out-of-the-air pickups had been too weak to be useful.

Community operators say they're little concerned with stations' objections. Ever since Belknap first filed with Commission 2 years ago, many have marked time waiting for FCC action, and National Community TV Assn. pushed vigorously for approval. It's expected that applications similar to Belknap's will begin to flow in from now on. At least half dozen are in preparation.

Two systems are now fed by Bell System microwave -- in Casper, Wyo. and Reno, Nev. (Vol.10:3) -- but Belknap's is first to be granted to anyone but Bell. Initially, Belknap proposes to feed one channel, via 2-hop microwave using regular common carrier frequencies in 6000-mc band. Later, it's expected Belknap can get more frequencies to supply more channels simultaneously.

Belknap told FCC its tentative rates are \$2500 per community system per month. It estimates cost of microwave, plus working capital, at \$143,000.

Whether or not Memphis stations can stop Belknap microwave, when built, from serving community systems, is in the laps of the courts -- if stations choose to take it there. Presumably, objections will be made to FCC first. WMCT counsel Paul Segal stated: "Stations can't allow that kind of pirating of programs."

Position taken by Memphis stations is that they have no authority to grant anyone else right to distribute and charge for their programs. Whole matter gets into the never-never land of property rights, union contracts, talent arrangements, etc. -- and there are no clear-cut court rulings as yet.

FCC said that approval would hurt no one, in making the grant, and that no other common carrier had objected to it. It warned against fly-by-nights entering the business, however, by stating:

"The Commission is concerned about the expenditures of the individual members of the <u>public who may purchase TV sets</u> in reliance upon an expectation of continuity of the contemplated service. We deem it our duty to see that these users are assured of such continuity of service for a reasonable period of time sufficient, at least, to guard against an early obsolescence of their sets."

Commission was also cautious about whole question of its authority over systems, noting: "The Commission is not making any express or implied decision as to the existence or extent of any jurisdiction it may have with respect to the installation and operation of any [community TV] systems." FCC approval was unanimous.

ORE CPS for new TV stations will inevitably be granted by FCC—but, as of now, only 78 of the 220 CPs outstanding having reported in response to questionaires that they expect to go on the air sometime during 1954. Yet a checkup with equipment makers shows only 18 of these have transmitter equipment already on hand and only 45 others have reported they have actually placed orders for equipment. Hence our conclusion that

not more than 60 will reach the air during the remainder of the year (see p. 1)—though it's possible this number might increase through more grants to enterprisers really eager to get going, and perhaps a few "sleepers" among the non-reporting grantees. These CP holders have thus far reported 1954 target dates; as usual, we caution you to discount dates given by a month or more and realize that in some cases the stations probably won't ever be built:

WMSL-TV, Decatur, Ala. (Ch. 23). June \*
WSFA-TV, Montgomery, Ala. (Ch. 12). Oct.\*
WSLA, Selma, Ala. (Ch. 8). Nov.-Dec.\*
KHOF, Stockton, Cal. (Ch. 13). July \*
KFXJ-TV, Grand Junctlon, Colo. (Ch. 5).
May \*
WGTH-TV, Hartford, Conn. (Ch. 18). Spring \*
WNLC-TV, New London, Conn. (Ch. 26).
Fall \*
WOBS-TV, Jacksonville, Fla. (Ch. 30). Fall \*
WMIE-TV, Miami, Fla. (Ch. 27). Oct-Nov.\*
WDBO-TV, Orlando, Fla. (Ch. 6). May \*
WJNO-TV, West Palm Beach, Fla. (Ch. 5).
June \*
WQXI-TV, Atlanta, Ga. (Ch. 36). Fall \*
KIFT. Idaho Falls, Ida. (Ch. 8). Fall \*
KISJ, Pocatello, Ida. (Ch. 6). By summer
KWIK-TV, Pocatello, Ida. (Ch. 10). Sept.\*
KLIX-TV, Twin Falls, Ida. (Ch. I1). Aug.\*
WTTW, Chicago, Ill. (Ch. II). Oct.†
WISH-TV, Indianapolis, Ind. (Ch. 10). June \*
WINT, Waterloo, Ind. (Ch. 15). June \*
WANCE-TV, Wichlta, Kan. (Ch. 10). July \*
WNOP-TV, Newport, Ky. (Ch. 74, Cincinnati). Fall
KALB-TV. Alexandria, La. (Ch. 5). Aug.Sept.\*
WERZ, Baton Rouge, La. (Ch. 2). Sept.\*
KPLC-TV, Lake Charles, La. (Ch. 7). July \*

WCKG, New Orleans, La. (Ch. 26). Fall
WCNO-TV, New Orleans, La. (Ch. 32). June \*
WMTW, Poland-Lewlston, Me. (Ch. 8). July \*
WITH-TV, Baltlmore, Md. (Ch. 72). Summer \*
WTLF, Baltlmore, Md. (Ch. 18). Summer \*
WTBO-TV, Cumberland, Md. (Ch. 17). Summer
WBOC-TV, Sallsbury, Md. (Ch. 16). May \*
WGBH-TV, Boston, Mass. (Ch. 2). Oct.\*†
WHEF-TV, Brockton, Mass. (Ch. 62). Fall
WTEV-TV, New Bedford, Mass. (Ch. 28).
June-Aug.\*
WBEC-TV, Pittsfield, Mass. (Ch. 64). Summer \*
WAAB-TV, Worcester, Mass. (Ch. 20). Sept.\*
WBCK-TV, Battle Creek, Mich. (Ch. 58).
Summer \*
WAGE-TV, Marquette, Mich. (Ch. 51). Winter \*
WPBN-TV, Traverse City, Mich. (Ch. 7). May
KFVS-TV, Cape Girardeau, Mo. (Ch. 12). Aug.
KSWM-TV, Joplin, Mo. (Ch. 12). Aug.
KETC, St. Louis, Mo. (Ch. 9). June \*†
KDRO-TV, Sedalla, Mo. (Ch. 6). Summer \*
KGVO-TV, Missoula, Mont. (Ch. 13). June.
WBLD, Bloomingdale-Lake Placid, N. Y. (Ch. 5). Summer \*
WGRB, Buffalo, N. Y. (Ch. 2). June \*
WCNY-TV, Carthage, N. Y. (Ch. 7). Summer \*
WHCU-TV, Ithaca, N. Y. (Ch. 20). Fall
WFRB, Utica, N. Y. (Ch. 19). July

WLOS-TV, Asheville, N. C. (Ch. I3). Aug.\* WUNC-TV, Chapel Hill, N. C. (Ch. 4). Sept.\* WTIK-TV, Durham, N. C. (Ch. 11). Sept.\* WTIK-TV, Gastonia, N. C. (Ch. 11). Sept.\* WNSC-TV, Gastonia, N. C. (Ch. 48). Summer WCOG-TV, Greensboro, N. C. (Ch. 37). Dec.\* WTHT, Wilmington, N. C. (Ch. 3). Aug.\* KXJB-TV, Valley City, N. D. (Ch. 4). July \* WCET, Cincinnati, O. (Ch. 48). June \*† WHK-TV. Cleveland, O. (Ch. 19). Summer WIMA-TV, Lima, O. (Ch. 35). Summer \* KGEO-TV, Enid, Okla. (Ch. 5). June \* KTVX, Muskogee. Okla. (Ch. 5). June \* KTVX, Muskogee. Okla. (Ch. 8). Summer \* WFMZ-TV, Allentown, Pa. (Ch. 67). By summer \* WCMB-TV, Harrisburg, Pa. (Ch. 27). July \* WBTW, Florence, S. C. (Ch. 8). Sept.\* WDXI-TV, Jackson, Tenn. (Ch. 9). July \* WLAC-TV, Nashville, Tenn. (Ch. 9). June \* KVDO, Corpus Christi, Tex. (Ch. 29). Aug.\* KELP-TV. El Paso, Tex. (Ch. 13). June \* KLTV, Tyler, Tex. (Ch. 7). Aug.\* KUTV, Salt Lake City, Utah (Ch. 2). Aug.\* KUTV, Salt Lake City, Utah (Ch. 2). Sept.\* WMVT, Montpelier, Vt. (Ch. 3). Summer \* KUOW-TV, Seattle, Wash. (Ch. 9). Sept.\* WCHS-TV, Charleston, W. Va. (Ch. 8). July \* WKBT, LaCrosse, Wls. (Ch. 8). June \* WMBV-TV. Marinette, Wis. (Ch. 11). July-Sept.\* KFIF, Fairbanks, Alaska (Ch. 2). Spring \*

 $<sup>^{\</sup>circ}$  Equipment reported on hand or ordered.  $\dot{\gamma}$  Educational station.

Telecasting Notes: That profound student of affairs and formulator of public opinion, Walter Winchell, in his newspaper column this week quotes "west coasters" who were "robbed" of the "live" versions of the Army-Mc-Carthy hearings as making these keenly apperceptive observations: "One major network which dropped the show after 2 days (except in editing highspot films) is headed by a General!" "Another major network is headed by a Colonel" . . . But, says Winchell on his own: "ABC, which carries the live drama farce on its basic network to Omaha, has no landlords with high Army or Navy stripes. The main reason the Coast was dropped by ABC: 'Not enough folks get up at 7:30 a.m. to hear or see the thing. And the cost to Los Angeles (ABC alone) was \$8000 daily, just for the cable over the mountains. This does not include cost of crews, etc."... For more on Army-McCarthy telecasts, see below . . . Reasons stated by NBC Chairman Sarnoff in refusing to accept oilman H. L. Hunt-underwritten Facts Forum: "The NBC has consistently maintained the policy of retaining supervision and responsibility for the production of all programs of news, news analysis and commentary broadcasts over its facilities" ... "Lack of vision, not television" was blamed for declining business in nation's taverns by Continental Distilling Corp. v.p. R. Robert Smith, addressing recent convention of National Licensed Beverage Assn. He assailed tendency to blame troubles on TV, and National Distillers Corp. v.p. B. C. Ohlandt suggested: "You can't ignore [TV] but you can fight it [by offering] your customers a counter-attraction to win their patronage back" just as the movie industry is trying to combat inroads of TV with new techniques . . . But bar owner in Philadelphia is quoted in Wall Street Journal May 5: "TV hurts us; it takes people's minds off their drinking." He was contrasted with Dallas barman who said "we're selling more beer" as result of noonday crowds coming to watch Army-McCarthy hearings . . . Nielsen reports TV viewing up to 5 hours, 46 minutes daily in U. S. homes in Sept.-Jan. survey period. Radio listening in TV homes: 1 hour, 46 minutes daily . . . More surveys: National Nielsen ratings rank CBS-TV's I Love Lucy No. 1, NBC-TV Dragnet No. 2 for 2 weeks ending April 10, reaching 16,304,000 & 15,321,000 homes, respectively. But American Research Bureau's April report rates Dragnet at top, Lucy second . . . New WHO-TV, Des Moines, which began operating April 15 claims (with probable justification) that it's first station ever to operate on 18-hour-a-day schedule from very start . . . WMT-TV, Cedar Rapids, raises base hour from \$300 to \$400, min. from \$60 to \$80.

Maybe McCarthy-Army hearings aren't "another Kefauver"-maybe the endless wrangling and quibbling is quite dull compared to the grilling of Greasy Thumb Guzik and Frank Costello-but nevertheless a substantial portion of public is watching intently, and audience seems to be growing. After sagging last week, Trendex ratings for the live hearings (on ABC-TV & DuMont) rose to 10.4 in New York for Tues. & Wed. sessions, with city's daytime TV audience more than 50% bigger than normal. In Washington, where WMAL-TV reinstated live coverage after dropping it temporarily last week, Tue. afternoon session got Trendex rating of 17.9, Wed. morning 11.9. Because only ABC & DuMont are carrying live hearings (east of Omaha only), they're exclusively on uhf stations in some citics, and trade reports indicate conversions are getting healthy boost. Meanwhile, as all other steps to speed up hearings failed, Scnate committee members this week explored possibility of curtailing TV coverage. Most of them agreed this would cut out much of the speechmaking and politicking, but none would go on record as favoring restrictions on live TV.

- 🛛 -

Personal Notes: Richard W. Miller appointed asst. v.p., AT&T Long Lines Dept., handling revenues and regulatory matters . . . John W. Davis, mgr. of Chicago office of Blair-TV Inc., elected v.p. . . . Albert G. Hartigan, from Ted Steele Show, appointed asst. program mgr., WPIX, N. Y. ... Don L. Chapin, ex-WLW & WKRC-TV, Cincinnati, appointed director of national sales of Tri-State Nctwork comprising WKRC-TV; WHIO-TV, Dayton; WTVN, Columbus-with headquarters in N. Y. . . . Joe Fisher, ex-ABC Chicago & Free & Peters, on May 17 joins upcoming KHOF, Stockton, Cal. (Ch. 13), as sales mgr.; station is due on air in July, is controlled by H. Leslie Hoffman, the TV-radio manufacturer, has A. E. Joscelyn as operations mgr. . . . Howard W. Maschmeier, ex-gen. mgr. of WPTR, Albany, named exec. asst. to Roger W. Clipp, gen. mgr., WFIL-TV & WFIL, Philadelphia . . . Bert Hauser, Mutual v.p. in charge of cooperative program dept., also heads new development div. for exploring new fields of subsidiary rights & activities of TV-radio properties . . . Don Rosenquest, ex-CBS-TV Hollywood, named operations & traffic mgr., KNXT, Los Angeles, replacing George Faust . . . Harry B. Shaw, sales mgr. of WSJS-TV, Winston-Salem, elected chairman of management board for TV-radio and associated Gordon Gray newspapers . . . Robert Rierson promoted from radio WBT to program-production director of upcoming WBTW, Florence, S. C. (Ch. 8) . . . J. Elroy McCaw elected pres., Washington State Broadcasters Assn. . . . Charles M. Kebbe, ex-NBC, appointed TV-radio casting director, Ted Bates & Co. . . . Jerry Lee resigns as commercial mgr. of KBTV, Denver, to join KABC-TV, Los Angeles . . . Norman Mathews, TV-radio commercial production mgr. of Dancer-Fitzgerald-Sample Inc., named v.p.

Edward Lamb intensified fight against allegations that he falsely denied alleged past pro-communist affiliations (Vol. 10:13, 15) by taking ads in newspapers and magazines, offering \$10,000 to anyone—"whether stooges or unscrupulous competitiors, persons on or off a government payroll"-who can prove he made any such false statements. At stake are his licenses for TV station WICU, Erie, and several AM stations. FCC had sent Lamb letter informing him license renewal couldn't be made because of the allegations and that hearing appeared necessary. Lamb answered with detailed denial, now waits for Commission to schedule hearing or drop case. Ad reads, in part: "We all realize that in these troubled days, there is abroad in our beloved land a growing list of persons who may be induced to bear false witness against their neighbors. These character assassins, informers, professional witnesses, purveyors of evil, all seem to function best when financial rewards are dangled before them." Lamb's counsel and exec. v.p., former Attorney General J. Howard McGrath, issued statement suggesting that "legal action" may be started against "certain persons on the FCC" if it refuses to identify the "anonymous accusers" or to give Lamb public hearing. At FCC, there's perceptible reluctance to talk about case or indicate when hearing may be held; it's understood proceeding has been sparked by Comr. Doerfer.

– f3 –

Emblem for 30 years service with FCC and its predecessors will be awarded Comr. George Sterling at presentation May 10 by chairman Hyde. Three staff members will also get 30-year pins (James A. Pearson, Kenneth G. Clark, Anna L. Poloske) while 41 will receive 10-year pins.

Wm. D. L. Starbuck, 68, who served on old Federal Radio Commission from 1929-34, died at his home in New York May 2. He had been practicing patent law since he failed of reappointment when President Roosevelt set up FCC in 1934.

Melwork Accounts: Impressive commercial start for NBC-TV's women's-angle Home series (Mon.-thru-Fri. 11 a.m.-noon) is reflected in network's tally of \$2,112,000 gross time sales chalked up in 2 months program has been on air. Average gross for Home commercial is \$6250 (\$2450 for program-production, \$3800 for time). Latest Home sponsor is H. J. Heinz Co., which ordered 78 partic. at rate of 3 a week, beginning in Sept., representing \$500,-000 volume . . . Hazel Bishop Co. buys first NBC-TV color "spectacular" Sept. 12, Sun. 7:30-9 p.m., thru Raymond Spector Co. . . . American Chicle Co. buys 20 min. of new Sid Caesar Show on NBC-TV in fall, Mon. 8-9 p.m., thru Dancer-Fitzgerald-Sample . . . Scott Paper Co., for 3rd straight season, to be one of sponsors of Omnibus on CBS-TV starting Oct. 17, Sun. 5-6:30 p.m., thru J. Walter Thompson . . . Van Camp Sea Food Co. (White Star tuna) to be alt. sponsor (with Swanson's frozen foods) of Name's the Same on ABC-TV starting June 1, Tue. 10:30-11 p.m., thru Brisacher, Wheeler & Staff, San Francisco . . . Procter & Gamble buys two 15-min. serials on NBC-TV starting July 5, 3:15-3:30 & 3:45-4 p.m. on alt.-day basis; also continues to sponsor Three Steps to Heaven on NBC-TV 10:45-11 a.m., thru Benton & Bowles . . . Simoniz Co. buys Tue. 2:15-2:30 p.m. portion of Garry Moore Show on CBS-TV starting June 1, will sponsor Fri. 10-10:15 a.m. portion starting July 6, when show moves to Mon.-thru-Thu. 10-10:30 & Fri. 10-11:30 a.m., thru Tatham-Laird Inc. . . . Pall Mall drops alt. sponsorship (with Sherwin-Williams Paint Co.) of Ray Bolger Show on ABC-TV, will be alt. sponsor (with Dodge) of Danny Thomas Show on ABC-TV starting July 18, Sun. 6:30-7 p.m., thru BBDO . . . Army drops Stars on Parade on 67 DuMont stations & Talent Parade on 119 ABC-TV outlets after House reduced its recruiting appropriation by \$200,000; though time was donated by stations, Army had paid estimated \$340,000 production costs . . . Gillette to sponsor Preakness Sat. May 22, 5:30-6 p.m., and Wood Memorial from Belmont Park Sat. June 12, 4:30-5 p.m., on CBS-TV, thru Maxon. - 🛮 -

FCC Comr. Robert E. Lee, speaking to Industrial Communications Assn. Conference in Washington May 5, gave his philosophy of regulation: "Once the determination of the radio licensee has been made, I believe that govt. interference must be kept to the utter minimum and the true economic forces be permitted to solve the day-by-day problems that arise. In my concept of free enterprise I do not have any double standard. By that I mean that just as you reap the benefit from good judgment and good operation so must you take the risks of bad judgment and bad operation. In my experience with the appropriations committees of Congress I was frustrated from time to time when the proponents of free enterprise, balanced budgets and low taxes would importune Congress to make an exception for something they were personally interested in. We used to refer to this as 'economy in Govt. at the expense of the other fellow."

Six more major station executives have joined organization committee for projected new Television Advertising Bureau (Vol. 10:17-18), which plans first meeting in Chicago's Palmer House May 14 with newly selected legal counsel, Neville Miller, onetime NAB president. New members, bringing total to 30: Chris Witting, Westinghouse stations; Don Davis, WHB-TV, Kansas City; Charles Crutchfield, WBTV, Charlotte; Jack Harris, KPRC-TV, Houston; Edwin K. Wheeler, WWJ-TV, Detroit; Joe Higgins, WTHI-TV, Terre Haute (due on air in June). Final organization is expected to be set up at meeting during NARTB convention in Chicago, May 23-27.

Jack R. Poppele, TV consultant & ex-engineering v.p. of WOR-TV & WOR, appointed to \$14,800 job as Voice of America director, headquartering temporarily in N. Y.; he takes office May 10.

Station Accounts: Do-it-yourself craze has real local program possibilities, if artisans or hobbyists can be enlisted to do their stuff. Cleveland's WNBK already has local lumber company and savings & loan bank sponsoring new Walt's Workshop, Thu. 7-7:30 p.m., conducted by vocational instructor Walter Durbahn . . . Toy Guidance Council, whose 79 major toy-maker members have set up \$1,300,000 public relations program, including TV show on 40 stations from Sept. to Xmas, to be backed up by additional \$10,000,000 worth of advertising by manufacturers, wholesalers & retailers; Council's agency is Friend-Reiss-McGlone, N. Y. . . . Emerson Radio, plugging "install-it-yourself" theme, will use TV-radio spots in national drive for its new air conditioners, thru Grey Adv. . . . American Bakers Assn. has had Keep Your Balance filmed by Kling Studios, Chicago, as first of series . . . Among other advertisers reported using or preparing to use TV: Turner Hall Corp., New York (Admiracion shampoo), thru Kieswetter, Baker, Hagedorn & Smith, N. Y.; Chester H. Roth Co., New York (Esquire Expando socks), thru Ross Roy, N. Y.; Cities Service Co., New York (gas & oil), thru Ellington & Co., N. Y.; Williamson-Dickie Mfg. Co., Ft. Worth (Dickie work clothes), thru Evans & Associates Adv., Ft. Worth; Solarine Co., Baltimore (floor wax & polishes), thru Courtland D. Ferguson, Baltimore; Potato Advisory Board, Bakersfield, Cal. (California white summer potatoes), thru McCarty Co., Los Angeles; Roselux Chemical Co., Brooklyn (Rose-X bleach), thru Lawrence C. Gumbinner Adv., N. Y.; Grimshaw Nurseries, Hayward, Cal. (mail order nursery), thru Ad Fried Adv. Agency, Oakland, Cal.; Douglas Labs Inc., Miami (Copperstone sun tan oil), thru Flakenhainer Adv. Agency, Beverly Hills, Cal.; Wolco Products Inc., Hartford, Conn. (Hi-Shine wax shoe polish), thru Hicks & Greist, N. Y.; Yardley of London Inc., N. Y. (perfume & cosmetics), thru N. W. Ayer, N. Y.; Taylor-Reed Corp., Glenbrook, Conn. (Spandy disinfectant), thru Lewin, Williams & Saylor, N. Y.; B. Cantor, Philadelphia (personalized license tags for bicycles & toys), thru Solis S. Cantor Adv. Agency, Philadelphia; Good Grooming Products Co., Detroit (Wisp stick hair dressing), thru Lawrence C. Gumbinner Adv., N. Y.; Diced Cream Co. of America, Los Angeles (licensors of package ice cream), thru Factor-Breyer, L. A.; Bev-Rich Products Inc., Philadelphia (beverages), thru Sullivan, Stauffer, Colwell & Bayles, N. Y.; Frozen Food Factors Inc., Atlanta (Thrif-T-Pak & Sweet Frost frozen foods), thru Thompson-Frankel Adv., Atlanta; Harco Pharmaceutical Co., Newark (Leopard spot remover), thru BBDO, N. Y.; Oswego Soy Products Corp., Oswego, N. Y. (Fenalon plant food), thru Wagar Assoc., Oswego.

Gannett Newspapers purchased J. P. McKinney & Son Inc., newspaper representatives, effective April 22—but that does not in any way affect Everett-McKinney Inc., the TV-radio rep, whose president is Max M. Everett. TV-radio firm is offshoot of J. P. McKinney & Son. but became independent in 1949. It was half owned by Ray McKinney; after his death a year ago, Mr. Everett purchased his stock to become 100% owner. The Everett-McKinney list comprises 28 radio stations, 10 TV stations and 2 CP holders for TV, including all Gannett outlets. Powell Ensign is exec. v.p.

Standard Oil of Indiana, heavily in TV-radio spots, moves its account from McCann-Erickson to D'Arcy Adv. end of Oct. in switch involving estimated \$5,000,000 in annual billings. It ends Esso's 25-year association with McCann-Erickson.

Documentary film summary (16mm, 45-min.) of Murrow-McCarthy controversy has been released by Freedom House for rental through Association Films, 347 Madison Ave., N. Y.

ALL TRANSMITTER makers will have exhibits at NARTB convention in Chicago's Palmer House, May 23-27. None reported any shipments or orders this week, some saying they were too busy with preparations for convention. Transmitter manufacturers exhibiting in Chicago: Continental Electronics (whose transmitters are marketed by General Precision Laboratory), DuMont, Federal, Gates, GE, RCA, Standard Electronics, Willys Motors (new electronics div.).

Other equipment manufacturers and distributors exhibiting at convention: Adler Communications, Alford Mfg. Co., Allied Radio, Altec Lansing, Ampex, Andrew Corp., Berlant Assoc., Blaw-Knox, Caterpillar, Century Lighting, Collins, Conrac, Dage, Electro-Voice, Elgin Metalformers, General Communications, Gray, Houston-Fearless, Hughey & Phillips, Ideco, IBM, Kay-Lab, Kliegl, Universal Stage Lighting, Machlett Labs, Musicolor, Phelps Dodge, Philco, Prodelin, Raytheon, Rust Industrial, Paul Schafer, Telechrome, Teleprompter, TV Specialty, Tel-Instrument, Tower Construction Co., Graybar.

\* \* \*

In our continuing survey of upcoming new stations, these were reports received this week:

KETC, St. Louis (Ch. 9, educational) has its 5-kw RCA transmitter on hand, but still has only tentative June target, reports gen. mgr. Richard J. Goggin. Ideco tower has been dismantled and moved to new site between St. Louis U High and Oakland Stadium, where foundation work begins soon. With completion of tower & antenna installation expected about mid-June, specific target won't be announced until "we are very certain there will be no substantial delay." Victor Duncan will be film supervisor; Vincent Park, producer-director; Wesley Eckhart, stage mgr.

WTLC, Champaign-Urbana, Ill. (Ch. 12, educational), first planning late 1954 start, hasn't ordered antenna yet, now hasn't a target date, reports director Frank E. Schooley. The 5-kw transmitter donated by GE (Vol. 10:17) has arrived and will be temporarily installed atop Memorial Stadium in Champaign. The Blaw-Knox FM tower purchased last year from WTMJ, Milwaukee, will not be used until permanent transmitter site is chosen.

Nashville's WLAC-TV (Ch. 5), last reported due in June but probably delayed, will be 50% owned by Casualty Insurance Co. of Tennessee, 25% by Tom Baker Jr. and 25% by Alvin Beaman as result of \$312,000 sale by latter 2 of their radio WKDA, Nashville (250-watts on 1240 kc) completed last week by Blackburn-Hamilton. enables them to exercise option on half of WLAC-TV under consolidated application granted by FCC last Aug. They will not, however, own any of radio WLAC. They sold WKDA to John Kluge group, who also own stations in St. Louis, Orlando, Fla. & Silver Spring, Md. WLAC-TV has had transmitter since last Fcb., expects to have Ideco tower ready by May 15. Baker and Beaman, with Roy V. Whisnand, recently also sold their WCOP, Boston (5-kw on 1150 kc) to financier John Fox, publisher of Boston Post (Vol. 10:13).

Hearing between CBS and Zenith for Chicago's Ch. 2 opened officially with conference May 7 before examiner Herbert Sharfman. June 4 was set for exchange of points of reliance, June 7 for continuation of hearing conference. Gerald Hadlock participated in conference for FCC Broadcast Bureau; Leon Brooks, for CBS; Robert Seaks, of Wheeler & Wheeler, for Zenith.

GE is now selling 12-kw uhf klystron power tubes, at \$10,000 list. The telecasting tubes formerly were available only on a rental basis. Stations now may either lease them or buy them outright—as initial equipment or for replacement. Six types cover uhf band.

WQXL-TV, Louisville (Ch. 41), will be delayed from expected start this spring, reports owner Robert W. Rounsaville, who states he's now building WQXI-TV, Atlanta (Ch. 36). He also holds CP for WQXN-TV, Cincinnati (Ch. 54). Earlier in year, he ordered 3 complete uhf station packages, with Continental 1-kw transmitters, from GPL (Vol. 10:7) but deliveries have not been reported. Targets then announced were early summer for Cincinnati, October for Atlanta. Forjoe is to be rep for WQXL-TV & WQXN-TV; rep for WQXI-TV not reported.

WSBM-TV, Saginaw, Mich. (Ch. 51), now has "winter of 1954" as tentative target, reports pres. John L. Booth, operator of radio stations WJLB, Detroit, and WBBC, Flint. His WBKZ-TV, Battle Creek (Ch. 64), went dark last April 23, but hopes to resume on June 1 after increasing power and height (Vol. 10:17). WSBM-TV rep will be Pearson.

\* \* \*

CBWT, Winnipeg, Man. (Ch. 4), with 10-kw RCA transmitter on hand, plans tests during latter May, programming as non-interconnected affiliate on May 31, reports regional information representative J. S. Brickenden. Dominion Bridge built 240-ft. tower, now is installing RCA 6-bay superturnstile antenna. CBWT will be CBC's fifth on air, first outlet for projected Prairie Region network which later will include privately-owned stations in Regina, Saskatoon, Calgary, Edmonton. Base hour rate will be \$200.

CKWS-TV, Kingston, Ont. (Ch. 11), plans early fall start, has 10-kw transmitter and other RCA equipment ordered for July delivery, according to J. M. Davidson, asst. to pres. of Northern Bestg. Co. Ltd. Transmitter in Bath, 12 mi. west of Kingston studios, will connect via microwave. Its 400-ft. RCA tower will be topped with 12-slot Wavestack antenna. Northern Bestg. operates radio CKWS, also will operate TV for owner Brookland Co. Ltd., also owners of CHEX, Peterborough, Ont., which got green light for TV on April 5 from CBC. Brookland is 51% owned by Senator W. Rupert Davies (Kingston Whig-Standard), 49% by Roy Thomson, chain newspaper publisher. Canadian rep will be All-Canada TV; U. S. rep not yet chosen.

Of 9 civilian aircraft crashes with TV-radio towers in last 4 years, only 2 involved towers over 500-ft. tall. CAB made this report May 7 at first working meeting of ad hoc study group on marking & lighting of high towers, appointed by Air Coordinating Committee's subcommittee on airdromes, air routes & ground aids (AGA). Meeting with group, in addition to governmental representatives, were NARTB engineering mgr. A. Prose Walker & attorney Robert Church, and Robert Kennedy for Assn. of Federal Communications Consulting Engineers, as well as representatives of aviation trade groups. Group also heard report from National Bureau of Standards indicating virtual impossibility of marking high towers in daylight to give adequate warning to pilots under adverse weather conditions. They meet again May 20 or 21 to continue initial phase of engineering study-whether present lighting and marking standards are adequate.

North Dakota will get live network service next fall when AT&T completes new microwave route from Minneapolis to Fargo. Long Lines Dept. filed application with FCC this week to construct the 227-mi. route. Meanwhile, AT&T added to its list of interconnected stations this week by hooking up WRBL-TV & WDAK-TV, Columbus, Ga.; WTTV, Bloomington, Ind. (replacing private link); KNUZ-TV, Houston. Scheduled for interconnection next week end are WBTM-TV, Danville, Va.; KGLO-TV, Mason City, Ia.; WDBO-TV, Orlando, Fla.; WGAN-TV, Portland, Me.; WKNY-TV, Kingston, N. Y.

Trade Report May 8, 1954

LABOR AND PRICE ENIGMAS WORRY TRADE: Pressure from labor, even while public has become accustomed to lower prices for TV-radio receivers, have trade leaders full of worries as they prepare for fall-winter market clouded with uncertainties. While some, like RCA's Gen. Sarnoff, continue to pound away at theme that this is merely a transition period before color gives trade "surest promise for prosperity," hard-headed merchandisers are concerned about immediate problems -- not the least being how to keep black-&-white set sales up, while earning reasonable profit thereon.

Intensely price conscious, the industry continued to feel its way cautiously toward <a href="https://hazy.horizons">hazy horizons</a> this week -- studying market reports closer than ever before, scrutinizing all information about competitors' plans, <a href="watching-what Philoo">watching-what Philoo</a> pres. Wm. Balderston called an "unjustified" strike at his 10 TV-radio-electronics plants (see p. 11) and its possible impact on themselves. Spokesman for one company (not Philoo) epitomized thinking of many manufacturers with this observation:

"The public is demanding lower prices but the pressures in the industry are for wage increases, and this is not a high-gross business we're in. We've already scratched the bottom on our prices and with labor demanding 5-8¢ more an hour, it would be like squeezing blood out of a turnip."

\* \* \* \*

Seasonal trade slump has begun to set in, though first reports indicate it won't be as bad as last year, due largely to planned production & lower inventories. On basis of preliminary reports, RETMA spokesman says April factory sales were less than the 560,000 sold in March but more than the 410,000 sold in April 1953. Likewise, distributor sales in April were less than the 580,000 in March but more than the 390,000 in April 1953. End-of-April TV inventories at all levels were about 1,600,000, compared to about 1,900,000 at end of April 1953 -- regarded as "quite healthy" by some and "too low" by a few others.

Retail sales for first 3 months (13 weeks) totaled 1,780,795, or almost identical to 1,780,899 in first quarter of 1953, though production in first quarter this year was only 1,447,110 compared to 2,705,000 in first quarter of 1953.

Chief virtue of first quarter was clearance of inventories, even though the profit in many cases didn't come up to expectations. Motorola's Paul Galvin stated whole industry's end-of-quarter position quite well in May 3 letter to stockholders:

"We were very cautious going into the first of the year on production of TV receivers because of the inventory position of the industry and not knowing the specific effect of the color TV situation on black-&-white. Consequently, our sales of TV receivers were considerably less than the first quarter of last year. Quite a number of the other manufacturers did the same thing to the end that there were about 400,000 more sets sold at the retail level than were made at manufacturer's level.

"Apparently, the public is becoming more familiar with the actual situation relative to color TV receivers going to be very small in quantity, small in picture size and high in price and have, consequently, gone on to enjoy more black-&-white TV. At the same time, we have reduced our projection of color TV production for 1954. Apparently, until a satisfactory large color TV picture tube is made available at a reasonable price, production of color TV sets will be very limited."

\* \* \* \*

Only thing definite about price policies thus far seems to be their utter indefiniteness. If they have definite plans, all companies are keeping them closely guarded. Nearly all would like to raise prices, especially those who blame lower profit margins for first-quarter earnings decline. But dare they risk upping prices now? That question underscores all present uncertainty in the trade. And being uncertain themselves, manufacturers are exercising great caution in their comments.

Note of caution was manifest in all replies to our queries to manufacturers,

large and small -- though an <u>RCA spokesman forecast</u> "a darn good second half" for that company. He based this on low inventories and what he called a "minimum of confusion now about color" in view of fact consumer curiosity is being satisfied by the color sets now being shown on dealer floors.

RCA plans to show full line to field reps at Atlantic City meeting June 7. No public statement could be extracted as to what models line will contain or at what price. But it won't be surprising to see RCA back with 17-in. and some 24-in. models and with a diversified line that includes plenty of furniture choices.

Admiral spokesman also foresees price rises, but emphasizes that its plans won't be finalized until just before mid-June distributors convention in Chicago. He said Admiral's line probably would contain 17, 21, 24 & 27-in. models.

Philco officals couldn't be reached for comment due to strike. Tight-lipped even when in full production, Philco is even more of an enigma now -- but last word was that it planned to introduce several new models before its June convention.

Motorola has a tentative 2-point price program. It wants to keep its 17-in. price leaders "competitive" -- i.e., around \$170 -- while raising lists on step-up models offering greater profit margins. But sales v.p. Ed Taylor says this program "can be upset by the prices and discounts of our competitors." Motorola plans to resume output of 24-in. on limited scale, will show them at marts.

Emerson's Ben Abrams, who has heretofore put great stock in low-priced 17-in. models (with leader selling for \$150), tells us he's considering raising prices down the line in new models to be introduced in month or so. And he's also studying the possibility of dropping or sharply reducing production of 17-in. models, which he says "don't amount to a great percentage of our business any more." Like others, he stresses fact he's playing it by ear and plans could change from day to day.

<u>DuMont plans some lower-priced receivers</u> in new line. W.H. Kelley, marketing v.p., says new models "won't be lowest in industry by any means but they'll be a little <u>more competitive</u>. After all, we're about \$60 higher than our competitors on many models." He emphasized wood quality won't be sacrificed in cheaper sets.

GE's Dr. W.R.G. Baker said he looked for price line to hold firm, with strong possibility prices will be raised before year is out. And H.L. Hoffman, pres. of Hoffman Radio, said demand for "quality" models has held up nicely, but that lowend offerings like Crosley's have started to cut in. He didn't indicate his future plans, merely said: "It's as you stated it last week -- a market without pattern."

Crosley is reported to be bringing out 21-in. version of "Super V" in June, price unknown. Crosley spokesman says only that "no full line" is planned, hinted that conventional models will be shown. He said plans for 21-in "Super V" were only temporarily shelved in March, added that market for 17-in. is still very good and is still requiring double shifts at plant. However, cutback in production is planned toward end of May, for reasons unexplained. It's no secret that the 17-in. "Super V," selling for \$140-\$160 (Vol.10:13) had some set makers quite uneasy for a time.

Zenith will introduce line in latter July, meanwhile has simply informed its distributors it won't compete with very lowest prices in industry.

\* \* \* \* \*

TV production totaled 120,687 week ended April 30, compared to 109,619 units preceding week and 108,752 week ended April 16. It was year's 17th week and brought production for year to date to about 1,910,000, compared to about 2,840,000 in same period of 1953. April output was about 460,000 vs. 567,878 in April 1953. Output of radios, excluding auto radios, totaled 86,461 week ended April 30. RETMA said auto radio data was incomplete, will be reported next week.

Fast-growing Canadian TV market should find 1,040,000 homes with sets by end of 1954, representing 25% of total wired homes in Dominion and 32% of wired homes in areas where TV reception will be available. So predicted John D. Campbell, Canadian Westinghouse consumer products v.p., in address this week to Assn. of Canadian Advertisers in Toronto. He said stations due to go on air this year will open up potential market of 762,000 addi-

tional wired homes in which "satisfactory" signal is received and 1,600,000 more homes in "fringe" areas. Setsin-use by end of 1954 will represent consumer investment of over \$350,000,000, he said. In a longer-range prediction, James P. Gilmore, CBC national TV coordinator, estimated 80-90% of all Canadian homes will have sets in 5-10 years. He spoke to annual meeting of Canadian Retail Federation at Scarborough, Ont.

Topics & Trends of TV Trade: TV and automobiles, whose production curves have followed striking parallels in past (Vol. 8:45, 9:9, 10:16), continue to run relatively close in first 4 months of 1954. TV production for the period is estimated by RETMA at about 1,900,000; autotruck output for first 4 months is estimated at about 2,300,000 by Automobile Manufacturers Assn.

Though auto-truck output is running ahead of TV in units produced, it's explained that second quarter of year is usually busiest for autos, rather slow for TVs; former depends on good spring weather, latter banks heavily on Xmas season. However, it's estimated by economists that each industry will turn out 6-6,500,000 units this year.

Both industries show parallels in retail sales for first 3 months—TVs 1,780,795, auto-trucks estimated at 1,920,000. Both industries also report appreciable declines in inventories during first quarter.

Economists offer no generally acceptable explanation of the curious phenomenon, and neither do we. But there's consideration that TV has become as essential in home as automobile. And for the future, there's added consideration that 2 sets in home are bound to become much more common than 2 cars. Here's latest month-bymonth breakdown of both industries:

	$\mathbf{TV}$		Auto
January	420,571		554,210
February	426,933		529,121
March	599,606		626,987
April (est.)	460,000		529,000
-		_	
Totals (est.) 1	,900,000	2,	,300,000
* *	*	*	

Distributor Notes: Raytheon appoints J. R. Enright Co., 7040 Wisconsin Ave., Washington . . . Packard-Bell appoints Oscar Hammons Co., San Francisco, replacing John E. Amberg Co. . . . Stromberg-Carlson appoints Tower-Binford Electric & Manufacturing Co., 12 S. Fourth St., Richmond, Va. (W. T. Buckner, v.p.) . . . RCA Victor Distributor Corp., Buffalo, appoints Herman R. Granite gen. sales mgr. . . . Krich-New Jersey, Newark (RCA) appoints George Getz district mgr., announces resignation of merchandising director Sy Radzwiller, who joins Grey Adv. . . . Tri-City Distributors, Tampa (Sylvania) elects Sumner Swanson pres. & gen. mgr.; F. B. Connelly Co., Portland, Ore. (Sylvania) appoints Eldon N. Dean v.p.gen. mgr. . . . Illinois Appliance Inc., Peoria (Sylvania) appoints Kenneth O. Schultz sales mgr. . . . Cladco Distributors Inc., Buffalo (Hallicrafters) appoints Robert W. Cook gen. mgr. . . . Westinghouse Electric Supply Co., Newark, announces resignation of TV-radio sales mgr. John G. Parsons . . . Canadian Admiral appoints J. Albert Reed sales mgr. Montreal branch.

TV prices for equivalent screen size have dropped 84.5% in last 7 years, says Tele-Tech, which notes that in 1947 a 10-in. set sold for \$375 whereas a brand-name 21-in. now sells for under \$225 (several under \$180). Thus, it's reasoned, the consumer paid \$5.95 per sq. in. of picture in 1947, now (at \$225 price) pays only 92¢. On basis of investment in initial equipment, Tele-Tech figures a TV set gives entire family a full week of entertainment & education for trifling 50¢.

U. S. Census of Manufacturers reports manufacturers' sales of home TVs amounted to \$1,188,000,000 in 1953, with home TVs accounting for 74% of all sales of TVs, auto radios, phonographs, record players. Total sales of TV & radio sets, along with phonos, came to \$1,599,634,000.

Capehart-Farnsworth is out with 17-in. table in wood cabinet with mahogany finish to retail at \$160. Called "Trenton," it's available with uhf at \$200. Conventions are at Ft. Wayne June 7, San Francisco June 28.

Poom IN TV in West Germany finds Philips, Telefunken and Siemens in there pitching for market, as in South America (Vol. 10:12), with U. S. receiving sets practically non-existent except as they're occasionally brought in by Americans. With stations now on the air in Berlin, Frankfort, Hamburg, Hannover, Cologne, Langenburg and Mannheim-Heidelberg out of 27 projected (see TV Factbook No. 18), no less than 19 domestic TV-radio manufacturers are already in the field.

During 1953, they produced 54,475 sets as against 4664 in 1952. During the first quarter of this year, it's estimated nearly 30,000 will be produced, and for the whole year approximately 200,000. Adoption of mass production methods means also that the Germans are looking to the export market, including other countries of Europe, South America and possibly the U.S.

The German companies now reported making TVs: Grundig Radio Werke, Furth, Bayern (said to be the leader); Deutsche Philips, Hamburg; Telefunken, Hannover; Siemens & Halske, Karlsruhe; Balupunkt Elektronik, Berlin-Wilmersdorf; Continental Rundfunk, Osterode Harz; Graetz Radio, Altena, Westf.; Korting Radio Werke, Grassau, Chiemgau; W. Krefft, Gevelsberg, Westf.; Loewe Opta, Frankenwald; Lorenz-Radio, Stuttgart; Metz Apparatefabrik, Furth, Bayern; Nora-Radio, Charlottenburg; Norddeutsche Mende Rundfunke, Bremen; Scharzwalder Apparate bau Anstalt, Villingen Schwarzwald; G. Schaub, Pforzheim; Tekade Radio, Nurnberg; Tunfunk, Karsruhe; Wego-Werke, Freiburg.

Note: Colombian Govt., which has ordered \$300,000 worth of equipment for new Ch. 7 Radio Difusa National in Bogota from DuMont and \$90,000 worth from Siemens (Vol. 10:12), has just closed bids on 400 receivers, of which 300 are to be 21-in. and 100 to be 17-in. types. They're to be placed in public places, schools and educational centers. U. S. firms entered bids but Philips of Holland, which has projected new 27,000-sq. ft. TV-radio and communications apparatus factory in Bogota, was the successful bidder. Govt. has decreed unrestricted importation of receivers, free from customs duties.

Why not require all color sets to include uhf tuners? This question, propounded editorially in April 30 TV Guide, was seconded by Sen. Bridges (R-N. H.) in letter to FCC Chairman Hyde, which he placed in Congressional Record May 5 along with text of editorial. Only one major manufacturer specifies vhf-uhf tuners for all its color sets, editorial notes, adding: "This is a golden opportunity, perhaps the only opportunity that ever will arise, to put over uhf TV." Bridges told Hyde the suggestions seemed to be "worth consideration by your Commission" and bound to benefit viewing public. Sources close to Senate Commerce Committee predicted issue of uhf-equipped color sets would come up in communications subcommittee's hearings on uhf beginning May 19.

Zenith pres. E. F. McDonald and Chicago adman Hays MacFarland listed among those attending Chicago meeting June 7, called by *Chicago Tribune* publisher Col. Robt. R. McCormick, to found organization called "For America" to combat "supernationalism and interventionism"—interpreted by some as a third party movement. Gen. Robt. E. Wood, ex-Sears Roebuck, and Clarence Manion, dean of Notre Dame Law School, were named co-chairmen, with ex-Sen. Burton K. Wheeler on organizing committee.

Los Angeles chapter of Representatives Inc. has released new 36-p. directory of membership, along with list of some 500 manufacturers represented and product index; it's primarily for use by manufacturers, govt. agencies, purchasing agents, jobbers. Copies are available without charge from Dr. Ralph Power, exec. secy., 767 Castelar St., Los Angeles 12, Cal.

Trade Personals: Henry C. Baker, vacationing in Florida since latter March, returned May 7 to his post as v.p. & gen. mgr., RCA Victor home instruments div. . . . Wm. E. Boss, RCA TV market development mgr., elected RCA Distributing Corp. v.p. in charge of Buffalo-Rochester branches, replacing Walter Rose, resigned . . . Ross D. Siragusa, Admiral pres., won winter Miami fishing tournament with 593-lb. blue marlin . . . Edward R. Stevens, International Resistance Co. v.p.-treas., elected pres. of Los Angeles subsidiary Ircal Industries, formerly Gorman Mfg. Co., succeeding Henry C. Gordon, resigned . . . Matt Little, pres. of Quam-Nichols, resigns as chairman of RETMA parts div. because of ill health, succeeded temporarily by R. G. Zender, Lenz Electric Mfg. Co. . . . Brig. Gen. David Sarnoff, RCA-NBC chairman, received citation May 5 for contributions to world brotherhood at annual goodwill dinner of Mass. Committee of Catholics, Protestants & Jews . . . Tom Mason resigns as Avco gen. sales mgr. for all Crosley-Bendix products . . . Linwood G. Lessig, ex-J. Walter Thompson, joins Al Paul Lefton Co. as technical director of electronics to continue working on RCA account . . . James P. Cody, ex-Motorola communications div. adv. mgr., elected v.p., Burton Browne Adv. Agency, Chicago . . . Michael H. Cogan, founder & ex-pres. of Symphonic Radio & Electronic Corp., Boston, resigns as adviser, severing all connections with firm . . . Philip H. Weil, ex-GE Supply Co., Milwaukee, heads new GE southwestern sales district, headquartering in Dallas . . . J. P. Driscoll, Sylvania electronic products sales mgr. in Chicago, transferred to mid-east district, Buffalo; T. R. Swenson shifted from N. Y. to northeastern district, Boston . . . J. Steven Katonah appointed DeWald field sales mgr., re-

STRIKE at Philco's 10 TV-radio-electronics plants in Philadelphia, Croyden, Pa. & Sandusky, O. entered second week as we went to press, with likelihood negotiations with Local 101 (IUE-CIO) would be resumed next week. Philco was granted court injunction May 7 to prevent mass picketing by some 8000 production workers, thus enabling unorganized administrative & supervisory personnel to enter plants.

No meetings of company and union have been scheduled, but pres. Wm. Balderston offered to resume talks after injunction was granted. Union seeks guaranteed annual wage, unspecified wage increases & extension of fringe benefits. Philco offered extension of current one-year contract without change.

On another labor front, some 8700 members of IUE Locals 103 & 110 staged mass meeting May 4 to enforce their demands for undisclosed wage increases at RCA's Camden plant, producing govt. & communications equipment, broadcast equipment, TV apparatus, etc. RCA reportedly offers no wage increase.

GE, also in wage negotiations with IUE, rejected guaranteed annual wage proposal because "it would Federalize or wreck the state unemployment compensation systems." Company said union proposal is simply means of asking company to provide "private supplement" to state unemployment compensation, and that any workers laid off had access to unemployment rights.

- 8 -

George W. Bailey, IRE executive v.p., wartime aide to Dr. Vannevar Bush and 1940-53 pres. of ARRL & International Amateur Radio Union, was elected pres. of Armed Forces Communications Assn. at board meeting during convention in Washington, May 6-7. Elected v.p.'s were: Maj. Gen. G. A. Blake, chief of Air Forces Communications; Maj. Gen. G. I. Back, chief of Army Signal Corps; Rear Admiral W. B. Ammon, chief of Naval Communications; W. W. Watts, RCA v.p.; Rear Admiral Ellery W. Stone, American Radio & Cable Co.

placing J. Lconard Cohen, resigned . . . Dalton A. O'Connor, Magnavox asst. sales mgr. in southern New England. takes over eastern N. Y., western Mass. & Vt. in territorial realignment, replacing O. H. Bahlander, resigned; Leon Schachere expands territory to include all of Long Island district, replacing Robert Klupper, resigned . . . Dale Kelly, ex-Sparton, named CBS-Columbia California district mgr., San Francisco . . . W. H. Rinkenbach promoted to eastern sales mgr., Capehart-Farnsworth commercial products div., succeeding H. J. Tait, on leave of absence; Walter Law appointed northwest TV-radio sales mgr. . . . Daniel Echo heads new DuMont sales office for industrial CR tubes, Clifton, N. J.; Robert H. Dolbear, ex-Bendix, heads multiplier phototube sales office, Passaic . . . Albert G. Peifer named mgr. of low voltage vacuum tube development, Federal Telecommunication Labs (IT&T) . . . R. E. Holbein promoted to Bendix Radio service parts mgr. . . . Wm. F. Boyland named chief electronic engineer, Magnecord Inc. . . . Franklin H. Donnell appointed finance v.p., Consolidated Engineering Corp., Pasadena, Cal. . . . James J. Tynan, ex-gen. sales mgr., Raytheon equipment div., now v.p. in charge of marketing, Harvey-Wells Electronics.

Maurice S. Despres, 53, Admiral director & founder-president of Dale Distributing Co., its former N. Y. & New Haven distributor, died May 2 in N. Y. after long illness. When Admiral was founded in 1934, Mr. Despres became its N. Y. distributor, remaining until factory branch was established in 1952. During World War II he was War Production Board's national director of consumer durable goods and before that was N. Y. regional director of OPS consumer durable goods section.

SOME PATENT license extensions have already been signed by RCA licensees, Chairman Sarnoff reported at annual stockholders meeting May 4 where he expressed confidence that "substantially" all others will be extended for the usual 5 years beyond 1954. Before distributing new booklet detailing RCA research, inventions and patent policies, Gen. Sarnoff stated:

"RCA has previously granted to others several hundred patent licenses and the majority of them run to the end of 1954. By mutual agreement, these licenses can be extended for a further period of years. A substantial number of the license agreements have been signed and extended for a period of 5 years beyond 1954. In view of the great value to our licensees of their right to use the inventions covered by these licenses, we feel confident that by the end of this year, substantially all of the remainder will also extend their agreements."

To a stockholder inquiring about Zenith pres. E. F. McDonald's widely publicized description of the RCA 3-gun color tube as a "Rube Goldberg" (Vol. 10:18), Gen. Sarnoff observed that Mr. McDonald is in error in stating he intends to wait for a one-gun tube as yet non-existent. Said Sarnoff: "Some like to take the ride after the wagon starts rolling. When color TV is rolling, you'll see McDonald join the bandwagon just as he did in black-&white, except that he doesn't want to pay RCA royalties on its inventions." He referred to fact that Zenith has been only major company consistently holding out against payment of patent royalties to RCA, subject of protracted litigation still pending adjudication in the Federal courts.

About \$5 billion retail sales in home appliances are foreseen in 1960 by R. H. Huston, Frigidaire asst. sales mgr.—representing 50% increase over last year's volume. Addressing retail sales conference in Dayton, he predicted retail sales of clothes dryers in 1960 would be up 192% over 1953, food freezers up 55%, electric ranges 49%, refrigerators 34%, automatic washers 22%.

-- m -

Color Trends & Briefs: Color film seems destined to play much more important role in early stages of color-casting than monochrome film did to black-&-white telecasting. That's impression gleaned from this week's convention of Society of Motion Picture & TV Engineers in Washington where RCA exec. v.p. W. Walter Watts, electronics products div., reported that RCA's 3-vidicon color camera will be delivered late this year and that it held out these prospects:

"For exhibitors, its use in bringing color trailers into the home will offer an unbeatable form of exploitation. To the broadcasters, it will make available what we think is the best and most efficient method of handling the film subjects which will constitute a very substantial part of color program schedules."

Thomas G. Veal, Eastman Kodak, chairman of SMPTE's TV committee, is equally sold on color film. He told us: "I'm thoroughly convinced that color film will be easier to use than live pickups. And it will provide better definition than live."

Mr. Veal said he based his views on "problems inherent in the use of a 3-tube camera." He stated that "the registration requirements of the live camera are extremely precise" compared with continuous-motion flying-spot scanner—a version of which Eastman has developed. Eastman scanner was described at convention by developer Otto Wittel. It will be demonstrated at NARTB convention in Chicago May 23-28, offered to telecasters at that time. Mr. Veal didn't indicate price.

Mr. Veal said, "I'm not quarreling with RCA's approach"—the 3-vidicon setup—and "it's up to the telecasters to weigh economics and performance," inasmuch as RCA camera can be used with existing projectors after slight modification.

So important is color film considered that Mr. Veal's committee acted to develop a color test reel for stations, manufacturers, etc., incorporating film processes of Technicolor, Ansco, Eastman and DuPont. Each will supply film and SMPTE will put it together, offer it to industry at a fee—its customary practice with test reels.

SMPTE is working with RETMA group under CBS's W. B. Whalley. A joint committee will be established and goal is to have film ready this fall. Both 16mm and 35mm will be available.

NARTB convention certainly shapes up as color feast, technically. Color will dominate both sessions and exhibits (Vol. 10:14). Just this week, RCA reported it will demonstrate "a complete color station" feeding shows to a viewing room.

uMONT'S 19-in. color tube has aroused intense interest all through the industry since first revealed last week (Vol. 10:18), will be shown to set manufacturers and tube licenses May 10-11 at Clifton, N. J. plant, sampled to customers shortly thereafter. Production will be geared to demand, said Dr. DuMont, but regardless of demand it will go into DuMont's own sets starting in fall. It's called the "Chroma-Sync Teletron," will sell for \$150-\$200 initially, go under \$100 eventually.

First RCA color sets, selling at \$1000 (with dealer markup disclosed at about 33%), were reported moving slowly in the 25 markets where introduced (Vol. 10:18). Sales figures weren't divulged, but Chairman Sarnoff told May 4 stockholders meeting that 4000 had been delivered thus far; that on basis of orders from distributors RCA expects to be oversold on its first production run of 15-in., originally reported at 5000; that RCA has been making color tubes at rate of 2000 per month since Feb. and will have 19-in. sets on market this fall.

He reiterated previous color output predictions, estimated about 50,000 color sets this year, several hundred

LIVE COLOR inaugural at WBAP-TV, Ft. Worth, is scheduled for May 15—a 3-hour program starting at 3 p.m. so that stores in Ft. Worth and Dallas will have ample time to demonstrate sets. Nine stores will produce the show which will consist primarily of styles, although there will also be livestock exhibitions. Participating stores: Everybody's, Leonard's, Stripling's, Meacham's, Seven-Eleven Stores, Monnig's, Cox's, The Fair, Skillern's Drug Stores. Describing arrangement, station director Harold Hough wires:

"We are not charging the 9 stores for the time used in our tee-off program. However, they're furnishing talent and paying all costs of individual production. We are holding in abeyance establishing a color rate structure until we are more thoroughly versed with costs of production

"There will be approximately 100 sets in the 2-city and outside area. Admiral just shipped in a carload here yesterday. The bulk of the sets seem to be RCA, Westinghouse and Admiral."

WBAP-TV has 2 RCA color camera chains. Besides network-owned stations, only other station with cameras is WKY-TV, Oklahoma City (Vol. 10:18). Quality of WKY-TV's color, incidentally, "is better than some of ours," according to NBC-TV color coordinator Barry Wood.

NBC color mobile unit, which will feed inserts to Today and Home shows starting in June (Vol. 10:18), will cover Syracuse, Rochester, Boston & Philadelphia in addition to the 10 cities reported last week. Another program addition, to be carried only by WNBT, New York, is Richard Willis' Here's Looking at You 1:30-2 five days a week for "a few weeks," starting May 24. NBC reports attendance of more than 50,000 so far at color demonstrations in RCA Exhibition Hall in New York.

Houston-Fearless Corp., Los Angeles maker of TV booms, dollies, cranes and processing & developing equipment, and interrelated with Houston Color Film Laboratories Inc., Burbank, has purchased control of Color Corp. of America (formerly Cinecolor Corp.) from Donner Corp., Philadelphia investment firm. Houston-Fearless does about \$6,000,000 business a year, Houston Color Film Labs \$1,500,000, Color Corp. \$2,500,00.

Three kinds of color tubes are diagrammed on 28x17-in. wall chart issued by Sylvania. Printed in color, chart shows salient features of planar-mask (RCA), curved-mask (DuMont & CBS-Hytron) and grid (Lawrence) types of tubes.

thousand in 1955, about 1,750,000 in 1956, 3,000,000 in 1957, 5,000,000 in 1958.

Emerson's Ben Abrams told N. Y. Sales Executives Club this week that in about 5 years 30-40% of all production will be in color, with output of 2,000,000 of them annually by then. And illustrating great interest in color, RCA's Wm. E. Boss revealed his company has sponsored 67 color service clinics since Jan., attended by some 40,000 servicemen, and promised more of them.

Picture tube sales in first 3 months totaled 1,962.864 units, valued at \$41,995,088, down from 2,798,921 at \$67,696,464 sold in first 3 months of 1953, reports RETMA. Some 76% were 19-in. and larger. In March alone, 759,468 picture tubes worth \$15,904,687 were sold, compared to 645,715 at \$13,916,478 in Feb. and 974,154 at \$23,772,801 in March 1953. Receiving tube sales in first 3 months totaled 76,385,978 worth \$56,862,951, down from 122,058,756 at \$82,955,367 in first 3 months year ago. March sales were 29,063,484 at \$22,130,627 vs. 25,189,147 at \$18,319-819 in Feb. and 44,691,200 at \$29,978,827 in March 1953.

Electronics Reports: Military electronics might run \$50-100 billion a year in event of an all-out war-or 10-20 times today's military & civilian electronics production combined. So said Brig. Gen. Preston Corderman, chief of Signal Corps engineering & technical div., at opening session of this week's Electronics Components Symposium in Washington, sponsored by AIEE, IRE, RETMA & WCEMA. He pointed out that electronics production base expanded from \$500,000,000 in 1940 to \$4.5 billion in 1944 and nearly \$6 billion today, and added: "Reliance on electronics is now so great that it has reached the stature of a weapon and takes its place with men, food and ammunition as a factor determining the capabilities and effectiveness of our forces." He urged the 1200-plus engineers & executives attending conference to develop new technical approaches to electronics systems through basic research, to strive for simplification and cost reduction in equipment, and to aim at automatic production of equipment, using minimum of critical materials.

Two military applications of TV were demonstrated this week at Armed Forces Communications Assn. convention in Washington. Navy unveiled its Instructional TV System (I-TV-S)—a complete audio-video-&-lighting system designed by Office of Naval Research's Special Devices Center at Sands Point, L. I. Portable by means of large casters, I-TV-S is specifically designed for maximum utility in training servicemen. The pilot model demonstrated had specially designed image orthicon camera, consoles and monitors assembled into single 400-lb. unit, can accommodate more than 100 TV receivers connected by cable, gives pictures of "broadcast quality." A Navy spokesman said system could be mass-produced for \$15,-000-\$20,000. Signal Corps demonstrated "tactical TV" using Dage vidicon cameras, and displayed dioramas demonstrating use of portable TV cameras and transmitters carried "peepie-creepie" style by patrols scouting enemy territory, beaming picture to command post.

Bell Labs' long range planning is subject of article in May Fortune, covering color transmission, long-distance dialing, etc. Regarding a telephone with TV, it says: "Dr. Ralph Bown, v.p., of Bell Labs, feels that the use of vision on the phone is as little appreciated today as the use of speech was when Bell invented the thing three-quarters of a century ago. 'People used to ask who'd want to talk into a tin box,' he says. 'Today they can hardly get along without it, but they ask who needs TV with his telephone. But in today's world, sight & sound go together. Some form of vision with the phone is inevitable.'"

Pushing industrial TV as mass item, RCA has had 3 teams comprising engineer and salesmen on month-long barnstorming tour of 40 cities, where they are presenting clinics on use of \$995 "TV Eye" system for parts distributors. Among uses suggested to distributors for low-cost industrial TV: training & instruction, property protection, merchandising & promotion display, accommodation of overflow crowds, TV & stage rehearsals, tie-in use with community and other multiple antenna systems.

General Precision Equipment Corp. has acquired 95% of stock of Link Aviation Inc., Binghamton, N. Y. manufacturer of aircraft trainers (Vol. 10:12). Link's sales last year were \$20,749,000, net profit \$863,000.

Stanley Warner Corp., the Fabian chain of about 300 movie theatres acquired early in 1953 from Warner Brothers Pictures Inc., has purchased International Latex Corp. (rubber products) in move to diversify that began recently when charter was altered to permit 50% acquisition of WTRI, Schenectady. Stanley Warner paid \$15,000,000 cash for 100% of International Latex, financed by 6-year loan from group of 6 banks headed by First National of Boston.

Financial & Trade Noies: "A good volume of business for the year 1954 as a whole" was forecast for RCA by Chairman Sarnoff at annual stockholders meeting May 4, attended by 916 stockholders, at which he reported record sales and earnings for first quarter 1954. Total volume was \$226,609,000, net profit \$10,066,000 ( $66\phi$  a share), which compare with \$208,007,553 sales and \$9,293,141 net profit ( $61\phi$ ) for same 1953 period. The 1954 quarter thus was up 9% in sales, 8% in profit.

Gen. Sarnoff pinned RCA's expectation of \$1 billion volume on color TV, which he said offers the industry its "greatest stimulus for progress and the surest promise for prosperity." He noted that over the last 10 years RCA's volume of business has jumped from \$295,000,000 a year to \$853,000,000, its net profit after taxes going from \$10,192,000 to \$35,022,000 a year, its net working capital from \$115,336,000 to \$228,941,000.

TV accounted for nearly 50% of RCA's total volume in last 7 years, was 54% over last year, he said. Govt. sales were about \$55,000,000 first quarter, or about 24% of total volume; international business continued to increase; sales of home appliances (air conditioners & ranges) were 75% ahead and profits nearly double. Summary of the RCA quarterly report for quarter ended March 31:

	1954	1953	1952
Products & services sold \$	226,609,000	\$208,007,553	\$163,871,331
Net before income taxes	20,470,000	20,456,141	14,841,520
Net profit after taxes	10,066,000	9,293,141	7,076,520
Number common shares	14,031,016	14,031,903	13,881,016
*Earned per common share	.66	.61	.45

\* After preferred dividend requirements.

\*\*\*

Motorola first-quarter profit & sales declined sharply from first quarter of 1953—earnings being \$1,644,084 (85¢ a share) on sales of \$48,006,800, compared to \$3,174,208 (\$1.64) on \$64,859,867 year ago and \$2,238,135 (\$1.16) on \$38,853,095 in first quarter of 1952. Pres. Paul V. Galvin said first-quarter results do not reflect Motorola's expectations for rest of year and second half of 1954 should be "relatively more satisfactory." Industry spent first quarter working off excess inventory, he said, citing fact that retail TV sales exceeded production by 400,000, thus creating "a much healthier situation." He increased his estimate of black-&-white retail sales this year from 5 to 6 million and reduced by unspecified amount his earlier estimate of 100,000 color production.

Allen B. DuMont Laboratories Inc. earned net profit of \$508,000 (20¢ a share on 2,361,054 shares outstanding) on gross income of \$19,770,000 for first 12 weeks of this year, down from \$945,000 (39¢) on gross of \$24,187,000 for same 1953 period. Results for remaining 3 periods, Dr. DuMont told stockholders meeting May 3, should compare more favorably with 1953 though next few years may mean rough going because of transition to color TV. He predicted mass production of color TV sets within 2 years, citing advantages of own new 19-in. tube and prospect of 21-in. rectangulars (Vol. 10:18). For all 1954 he estimated sales will be 10% plus-or-minus record \$91,828,982 achieved in 1953 (Vol. 10:15).

Dividends: Packard-Bell, 25¢ payable April 25 to stockholders of record April 12; International Resistance Co., 5¢ June 1 to holders May 17; Tung-Sol, 25¢ June 2 to holders May 17; Indiana Steel Products Co., 37½¢ June 10 to holders May 25; Globe-Union, 30¢ June 20 to holders June 2.

Tung-Sol Electric Inc. earned net income of \$450,304 (78¢ a share on 554,952 outstanding) on net sales of \$9,516,287 in 13 weeks to April 3 vs. \$552,318 (97¢ on 547,656 shares) on sales of \$10,745,129 in same 1953 quarter.

American Phenolic Corp. reports earnings of \$801,223 (\$2 per share) on sales of \$32,023,107 in 1953 vs. \$1,279,-290 (\$3.19) on \$36,726,812 in 1952.

RMED FORCES TV "network" is definitely in the planning stage now, with initial batch of 12 U. S.-owned low-power TV stations projected at isolated foreign bases. Project is being handled by Office of Armed Forces Information & Education (AFIE), which also directs and controls Armed Forces Radio Service.

Experimental prototype of the foreign TV installations is Ch. 8 operation at lonely Limestone Air Force Base near Caribou, Me. (Vol. 9:52), now nearing end of 6-month trial period. Station was built at cost of \$33,143 with money from PX sales and movie receipts. Basic installation was by RCA—including 10-watt transmitter and vidicon camera in small studio. Operating on shoestring, station now programs 45 hours weekly, using kinescopes and films obtained through cooperation of networks, advertising agencies, TV film distributors—in addition to live newscasts and talks by chaplains. Armed forces agreed to take station off air if any commercial station should be authorized in area.

Following successful trial period, Limestone station gets formal dedication next July 4. The other armed forces stations won't be located in continental U. S. or in any areas reached by Armed Forces Radio Service or existing TV stations. It's policy of Defense Dept. to utilize existing facilities wherever possible; for example, in Japan, Germany and French Morocco, arrangements are with existing TV stations to present American film programs especially for U. S. troops. Heading up armed forces TV project is Lt. Col. Mel Williamson, chief of AFIE's TV section.

The 12 TV stations now contemplated would be located at isolated Pacific island bases, Greenland, Labrador, etc. Funds aren't yet available, and legislation is needed to establish beyond any doubt the Defense Dept.'s authority to build such stations. Bill (S-3401) introduced this week at request of Defense Dept. by Chairman Saltonstall (R-Mass.) of Senate Armed Services Committee, would do this. Committee is slated to hold hearings on it soon, possibly next week.

...

Westinghouse acquires station whose gross revenues jumped from less than \$600,000 in 1950 to more than \$3,000,000 in 1953, profit after taxes from about \$30,000 to nearly \$300,000, in proposed purchase of KPIX, San Francisco (Ch. 5) for which transfer papers were filed this week. Sale price is approximately \$6,000,000 in Westinghouse stock (Vol. 10:11), with gen. mgr. Philip G. Lasky, who disposes of his 14%, continuing with the station. Balance sheets filed this week show that in 1950 gross revenues were \$572,466, Federal taxes \$13,647, net income \$29,741; in 1951, gross was \$1,385,683, taxes \$281,203, net \$140,418; in 1952, gross was \$1,962,857, taxes \$153,589, net \$78,061; in 1953, gross was \$3,030,210, taxes \$812,017, net \$292,198.

Merger of Phoenix's half-time KOY-TV & KOOL-TV, sharing Ch. 10 since they began operating last Oct. (Vol. 10:12) was approved by FCC this week. They combine as KOOL-TV, controlled by Gene Autry, with mgr. Charles Garland owning 5%. Autry group also owns KOPO-TV, Tucson. Purchase price of KOY-TV was \$200,000, gen. mgr. and 20% stockholder Albert D. Johnson continuing to operate radio KOY which wasn't involved in deal. Transfer papers showed KOY-TV had lost about \$45,000 up to last Jan. 31, KOOL-TV about \$30,000 up to Dec. 31.

FCC approved \$76,612 sale of assets of grantee WUTV, Youngstown (Polan Industries) to WFMJ-TV, Youngstown (Ch. 73), so that latter can take over WUTV's Ch. 21 (Vol. 10:10,14). At same time it rejected petition of Valley TV Co., onetime applicant for Ch. 21, which asked hearing on transfer.

Change in network affiliation rules regarding "territorial exclusivity," proposed by FCC (Vol. 10:14), brought lively pro and con comments this week. Commission proposed to prevent any station from signing agreement with a network to prohibit the network from feeding programs to other stations in same community or in cities within 15 miles. Of the networks, only CBS and NBC commented, both opposed. Stations opposed are: Meredith stations; WNHC-TV, New Haven; WTVR, Richmond. In favor of change: WAKR-TV, Akron; WLBR-TV, Lebanon, Pa.; KNUZ-TV, Houston; WFRV-TV, Green Bay, Wis. Said CBS: "Whether or not the section is revised . . . it would be the general practice of CBS-TV to provide its network affiliates, insofar as possible, with unduplicated service." NBC commented: "It would substitute artificial political boundaries as the measure of protection for a station's signal in lieu of the common sense standard of whether the signal strength is adequate." Those favoring change, mostly uhf stations, stated it wouldn't be cure-all but would help. Several went further and argued that Commission should stop applicants from getting grants in smaller communities then placing transmitters near big cities; examples given were Houston-Galveston, Muskegon-Grand Rapids, Spartanburg-Greenville, Hutchinson-Wichita, Marinette-Green Bay. In same vein, KCEB, Tulsa, this week protested Ch. 8 grant to Tulsa Broadcasting Co. in Muskogee (KTVX) stating that grantee is really aiming at Tulsa, not Muskogee.

Newspaper ownership of TV stations got second Senatorial slap in 2 weeks when Sen. Kilgore (D-W. Va.), continuing his TV-radio "anti-monopoly" crusade, inserted in May 5 Congressional Record a list of 112 TV stations with newspaper ownership connections—which he viewed with "serious concern." Last week, Sen. Johnson (D-Colo.) introduced bill (S-3350) to ban 10% or greater ownership of TV-radio stations by newspapers in cities of 100,000 population or more (Voi. 10:18). The 2 Senators are known to have conferred informally on the matter. Kilgore recently assailed radio ownership of TV stations (Vol. 10:10) and asked Senate probe of alleged TV-radio monopolies (Vol. 10:11). Senate Judiciary Committee's monopoly & anti-trust subcommittee under Sen. Langer (R-N. D.)-of which Kilgore is member-has such an inquiry under consideration, but isn't expected to get to it for a long time, if at all.

In order to exercise option to purchase one-third interest in KFSD-TV (Ch. 10) and KFSD, San Diego, Charles E. Salik this week sold his radio KCBQ, San Diego (1-kw night, 5-kw day on 1170 kc, ABC) for \$250,000. Purchasers are Stanley N. Schultz, Phoenix, and Timothy D. Parkinson, Tucson, co-owners of radio KRUX, Phoenix. Salik hasn't indicated when he will buy into the Tom Sharp stations, which it's reported may soon be sold to new interests.

City Council of St. Petersburg, Fla. voted unanimously May 6 to reject both the Edward Lamb and Ted Mack bids (Vol. 10:18) to take over its WSUN-TV (Ch. 38) and radio WSUN (5-kw on 620 kc, ABC), and then by 5-2 decision decided to continue TV-radio operations as a city function. Actions definitely mean, they said, that the stations are no longer on the market.

National Community TV Assn. convention June 14-16 at Park Sheraton Hotel, New York, has following exhibitors scheduled so far: Entron Co., International Telemeter, Jerrold, RCA, Spencer-Kennedy Labs, Amphenol, Federal Telephone & Radio, Phelps-Dodge, U. S. Wire & Cable Corp., Times Appliance Co.

FM panel May 24 at NARTB convention in Chicago's Palmer House will have FCC Comr. Sterling and 4 broadcasters, moderated by Ben Strouse, WWDC, Washington.

# MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE FOR MANAGEMENT OF THE VISUAL BROADCASTING AND ALLIED ELECTRONICS ARTS AND INDUSTRY



PUBLISHED WEEKLY BY RADIO NEWS BUREAU. WYATT-BLDG. . WASHINGTON 5, D.C. . TELEPHONE STERLING 3-1755 . VOL. 10: No. 20

L'an la land

May 15, 1954

In this

The Magic Word Is 'Electronics', pp. 1 & 12-13
Bricker's Network-Regulation Bombshell, page 1
Flint Ch. 12 CP Breaks Decision Logiam, page 2
Colorado VHF Gives Up the Ghost, page 3
Tax-Exempt UHF Sets? Senate Probe Is On, page 3

FCC Defines Fee-TV as 'Broadcasting', page 4
NARTB Convention Again Dominantly TV, page 5
Transmitter Shipments & Upcoming Stations, page 9
'Tube Prices Are All Over the Map', page 10
Philco Strike Accents Seasonal Dip, page 10

THE MAGIC WORD IS 'ELECTRONICS': As magical as TV, which is its commercial keystone, electronics during recent years has attracted many companies which never before had anything remotely to do with it -- some in such a big way that the tail now wags the dog. Hardly a week passes nowadays without word of new ventures, expansions, acquisitions or mergers in various fields of electronics. By and large, the main factor motivating non-electronic companies into the field is the desire to diversify.

Everybody in the industry knows the names of the various big TV-radio-electronics manufacturers who pioneered the field, many of them still doing great work for the military services as well as for commercial markets. (For lists of TV set & tube manufacturers, see our TV Factbook No. 18.)

<u>Virtually all the aircraft</u> manufacturers have gone into electronics research, design and manufacture inasmuch as electronics items are integral to flying. And so have a great many <u>office equipment</u> and <u>coin machine</u> manufacturers.

But there are others with businesses seemingly remote from electronics now important factors in the field. To get a sizeup of what these "newcomers" are doing, we asked Chicago financial consultant Edgar Greenebaum Jr. to furnish us with information about unusual entries into electronics fields. He's the specialist in electronics securities who, while with Television Shares Management Corp. from 1948-53, helped set up highly successful Television-Electronics Fund Inc., investment trust. You will find a summary of his data on pp. 12-13.

BRICKER'S NETWORK-REGULATION BOMBSHELL: Triggered by complaints of uhf grantees -- but with implications far beyond immediate problems of uhf -- a bill to put networks under FCC regulation took the industry completely by surprise when introduced May 13 by Senator Bricker (R-Ohio), chairman of the powerful Interstate Commerce Committee whose chairmen (Wheeler, Johnson, Tobey, et al.) have traditionally kept the FCC and the industry hopping to do their bidding.

No believer in the governmental big stick, the conservative Ohioan goes further in his bill (S-3456) than did any New Deal lawmakers in the days when networks and stations, always fair game, were more alert to encroachments by "Big Government." Bill would give FCC blanket authority over networks similar to that it exercises over TV-radio stations -- specifically granting Commission power "to establish rules and regulations and make orders with respect to the networks and such of their activities as affect licensed broadcast stations to operate in the public interest."

The FCC does not now regulate networks as such, but it exercises considerable power over them through the stations they own and affiliate. Bricker bill defines "network" as "any person who operates a system which, for the purpose of simultaneous or delayed broadcasting of identical programs, in any way interconnects or affiliates any 2 or more broadcasting stations."

Bricker means business; bill's intent was to bring whole network affiliation issue to a head. As chairman of committee which has authority over all TV, radio and communications matters, he told Senate he has already "requested the FCC and

other govt. agencies to submit comments as soon as practicable on the bill preparatory to exploration of the matter by the committee."

Measure is bound to be discussed at next week's uhf hearings before Commerce Committee's communications subcommittee (see story, p. 3), where most uhf grantees are expected to endorse it -- since their most widely expressed complaint has been inability to get satisfactory network affiliation. However, Sen. Bricker is due to be out of town next week, won't attend sessions.

Reasons for Bricker's drastic proposal were made clear in speech May 13. recent weeks," he said, "the committee has received many complaints from all parts of the country, and also from several Senators, outlining the difficulties encountered by certain broadcast stations in negotiating affiliations with the various networks."

The Senator is known to have been deeply impressed by the one uhf casualty in his home state -- WIFE, Dayton (Ch. 22), which gave up March 13 after impressive and well-financed start (Vol. 10:11). Pres. Ronald B. Woodyard came to Washington at the time, got sympathetic reception from Bricker.

"The ability of an individual station to obtain network programming too often determines whether that station lives or dies, "Bricker told Senate. "The FCC has the full responsibility of making available, so far as possible, to all the people of the United States a nationwide, efficient radio and television service ...

"If the FCC is unable or is hampered in carrying out this objective because of the lack of authority," he continued, "then Congress must act accordingly."

He pointed out that 72 grants had been dropped -- including 60 uhf -- and he added: "We have reason to believe that many of these failures are due to the fact that the stations were denied\_programs by the various operating networks. It is that field which, through this bill, we seek to explore."

FLINT Ch. 12 CP BREAKS DECISION LOGIAM: With its decision-making processes in gear, at long last, FCC got one of the tough ones out of its system by granting Ch. 12 in Flint, Mich. to WJR, Detroit -- denying Bitner family's WFDF and application of the Butterfield Theatres and reversing an examiner's initial decision of more than year ago. Examiner Benito Gaguine, since resigned, had chosen WFDF.

FCC was on a granting spree for these days, issuing 4 other CPs, including uhf Ch. 31 to City of New York after its competitors dismissed. Other 3 CPs were: Ardmore, Okla., KVSO, Ch. 12; San Antonio, Tex., KCOR, Ch. 41; Wausau, Wis., Wisconsin Valley TV Corp., Ch. 7. Set up for Ch. 3 grant soon in Phoenix was ex-Sen. Mc-Farland's Arizona TV Co., now that KTAR is dropping out, having purchased KTYL-TV in nearby Mesa (Vol. 10:18). A CP was returned -- WSCV, Spartanburg, S.C. (Ch. 17).

It's everyone's hope that Flint decision, which in effect gives Detroit area its 4th station, indicates logjam is broken. The portents are that decisions will continue at fair rate from here on.

Commission's main reasons for preferring WJR (Hennock dissenting) were that it proposes more elaborate facilities, more local programs; that it has no other TV stations while Bitners already have WOOD-TV, Grand Rapids & WFBM-TV, Indianapolis; that it has broadcast experience while Butterfield has none; that its officials (John J. Patt, pres.) would take more active part in station's management.

Just how elaborate WJR's plans are is indicated by its proposed construction costs -- \$1,852,000 vs. WFDF's \$551,000, Butterfield's \$838,000 -- which includes studios in Flint and Detroit, plus remote unit.

WJR is controlled by widow of G.A. Richards, now Mrs. Walton Parker. station's earned surplus is \$2,200,000, of which \$2,000,000 is reserved for TV.

Commission dwelt at length on coverage question, reiterated its stand that as long as all applicants meet minimum signal standards none is superior.

New York City has \$379,000 set aside for station construction, but fight is anticipated over appropriation for operations. Mayor Wagner was particularly happy about grant because he fought for applying when he was pres. of Manhattan Borough. The city now operates AM station WNYC, whose mgr. Seymour Seigel said engineers are now studying practicability of starting out in color.

**COLORADO VHF GIVES UP THE GHOST:** Another "economic casualty" -- this one a vhf -- again emphasizes the inescapable necessity of basic market conditions favorable to TV and the vital importance of network affiliation. In a week marked by no new station starters, the 14-month-old KDZA-TV, Pueblo, Colo. (Ch. 3) allowed its STA to expire without asking FCC for renewal. Owner Dee B. Crouch was negotiating to dispose of the equipment, even while hoping to find a way to resume perhaps as a satellite. Outlet had signed off May 7 ostensibly for equipment repairs, but it was an open secret he couldn't keep it going. He also owns independent AM local KDZA.

KDZA-TV was first in city, got network service at outset via 104-mi. relay from Denver's pioneer KFEL-TV, whose owner Gene O'Fallon had in fact contracted to buy it for \$350,000 (Vol. 9:31). But he gave up deal (Vol. 9:47) after losing own major network affiliations when KLZ-TV (CBS) started in Oct. and KOA-TV (NBC) in Dec. and continued relays to Pueblo were found uneconomical. Pueblo's other station, KCSJ-TV (Ch. 5), which started late last June, has an NBC affiliation.

KDZA-TV is second mountain area station and the third vhf to quit the air for lack of economic support. Its condition reportedly was aggravated by fact that both Colorado Springs stations come into its area. KFXD-TV, Nampa, Ida. (Ch. 6) had to drop out last Aug. (Vol. 9:34) mainly due to underfinancing for it was contiguous to Boise where another CP holder quickly grabbed up its channel. Its former transmitter, incidentally, will soon go into operation for new KFXJ-TV, Grand Junction, Colo. (Ch. 5), first outlet in western part of state and midway between Denver and Salt Lake City. Except for last week's KOY-TV time-sharing merger into KOOL-TV, Phoenix, the only other vhf to sign off permanently was KFOR-TV, Lincoln, Neb., which quit last March (Vol. 10:11) because of competition from nearby Omaha.

Note: Signoff of KDZA-TV brings count of stations now on air to 383.

TAX-EXEMPT UHF SETS? SENATE PROBE IS ON: So many witnesses have lined up to present their recipes for saving uhf that the Senate communications subcommittee has decided that 3 days of morning and afternoon hearings -- now definitely scheduled to begin next Wednesday, May 19 -- won't be enough. It now plans still more hearings in June.

Action on uhf problems erupted meanwhile on 2 other Congressional fronts. In addition to Sen. Bricker's network regulation bill (see p. 1), there's a new proposal by Sen. Johnson (D-Colo.), ex-chairman of the committee, to exempt from 10% excise tax all TV sets with built-in uhf tuners -- a move which could cut down or eliminate the price disadvantages of combination vhf-uhf sets.

Johnson's proposal is certain to get enthusiastic response in telecasting and manufacturing industries. It would help boost set sales, increase set circulation, hurt no one. In addition to being ranking minority member of Senate Commerce Committee, he's on Finance Committee, now pondering House-passed revision of internal revenue laws (HR-8300). He'll offer his amendment within next 10 days, he told us. It would exempt from the tax uhf converters as well as receivers.

Measure would make it possible to manufacture black-&-white vhf-uhf sets as cheaply as vhf-only, hasten the day when all new sets have uhf tuners. Color sets equipped for uhf would be cheaper than their vhf-only counterparts which would still be subject to manufacturers' tax. RETMA, which has spearheaded several unsuccessful drives to reduce the excises on black-&-white sets and eliminate them on color, will endorse Johnson amendment -- in fact, RETMA chairman Glen McDaniel had intended to make similar proposal in his appearance before subcommittee next week.

"It's now or never," Johnson warns. He told us he had postponed introducing his excise tax amendment in hopes Senators would become more impressed with uhf problems. Its fate, he said, depends on extent and speed with which industry and consumers buttonhole their Senators to dramatize necessity of helping uhf.

\* \* \* \*

Importance attached to uhf hearings by subcommittee Chairman Potter (R-Mich.) is indicated by his refusal to postpone them a third time, despite fact that he's still needed for McCarthy hearings -- and that even his temporary absence from the televised hearings will certainly be noticed by his constituents on their TV screens.

Hearings begin Wednesday at unusually early hour of 9 a.m., will run through May 21, then recess until early June -- after NARTB convention. Potter will attempt

to attend most of uhf hearings, though he also will have to put in some time at the McCarthy airings == particularly if things get hot there.

More than 40 witnesses are tentatively slated to appear before subcommittee, and requests are continuing to pile up at subcommittee office daily. FCC chairman Rosel Hyde will be leadoff witness May 19, followed by UHF Industry Coordinating Committee, RETMA and transmitter manufacturers. (For unofficial list of those due to appear, see p. 16.) Networks won't be heard until June session. In addition to probing uhf problems, hearing also will consider Johnson multiple ownership bill.

Mass presentation for uhf operators and grantees -- although many will also appear individually -- will be made by new UHF Industry Coordinating Committee, now boasting more than 65 station-members. Headed by <u>Harold Thoms</u>, WISE-TV, Asheville, N.C., and with ex-FCC general counsel <u>Ben Cottone</u> as attorney, group will hold membership meeting May 19 at Washington's Statler Hotel.

Complete re-allocation to reduce or eliminate vhf-uhf intermixture is one of main planks of Coordinating Committee's platform. Though group was formed primarily to represent stations at hearing, it now plans to become permanent organization and will hold meetings and have suite at Chicago's Palmer House during NARTB convention.

The other unf organization, Ultra High Frequency TV Assn., headed by Lou Poller of WCAN-TV, Milwaukee, appears to be on verge of dissolving, though it has announced meeting for May 17 in Washington. Virtually all of its members are also on Coordinating Committee, and on May 14 its general counsel and Washington representative Wm. A. Roberts tendered resignation, said to have been indirectly due to objections raised by some uhf operators because of his connection with DuMont.

Defending FCC's intermixture of vhf & uhf allocations, Comr. Sterling this week told Washington IRE meeting that Commission felt: (1) It was only way to provide adequate number of stations. (2) It would assure availability of vhf-uhf sets, which would have been required even in a so-called "non-intermixed" allocation, because many people would reside in areas where vhf and uhf service overlap.

He also urged manufacturers to include uhf tuners in all color sets, and dashed cold water on hopes of those seeking to wangle more vhf channels by using the 72-76 mc and FM bands. The former frequencies will be needed by CAA at least until 1963, he said, and latter would require "hearing of some proportions," running into opposition from FM licensees, prospective storecasters, hi-fi fans, and the fixed and mobile services which also would like to grab off part of FM band.

Imminence of hearing has had impact on other fronts. For example: FCC for several weeks has passed up action on petitions to add vhf channels -- such as Monroe, La. and Princess Anne (Norfolk), Va. It has also deferred action on requests by Buffalo's WBEN-TV and Huntington's WSAZ-TV that Zone I power-height ceilings be lifted to same levels as in Zones II & III. Commission could have acted on these petitions by now if it had wanted to.

FCC DEFINES FEE-TV AS 'BROADCASTING': FCC's initial discussion of subscription TV -- the first of any official significance, at least -- was good news to proponents of pay-as-you-look TV. Giving its views to Congress on pending Hinshaw bill (HR-6431), Commission stated its opinion that fee-TV, if ever authorized commercially, should be classified as "broadcasting" rather than "common carrier".

Subscription TV proponents have been horrified at Hinshaw bill's provision that their systems be regulated as are telephone and telegraph -- meaning that FCC would control rates and limit operators to "fair return" on their investments rather than permitting them to charge what traffic will bear under competition. General opinion is that no one would start fee-TV if Hinshaw bill is adopted.

FCC made it clear it hasn't decided whether or not to authorize pay TV. It noted merely that it has pending several petitions requesting commercialization and that "the entire problem is now being actively studied."

Commission didn't commit itself flatly on matter of rate regulation, however. In one place it said: "Although it might be felt desirable to subject subscription services to regulations as a public utility, the Commission does not believe that

classification of these services as 'common carriers' would be appropriate." But in conclusion it stated:

"Any subscription service which might be authorized will be likely to be faced with the natural forces of competition from other subscription operations (including 'closed circuit' operations by wire of the type now utilized in 'theatre television'), and from conventional broadcasts received by the public without direct charge. In the absence of experience in this field, we cannot now foretell the effect of these natural competitive forces and whether additional regulatory authority would be required in the future."

Commission thus doesn't rule out the "public utility" classification, which could mean controls as stringent as those applied to common carrier, but it prefers leaving economics up to competition if at all possible.

FCC opined that it now has adequate authority to institute a pay-as-you-look service and determine "the number and type of hours during which subscription programs could be broadcast by any station, the number of stations in any community which could engage in subscription operations at any one time, or the approved transmission standards for such operations."

History of "broadcasting" definition occupied much of the FCC's comments and conclusion is this: "The reliance of the broadcasting industry upon advertising revenue, rather than upon direct charges to the public as its principal source of revenue, has not been the result of any action by either Congress or the Commission, but rather the result of the natural development of the industry."

Though FCC's comments shed more light on subject, neither the Commission nor Congress is likely to hold hearings soon. FCC considers its <u>hands quite full</u> of other matters, notably <u>uhf problem</u> (see p. 3) and House Commerce Committee is up to its ears in hearings on health legislation and on Bryson bill to restrict liquor ads (HR-1227). Hearing on latter is set for May 19-21.

No Congressman other than Hinshaw seems excited about matter, but Hinshaw vows he'll get hearing on it if he has to tack it on as a rider to some other bill.

NARTB CONVENTION AGAIN DOMINANTLY TV: Even the sideshows at annual NARTB convention -- in Chicago's Palmer House, May 23-27 -- will be dominantly TV with a record turn-out expected from the 255 TV station and the 4 TV network members, to say nothing of the 1128 AMs, 329 FMs, 114 associates. Fact is, NARTB's total membership of 1838 is a growth of 8% over last year's roster at this time.

Most noteworthy of the peripheral activities, aside from the usual big array of exhibits (heavily TV) and the many individual company parleys, is the organization meeting Monday of the well-backed Television Advertising Bureau, projected as a non-NARTB business group, with headquarters in N.Y., for purpose of promoting spot sales and for closer liaison with sponsors and agencies (Vol. 10:17-19). Unique, too, will be the Sunday evening reception and dinner (May 23) which Sponsor Magazine is tendering the 108 pre-freeze stations, presenting each with a commemorative plaque in recognition of its pioneering, with Harold Hough, WBAP-TV, Ft. Worth, as m.c.

Monday is really leadoff day, devoted entirely to side meetings: NARTB's TV board meeting to elect 5 directors, including possibly one being sought by uhf folk; also, the BAB board luncheon and meetings of CBS affiliates, NARTB sports committee, Daytime Broadcasters Assn., Clear Channel Broadcasting Service, Council on Radio Journalism, presidents of the state broadcasting associations, et al.

Big meetings start Tuesday morning, with CBS chairman William S. Paley delivering the keynote address. Same day, the joint management-engineering conference & workshop has GE's W.J. Purcell discussing "Economy in Technical Operations Through Organization and Management"; Eastman Kodak's Ralph Evans, "Seeing Light and Color"; NBC's Robert E. Shelby, "Results of Experience to Date in Color TV Operations." Also panels on labor relations and film buying, latter headed by KRON-TV's Harold See.

These mainspots for conventioneers most interested in TV problems will be followed Wednesday by various other sessions and a luncheon address by FCC chairman Rosel Hyde. Thursday morning's piece de resistance will be a roundtable discussion with all FCC commissioners except E.M. Webster on hand.

Personal Noies: Maj. Lenox R. Lohr, NBC pres. 1935-40, now pres. of Museum of Science & Industry, Chicago, elected pres. of Society of American Military Engineers at Annapolis convention this week . . . Samuel E. Feldman, eastern div. mgr., promoted to asst. sales mgr. of ASCAP under Jules M. Collins, specializing in TV-radio . . . H. S. (Bert) Somson, ex-Ziv & Kling Studios, named exec. v.p. of Crosley Bostg. Corp. subsidiaries WLW Promotions Inc. & Olympus Film Productions, in expansion of both . . . Paul Raibourn, Paramount v.p. and member of NARTB board for its KTLA, Los Angeles, speaks on "The Future of Television" before Chicago Television Council, May 21 . . . Edward R. Hitz, NBC-TV central div. network sales mgr., recuperating from an operation at St. Luke's Hospital, Chicago . . . Dave Jacobson, CBS-TV public relations director, leaves early in June for 5-week tour of Europe and Israel . . . John W. Collins promoted from sales mgr. to mgr. of WAGA-TV, Atlanta, in separation of TV-radio under managing director Glenn C. Jackson, with Claude Frazier promoted to mgr. of radio WAGA; Don Naylor, program director & film buyer, WAGA-TV; Len Henrikson, program director, WAGA . . . O. C. B. Howard named program director of upcoming WGR-TV, Buffalo, Nat Cohen named mgr. of radio WGR, under Joseph J. Bernard, gen. mgr. . . , D. C. Summerford, technical director, promoted to gen. mgr. of WKLO, Louisville, whose uhf WKLO-TV quit the air in April (Vol. 10:17); he replaces Joe Eaton, and Charles Farmer has been named asst. mgr. & sales director . . . James Kellock reelected pres., Austin Kiplinger v.p. of Chicago Unlimited, industry group formed to promote Chicago as a TV-radio center . . . Jim Rogers, ex-Blair in Hollywood, named sales mgr. of KLAS-TV, Las Vegas . . . Thomas L. Young, ex-KWAT, Watertown, S. D., named sales mgr. of KOLN-TV, Lincoln . . . Chet Cooper promoted to production operations mgr. of WFIL-TV, Philadelphia . . . J. R. Troxel resigns as operations mgr. of WITV, Ft. Lauderdale; Gail Compton, resigns as program director, to give full time to her Gail Compton Show . . . Bob Sevey, ex-KPHO-TV, Phoenix, named production mgr. of KULA-TV, Honolulu . . . Lou Sanman, ex-Biow Co., appointed production coordinator of ABC western div., Hollywood . . . John Barkhurst transferred from Los Angeles to San Francisco to handle ABC-TV & ABC publicity & merchandising; Robert P. Hardin promoted to succeed him . . . Yves Vien promoted from administrator of program services to CBC co-director of TV, Montreal; Roger Rolland appointed CBC Montreal programs director, replacing Gerard Lamarche, now Quebec provincial director of programs . . . Savington W. Crampton named TV-radio supervisor handling Philco Breakfast Club simulcasts for Hutchins Adv., under Pierson Mapes, N. Y. v.p. & gen. mgr. . . . Robert C. Alexander, ex-Ward Wheelock v.p. in charge of TV-radio, joins N. W. Ayer client service dept. . . . Gordon D. Walker, ex-KNXT, Los Angeles, joins Kenyon & Eckhardt, same city, as TV-radio production asst. . . . George Tichenor, ex-Forjoe, joins TVradio dept., D'Arcy Adv., N. Y. . . . Philip L. McHugh named TV-radio mgr., Campbell-Ewald Co., Detroit . . . P. H. Wire, pres.-gen. mgr. of East St. Louis Journal, named pres. of KSTM-TV, St. Louis.

New FCC asst. gen. counsel in charge of litigation is J. Smith Henley, attorney from Harrison, Ark. He succeeds J. Roger Wollenberg, who had resigned some months ago to join Haley, Doty & Schellenberg. Henley served as city attorney of Harrison 1944-47, was referee in bankruptcy for Federal district court 1944-45. He's 37, married. has 2 children.

John Meagher, KYSM, Mankato, Minn., elected NARTB v.p. for radio (AM-FM), new post created by board at Jan. meeting in Phoenix.

J. H. Whitney & Co.'s \$4,000,000 purchase of KOTV, Tulsa (Ch. 6) was approved by FCC this week, the big N. Y. venture capital concern acquiring property (Vol. 10:14) whose total assets as of last Dec. 31 were listed as \$786,675, liabilities \$665,003, with surplus of \$71,672. It's one of biggest station deals on record, leading Comr. Lee, without dissenting, to issue statement expressing "growing concern" and stating that "large transactions such as this give me cause for alarm." He said: "The Commission transfer processes do not provide for the possibility of competing applications or comparative consideration of applicants as in the case of requests for original use of a channel. I am aware that this may be due to statutory limitations, and I do not suggest that this is inappropriate. But I am concerned because the transfer processing does not answer for me the question as to how the prospective purchaser would have fared in a comparative hearing." Sellers are Mrs. Helen Maria Alvarez, who founded the station in 1949, owned 50%; Jack Wrather, Okla. oil heir, 25%, his mother Mrs. Mazie Wrather, 25%. It was stated at time of deal that no personnel changes are planned. Mrs. Alvarez and Mr. Wrather, who also own 38.89% each of KFMB-TV & KFMB, San Diego (along with Edward F. Petry & Co., 22.22%), remain on stations' board along with Whitney partners C. Wrede Petersmeyer, Wm. H. Jackson & Robert F. Rvan.

Arthur B. Church's Midland Broadcasting Co., Kansas City, which Cook Paint & Varnish Co. proposes to acquire in deal involving \$1,750,000 cash, plus assumption of about \$865,000 in obligations and other considerations (Vol. 10:17), shows these original costs of various properties as of March 31, 1954 in transfer papers filed recently with FCC: KMBC-TV, \$372,652; KMBC, \$351,194; KFRM, Concordia, Kan., \$129,679. Though depreciated costs are given, papers say that in nearly every instance replacement cost would exceed original cost. Midland's assets on Feb. 28 totaled \$1,502,693. Fixed liabilities total \$671,-011, current liabilities \$139,743, capital stock & surplus \$691,938 (earned surplus account \$283,748 as of Jan. 31, 1953). Purchaser's WHB Broadcasting Inc. balance sheet shows \$830,141 assets & liabilities, latter including earned surplus of \$482,669. WHB-TV shares time and ownership of transmitter with KMBC-TV and it's proposed to merge them into one basic CBS-TV outlet.

Transfer of Ch. 12 facilities of old KOLN-TV, Lincoln, Neb. from Fetzer family to trustee Byron J. Dunn acting for U of Nebraska (Vol. 10:14) can't be approved without hearing, FCC told John Fetzer. Commission said it looks as if Fetzer "would be in position to exercise a substantial influence in two TV stations in the same community if we were to approve [the transfer]." FCC letter says that Fetzer would own transmitter, operate it and "has agreed to reimburse the Trustee for reasonable expenses necessarily incurred in carrying out the trust, if donated funds are not available for that purpose." Commission notes that there's no commitment from the university and that application wasn't signed by its representative. Fetzers first bought KOLN-TV (Vol. 9:30, 34), then KFOR-TV (Vol. 10:13), swapping channels and silencing the latter.

At FCC and in court, uhf stations continue attempts to block vhf grants or participate in vhf hearings. This week, WAIM-TV, Anderson, S. C., said it would appeal FCC's latest action in venerable Spartanburg site case—granting of regular modification to WSPA-TV to build at Paris Mt. WENS, Pittsburgh, petitioned to intervene in suburban Irwin Ch. 4 hearing. Grantee KSPG, Tulsa, joined KCEB in protesting vhf grant in Muskogee (Vol. 10:19); surprisingly, vhf KOTV is also protesting.

Neiwork Accounts: Firestone and NBC came to parting of ways this week when latter announced its Voice of Firestone, carried on the radio network Mon. 8:30-9 p.m. for last 25 years and simulcast with TV for last 5 years, would guit the network June 7 and be heard on "another network" next season. Company withdrew after NBC decided to make period available for new Sid Caesar show next season. Strained relations weren't mollified, apparently, when NBC pointed out that it was never contemplated that radio show should be changed since it has held its high ratings but that TV show has suffered drastic drop in ratings as Mon. night TV audience showed preference for light entertainment and melodrama, pointing to "opposition" of Arthur Godfrey Talent Scouts on CBS-TV at 8:30, followed by I Love Lucy at 9. NBC offered unavailingly to move TV show to Sun. 5:30 p.m., between Hallmark's Hall of Fame and Meet the Press-"both of which bear a cultural and educational imprint" and thereby "capture an increased all-family audience [and] arrest the downward trend of its rating" . . . Texas Co. (Texaco) buys Sat. 9:30-10 p.m. time segment on NBC-TV 3 out of 4 weeks for new comedy show featuring Jimmy Durante, starting in fall, thru Cunningham & Walsh . . . Florida Citrus Commission to sponsor Twenty Questions, which shifts from DuMont to ABC-TV starting June 29, Tue. 8:30-9 p.m., thru J. Walter Thompson . . . Toni to sponsor Kay Kyser's Kollege of Musical Knowledge on CBS-TV starting July 11, Sun. 7-7:30 p.m., thru Weiss & Geller . . . Bristol-Myers Co. (Bufferin & Vitalis) sponsors 10-10:30 a.m. segment of Arthur Godfrey Time simulcast on CBS-TV on alt.-day basis, starting May 11, thru Young & Rubicam . . . Lucky Strikes to sponsor Jack Benny Show in fall on alt. Sun. 7:30-8 p.m. instead of every 3rd Sun. on CBS-TV, thru BBDO . . . Pall Mall renews alt.-week sponsorship (with Dodge) of Danny Thomas in Make Room for Daddy on ABC-TV, Tue. 9-9:30 p.m., thru Sullivan, Stauffer, Calwell & Bayles . . . Sherwin-Williams Co. shifts Ray Bolger Show from Thu. 8:30-9 p.m. to Fri. 8:30-9 p.m. on ABC-TV in place of Pepsi-Cola Playhouse, which moves to Sun. 7:30-8 p.m., effective July 9.

New TV camera, image orthicon and flying-spot scanner have been announced by British Marconi. Camera chain, known as Mark III, was specifically designed for new 4½-in. image orthicon, which is claimed to provide "far better picture than any existing TV system is capable of transmitting." The 16mm film scanner is built around new Marconi fast pull-down mechanism. All equipment is available for use on British, European or American standards.

Tremendous pulling power of kiddie programs is shown in new Advertest survey of 6 popular children's show in N. Y. area, based on 750-family sample. About 75% of parents interviewed reported they had been asked by their children to buy at least one product advertised on the programs; more than 93% of this group said they actually purchased one or more products as result.

McCann-Erickson on June 1 merges Wilkinson, Schiwetz & Tips Inc., Houston agency handling Humble Oil, Texas Rice Promotion Assn., Anderson Clayton & Co., among 28 other accounts. Joseph Wilkinson, pres. of Houston agency, will be v.p. & mgr. of new Houston office of McCann-Erickson; Kern Tips, exec. v.p.

Britain's record mile runner Roger Bannister flew to U. S. this week to appear on CBS-TV's I've Got a Secret and other TV shows, but appearances were cancelled when British Information Office decided he shouldn't come within a mile of commercial TV—to safeguard his amateur status.

Dr. Melvin Brodshaug named dean of School of Public Relations & Communications, Boston U, which includes TV, radio & motion picture depts.

First sponsor of Army-McCarthy hearings, so far as known up to press time, is St. Louis Post-Dispatch, which bought the live show in full, as carried on DuMont by uhf WTVI. Its own station KSD-TV is on NBC, which isn't carrying the daytime proceedings and, moreover, its daytime is entirely committed. Newspaper thus performs good public service, gets good advertising, helps build up uhf audience. In Chicago, the Sun-Times, not listed as a sponsor, has been defraying costs of the hearings as carried on ABC's WBKB. The day-long hearings were opened to commercial sponsorship this week after Senate subcommittee voted to permit sponsors "in recognition of the value and service of live coverage to these committee hearings, as we have observed the results." Chairman Mundt (R-S. D.) explained he had received several calls from networks and stations complaining about cost of carrying hearings in full. Subcommittee authorized commercial sponsorship of the live telecasts only if they're carried in full and not interrupted for commentary; names of sponsors would be permitted only at beginning & end of hearings and during recesses. It said it was hoped networks will use "good judgment in the types of sponsorship which they secure since these televised hearings will be going into homes and some school classrooms." ABC-TV & DuMont, which have been carrying full hearings live, said they're now negotiating with several prospective sponsors. CBS-TV & NBC-TV declared they won't alter their present coverage of late-evening filmed highlights only.

Dept. store use of TV can be made very profitable with minimum of money and maximum of ingenuity, says man who is both telecaster & dept. store owner. George Gable, pres. of Wm. Gable Co.'s WFBG-TV & WFBG, Altoona, Pa., told Washington conference of National Retail Dry Goods Assn. this week his store had achieved "great merchandising success" with 1-min. films made in store, showing sales techniques, and he offered to make them available at print cost to other stations & stores. Films are carried with live commentaries and slides which can be superimposed to show prices, store name & locations, other pertinent information. Other speakers supporting Gable's thesis that more dept. stores should use TV were Armand Grant, WAAM, Baltimore; Ted Nicholaf, WFBM-TV, Indianapolis, and TV consultant Sam Cuff. Gimbels, big Philadelphia dept. store, tests effectiveness of merchandising via TV week of May 17 in 3-way tie-in with WPTZ & NBC-TV's Home (11 a.m.-noon). Store is buying series of spots on WPTZ to boost promotion, will arrange window displays featuring "as advertised on Home." Nineteen minutes of Home will originate from Gimbels May 20 via WPTZ.

Canadian professional football will be televised by NBC this fall in direct competition with NCAA college "game of the week" on ABC-TV. NBC for last 3 years has carried NCAA games, now will telecast 13-game Sat. afternoon series Aug. 28-Nov. 20 featuring Eastern Big Four teams and East-West playoffs. Canadian football, a rugged game somewhat different from the American variety, has attracted many former U. S. college and professional stars. CBC will supply NBC with video pickups via Buffalo, NBC providing own sportscasters. Financial terms of deal and sponsor not yet announced.

Newspapers outrank TV & radio in importance as news media, Catholic Press Assn. convention was told this week by Samuel Cardinal Stritch, Roman Catholic Archbishop of Chicago. "The public square of today is the daily newspaper," he said. "We should also add the radio and TV, but however great the importance of radio and TV may be in our times, the printed word is more important." The Cardinal added, however, that prestige of press has fallen because "it has failed in the responsibility which its very freedom imposes."

Telecasting Notes: Walt Disney TV show Disneyland, which starts on ABC next Oct. as part of new modus operandi signed by the network and the film producer (Vol. 10:14), will probably be slotted Wed. 8-9 p.m., opposite Arthur Godfrey (CBS). Filmed programs will be introduced by Disney personally, will run for at least 8 years under the contract—and many of them will be slanted as promotion for Disney theatrical films and other Disney properties. Exclusive of time charges, the hour-long films reportedly will cost sponsor (as yet unsigned) \$65,000 each for first runs, \$39,000 for re-runs . . . "Disneyland" project near Anaheim, Cal. will be workshop and locale for TV films as well as tourist attraction, and is described as "combination world fair, playground, community center, museum of living facts and showplace of beauty & magic." To be completed by mid-1955 at cost of \$9,000,000 on 150acre tract, project will employ more than 500, will be built and operated by Walt Disney Productions "in association with" ABC and Western Printing & Lithographing Co., Racine, Wis., which prints all Disney publications . . . Officers of Disneyland Inc., elected May 13: Walt Disney, pres. & board chairman; ABC v.p. Earl Hudson, vice chairman; Disneyland gen. mgr. C. V. Wood Jr. (ex-Stanford Research) & Sidney Markley, v.p.'s; Disney Productions' George D. Kilmer & O. V. Melton, secy. & asst. secy. Also on board are Wood, Markley, Western Printing's Robert S. Callendar, Disney Productions treas. Paul L. Pease and American Bar Assn. pres. Lloyd Wright . . . Significant quote from income report of Charles P. Skouras, pres. of National Theatres Inc., for half year ended March 27 (net income: \$1,307,050 vs. \$1,458,529 in 1953 period): "In the cities in the Midwestern, Rocky Mountain, Pacific Northwest and Northern California areas where TV competition has recently developed, there has been a substantial decline in attendance. However, the continued satisfactory operations in localities where TV competition has been intense for a number of years is most encouraging" . . . TV may hurt at first, said chairman Alfred Starr of Theatre Owners of America at Arkansas theatremen's convention last week, its adverse effect on the movie business is only temporary

But, reports Motion Picture Herald, his optimism wasn't shared by all of the 350 Arkansas theatre owners who blamed declining receipts on TV, which became an important factor in their state only during last year . . . "When a family gets its TV set paid for," said Mr. Starr, "then they can spend a couple of dollars a week going to the movies-and they will" . . . More blame: CIO Textile Workers Union, at recent Atlantic City convention, heard its researchers report that TV is contributing to the decline of the clothing industry because homebodies prefer to loll around home and avoid dressing up to go out. Wherefore Variety comments that "one man's meat is another man's poison" and notes that TV must be "upbeating" the furniture, rug, electric bulb, soft & hard drink-and even the victuals industries "since video viewers are the hungriest people at the oddest moments" and suggests, "If textiles can't beat TV, why not join it?" . . . Nielsen reports Rodgers & Hammerstein 4-network show March 28 for General Foods' 25th anniversary (Vol. 10:14) was seen in 21,060,000 homes, or 91.7% of total sets-in-use . . . KOA-TV, Denver, which lost tower in raging windstorm Dec. 6 but went on air few days later with temporary pole, has started erecting new 300-ft. Emsco tower on Lookout Mt., with 6-bay 84-ft. RCA antenna due to be hoisted June 1; new tower gives 1030-ft. height above average terrain . . . Arthur Godfrey, who represents some \$10,000,000 or more of CBS's TV-radio billings, announced on air this week he must undergo another hip operation, presumably will go into hospital during his summer vacation . . . DuMont's WABD and Elroy McCaw group's radio WINS have made deal to cross-promote their programs and personalities, WABD getting plugs on the radio station for its night programs, WINS on the TV for its morning shows . . . New rep: KXLY-TV, Spokane, to Avery-Knodel . . . Rep appointments for upcoming stations: WLAC-TV, Nashville (Ch. 5), to Katz; WTWO, Bangor, Me. (Ch. 2), to Venard, Rintoul & McConnell; WOSA-TV, Wausau, Wis. (Ch. 16), to Rambeau; WUSN-TV, Charleston, S. C. (Ch. 2), to H-R Television.

and "there's no basic conflict between TV and movies."

Educational TV was to dedicate its 6 stations and formally open its program center at Ann Arbor, Mich., Sun. May 16, with hour-long filmed telecast, Vision, containing excerpts of sample programs to be available. All 6 stations will carry program: KUHT, Houston; KTHE, Los Angeles; WKAR-TV, E. Lansing; WHA-TV, Madison; WQED, Pittsburgh; KQED, San Francisco. Program includes excerpts from The Exceptional Child, produced by N. Y. City Board of Higher Education; Stuttering from the Horse's Mouth, film on stuttering produced by U of Iowa; Independent Mr. Jefferson, produced by National Assn. of Educational Broadcasters; Baby Knows Best, produced by N. Y. municipal radio WNYC; Dept. of Defense film on Communism, moderated by George Kennan, ex-U. S. Ambassador to Russia; film on anthropology, featubring American Indian. In addition, problems involved in preparation of an educational telecast will be illustrated by excerpts from Adventure in Art, produced by U of Iowa.

Experimental boosters for Hawaii are proposed in application filed by IRESCO Inc. (International Research Associates, 2221 Warwick Ave., Santa Monica, Cal.). Pres. Lewis E. Brown says that units with output of 15 watts could be built for \$5000 per channel, plus \$1500 for power supply, and re-radiate Honolulu's signals into areas now shadowed. Organization had grant for KM2XFA, Palm Springs, Cal., but said it didn't build there because of "public relations and financial difficulties."

Next to be interconnected by AT&T Long Lines Dept.: KGLO-TV, Mason City, Ia. and WBTM-TV, Danville, Va., scheduled May 15; WGAN-TV, Portland, Me., May 16; WKNY-TV, Kingston, N. Y., May 23.

A 213-mi. 12-hop microwave costing \$250,000 is sought by KXJB-TV, Valley City, N. D., in application filed with FCC this week. AT&T is building microwave to Fargo for WDAY-TV but KXJB-TV chose to seek own link rather than share single channel half-time. AT&T plans call for second channel by June, 1955. KXJB-TV says that AT&T service would cost \$104,796 yearly for 8 hours a day, whereas its own link would cost \$5000 monthly to run after being amortized by 1960. AT&T will undoubtedly oppose grant because private link would parallel own facilities from Minneapolis.

First closed-circuit TV political rally may be undertaken by Democrats for national meeting in Sept., provided money can be raised by local party committees. Proposed by WSB-TV's J. Leonard Reinsch, TV-radio consultant to Democratic National Committee, plan is to use facilities of Nate Halpern's Theatre Network TV, envisioning 100 theatres in more than 60 cities, with potential seating capacity of at least 100,000. Entertainers would alternate with political speakers in 90-min. rally. Tickets are expected to sell for about \$100.

Closed-circuit TV sales conference will be held by Chrysler Corp. May 27 in 20 theatres and 6 hotels in 26 cities. Ford Motor Co. last week had 39-city theatre telecast, following successful 33-theatre show in January. The 3 productions were handled by Box Office TV Inc. Chrysler's Dodge div. also had 15-city dealer presentation in January, produced by ABC-TV and viewed in TV station studios as well as theatres lined up by Theatre Network TV Inc.

DELAYS in construction, and in some cases an apparent lack of determination to go ahead, are more and more manifest in replies to our questionnaires to CP holders asking for information on station plans. This supports our report last week that fewer CP holders are now hurrying to get on the air (Vol. 10:19), particularly uhf who are awaiting upcoming Senate hearings before deciding whether to go ahead at all. Four of the latter reported to us this week, quite frankly, that they haven't yet ordered equipment, have no construction plans as yet, no target dates in view—albeit 3 of them have held their CPs since last Dec., one since July 1953.

Shipments continue slow. RCA reports 25-kw transmitters shipped May 11 to upcoming KHOF, Stockton, Cal. (Ch. 13), and May 14 to KWK-TV, St. Louis (Ch. 4). GE's only reported shipment for week was 12-kw amplifier to KEDD, Wichita (Ch. 16), but it also had order for 5-kw transmitter, with antenna and studio equipment, from Denver Public School's projected KRMA-TV (Ch. 6, educational), which has indicated Dec. 6 target.

In our continuing survey of upcoming stations, these were the reports received this week:

WUSN-TV, Charleston, S. C. (Ch. 2), plans Sept. 26 commercial start as NBC & DuMont affiliate, reports presegen. mgr. J. Drayton Hastie. It will be second station there. WCSC-TV (Ch. 5), which began last June 16, has CBS & ABC. Philip D. Porterfield named gen. sales mgr. H-R Television will be rep.

WTWO, Bangor, Me. (Ch. 2), with tentative order for RCA equipment, is working on construction plans, but hasn't set target, reports pres. Murray Carpenter. Plans are to build own 50-ft. tower atop Riders Peak, Holden, Me. Rep will be Venard, Rintoul & McConnell.

WGBH-TV, Boston, Mass. (Ch. 2, educational), is installing RCA 10-kw transmitter in building on Blue Hill and plans Aug. test patterns, Oct. programming, reports gen. mgr. Parker Wheatley. It has leased 11,000-sq. ft. for studios opposite M.I.T. in Cambridge. Make of 132-ft. tower not determined yet, but 101-ft. RCA 6-bay antenna will be used.

WMVT, Montpelier, Vt. (Ch. 3), planning September start, now is building half mile of mountain road to transmitter site, and within few weeks expects to begin work on transmitter house atop Mt. Mansfield, state's highest peak, reports sales mgr. John A. Dobson. Building will house 5-kw GE transmitter, two 50-kw power generators, and living quarters for 2 engineers. Its 4-bay General Electric antenna on fifty-foot Blaw-Knox tower will be 2729-ft. above average terrain, and signal is expected to reach as far north as Montreal as well as neighboring New York and New Hampshire. Montpelier studio facilities are being arranged with WSKI; Burlington studios will be in new TV-radio building going up on eastern outskirts of city. Signed as primary CBS affiliate, but also expecting to use programs from other 3 networks, it hopes to get AT&T microwave connection with Albany. Weed will be rep.

WMBV-TV, Marinette, Wis. (Ch. 11), transmitter house scheduled to be ready May 20 for 10-kw RCA transmitter due this month, still plans July 14 test patterns and Aug. 1 programming as Marinette-Green Bay area's NBC affiliate, reports gen. mgr. Joseph D. Mackin. It will build 500-ft. tower with RCA 12-bay antenna at original CP site, plans to have it completed by end of June. Decision not to build at new location midway between Marinette and Green Bay was made after WFRV-TV, Green Bay (Ch. 5)—which got CP week before FCC approved site change for WMBV-TV—wrote that it intended to protest change to new location. George W. Clark will be rep.

WUNC-TV, Chapel Hill, N. C. (Ch. 4, educational), 25-kw RCA transmitter ordered for delivery in June or July and RCA 6-bay antenna due in Aug., plans Oct. 1 test patterns and Oct. 6 programming, writes TV director Robert F. Schenkkan. It's taking bids on construction of 800-ft. tower, wants it ready in Aug. Facilities will include mobile unit and studios at Chapel Hill, State College, Raleigh and N. C. Women's College, Greensboro—each with 2 cameras and film chain—linked by microwave to Chapel Hill transmitter.

WLAC-TV, Nashville, Tenn. (Ch. 5), now plans June 15 test patterns, July 1 programming, reports T. B. Baker Jr., who will be 25% owner, with Al Beaman owning 25% and Casualty Insurance Co. of Tennessee owning 50% (Vol. 10:19). Its RCA 10-kw transmitter is 90% installed, and 1000-ft. Ideco guyed tower with RCA 12-bay antenna is scheduled to be ready by June 15. It will be CBS affiliate. Rep will be Katz.

WBTW, Florence, S. C. (Ch. 8), has 50-kw RCA transmitter due in July, plans Sept. 15 test patterns, programming "on or before Sept. 26," reports gen. mgr. J. William Quinn. Its 750-ft. Kimco tower with RCA 12-bay superturnstile antenna are scheduled for completion in June. Owner Jefferson Standard Bestg. Co. also operates WBTV, Charlotte, and owns 16.5% of WFMY-TV, Greensboro, N. C. WBTW will be basic CBS, will also carry pro-WBTV originations. Rep will be CBS-TV Spot Sales.

WTHI-TV, Terre Haute, Ind. (Ch. 10), its 548-ft. Beasley tower and RCA antenna about ready, has reported June 15 test pattern target, July 1 programming, primary non-interconnected CBS affiliations. Joe Higgins is gen. mgr. of both TV & radio; Ben Falber Jr., WTHI-TV station mgr.; Pat Murphy, technical director; Louis Froeb, continuity director; Don Petit, chief engineer; Russ Arnold, asst. chief engineer. Base hour will be \$400. Bolling will be rep.

WOSA-TV, Wausau, Wis. (Ch. 16), is still negotiating for transmitter & tower but hopes to get going next Sept., reports owner Congressman Alvin E. O'Konski. It has approval of CAA for tower on Rib Mt., but local planning board is delaying site approval. Rep will be Rambeau.

WQXI-TV, Atlanta (Ch. 36), hopes to be on the air with test pattern in early Aug., reports owner Robert W. Rounsaville, who also holds CPs for WQXL-TV, Louisville (Ch. 41) and WQXN-TV, Cincinnati (Ch. 54). Earlier in year, he ordered 3 complete uhf station packages, with Continental 1-kw transmitters, from GPL (Vol. 10:7) but deliveries have not been reported. WQXI-TV rep will be Hollingbery.

CHCH-TV, Hamilton, Ont. (Ch. 11) has completed installation of 10-kw RCA transmitter, tentatively plans June 5 test patterns, reports asst. mgr. S. J. Bibby. Dominion Bridge Co. has completed 300 ft. of 540-ft. tower which will have RCA-designed wavestack antenna. Joint owners are radio stations CKOC, CHML & CJSH-FM, with CHML's Ken Soble as gen. mgr. Base rate will be \$300. Reps will be Adam Young (for U. S.) & All-Canada Television.

WIRI are new call letters for originally-granted WBLB, Bloomingdale, N. Y. (Ch. 5), near Lake Placid, to be operated by owners of radio WIRY, Plattsburgh. Gen. mgr. Joel Scheier reports no equipment ordered yet, no target date, but request for modification of CP to locate transmitter to Terry Mt., near North Pole, N. Y., with higher power, was filed with FCC last week.

Tips to broadcasters on hiring staff are contained in NARTB's new 8-chapter *Employment Handbook*, mailed this week to all members.

Trade Report May 15, 1954

'TUBE PRICES ARE ALL OVER THE MAP': Cheap or expensive, all TV sets require picture tubes -- and so the tube makers say their orders have held up quite nicely for this time of year. But, like set makers, they complain they would like to make some money.

As in the present receiver market, there seems to be no pattern to the price structure of the highly competitive picture tube business. Just when it seemed that prices might be ready to stabilize, Sylvania surprised the industry this week by cutting about 75¢ off the manufacturers' cost of the popular 21-in. types. This happened shortly after GE had increased prices of its aluminized tubes.

Most of the industry sat tight, although CBS-Hytron followed Sylvania with lower prices. As a large independent tubes maker put it, "Prices are all over the map. No two manufacturers have the same prices, and there isn't one that can't be bargained with. Sure, we're busy with orders, but we can't even break even on them."

One of the biggest CR tube manufacturers called the price picture "extremely confusing" and added: "Nobody is getting rich in this business now. We're just trying to live. And we're not going to cut prices any more if we can help it."

Firming up by fall, at latest, is generally expected in the industry, particularly if today's big swing to aluminized tubes continues. Aluminization process, which is supposed to produce brighter pictures, is so difficult and touchy that some tube makers think they'll have trouble keeping up with orders for aluminized tubes next fall, by which time the law of supply & demand should dictate stable levels.

Aluminized tubes sell for about  $50\phi$  more than non-aluminized today, despite fact they cost some \$2 more to make. Hence large portion of tube industry is hailing GE boost as step in right direction -- many complaining it didn't go far enough.

PHILCO STRIKE ACCENTS SEASONAL DIP: Effects of the Philco strike, on top of normal seasonal decline, are reflected in RETMA report for week ended May 7 -- which shows output of 103,563 TV units as against 120,687 week before. Oddly enough, radio output actually went up -- to 167,445 for week (including auto radios) from 163,289.

May 7 week's TV factory & distributor sales were about 75,000 each, down from 100,000 & 90,000 respectively for preceding week. The 75,000 totals were about same as in like week of 1953, when output was 126,905. Retail figures weren't available.

It's presumed factory output was down again in week ended May 14, for which RETMA will report May 21, because the Philco strike was still on. There was no sign of early settlement as it went into third week. A 4-hour session of company, union and Federal mediator this week proved fruitless -- although executive and salaried personnel finally got into their offices in struck Philadelphia plants with police escorts after union defied court injunction against mass picketing for 3 days. Rest of 10 TV-radio-electronics plants in Croyden, Pa. & Sandusky, O., where injunctions were not sought, remained completely shut down.

Other set makers said strike has had no noticeable effect on their business. One major Philco distributor told us sales were continuing as usual, but inventory is going down fast. He would not forecast what the weeks ahead would bring.

The industry's TV inventory position at all levels is still considered good, though it has been rising slowly at factory level during last 3 weeks. Most recent figure is said to be around 1,650,000 -- well below last year at this time and still regarded as "comfortable" -- even described by some as too low.

Radio inventories, on the other hand, have soared to about 3,500,000, not counting auto radios, up about 1,000,000 from this time year ago -- regarded as way too high for comfort and in some quarters as a cause of genuine alarm. Radio sales have been down at all levels this year from 2 preceding years. Radio output this year has shown increases over preceding weeks in only 4 of 18 weeks.

April TV sales held up better than the industry anticipated, indicating that second quarter may not be too bad if May & June don't dip below seasonal expectation. April factory sales totaled about 450,000 (as against production of nearly 500,000) and ran about same as April 1953. April distributor sales were about 440,000 (also about same as April year ago). A preliminary tabulation on retail sales indicates around 400,000 TVs were sold, compared to some 320,000 year ago.

TV production aggregated about 2,020,000 for 18 weeks through May 7, compared to about 2,950,000 in same 1953 period; radios, 3,480,000 vs. 5,000,000.

\* \* \*

Price situation continues as uncertain as reported here last few weeks, with most set makers biding their time against June-July marts and conventions. There was still inclination to believe prices would have to firm up against the lowering trend of recent months, especially in view of relatively poor first-quarter financial statements of most manufacturers. On the other hand, demand for cheaper items won't down -- and it's learned that <a href="Hallicrafters">Hallicrafters</a>, already out with 17-in. table at \$150, will shortly introduce 21-in. table at \$180, or \$20 below its lowest current 21-in.

Color's effect on market certainly isn't discernible at this time. Actually, RCA and a few others are saying color sets are <u>building store traffic</u>, even accounting for some black-&-white sales. RCA spokesmen express themselves as "satisfied" with sales of the 4000 sets they put on market over last few weeks, but the company declines to estimate retail sales total, claims it doesn't know yet.

Westinghouse recently conducted survey of N.Y. dealers with its color sets on their floors, came up with these findings: (1) <u>Customers listed lack</u> of sufficient color programming as biggest obstacle to purchase of color set now; second factor was small screen, third was high price. (2) <u>More than half of dealers</u> said they were trying hard to sell color but would switch to monochrome at first sign of consumer resistance. (3) <u>Only half of dealers</u> thought traffic was stimulated by color.

Trade Personals: Donald C. Burnham, ex-General Motors, named Westinghouse v.p. in charge of manufacturing, with headquarters in Pittsburgh . . . Wm. A. Mac-Donough promoted to new post of gen. mgr. of distribution & merchandising of Crosley-Bendix home appliances; John K. Knighton, ex-Servel Inc., named gen. sales mgr. of appliances . . . L. H. Moos & Evans T. Morton promoted to v.p.'s of Admiral's subsidiary Midwest Mfg. Corp., Galesburg, Ill. (refrigerators, freezers) . . . Harvey W. Harper, Tung-Sol chairman, and Louis Rieben, pres., celebrated their 50 years of association May 11 at a testimonial dinner in Newark's Military Park Hotel, May 11 . . . E. J. Hart promoted to RCA engineering products div. microwave equipment sales mgr., D. C. Bright to administrator of communications accounts, H. G. Boyle to communications field sales mgr. . . . James M. Cunningham, ex-ABC & Western Electric, named General Precision Labs western sales mgr., Glendale, Cal. . . . Joseph Weinberg named purchasing agent, Industrial TV Inc., Clifton, N. J. . . . Morris Adler succeeds Herman L. Leeson, resigned, as Kaye-Halbert controller . . . Wm. P. Short appointed gen. mgr. of Gabriel Co. electronics div., replacing Thomas F. O'Donnell, resigned . . . Simeon Weston, ex-Amperex, elected exec. v.p. of Lambda Electronics Corp. . . . Charles McKinney, ex-Raytheon, joins McCarty Co. as associate mgr. of Chicago office . . . Peter Buttacavoli, promoted to mgr. of DuMont field technical services.

RETMA issues booklet, The Walsh-Healey Act, the Labor Law That Really Needs Revision, sharply critical of decisions of Secy. of Labor favoring "higher and higher" wages in labor disputes on govt. contracts. Booklet was prepared by Robert C. Sprague Jr., Sprague Electric, to forewarn that the Act is "a bear-trap for the businessman who accepts a govt. order without full knowledge of what he may be required to do by the determinations and regulations of the Secretary of Labor."

National Community TV Assn. convention in New York's Park Sheraton Hotel June 14-16 has scheduled as speakers: Sidney Pickles, Federal Telecommunications Labs, antennas; representative of Phelps-Dodge, coaxial cable; specialists of International Telemeter, Jerrold, RCA & Spencer-Kennedy, amplifiers and color; consulting engineer T. G. Morrissey, Denver, microwave; Jack Rostencraft, Oil City, Pa., public relations & promotion; member of Washington counsel, Welch, Mott & Morgan, legal matters; accounting counsel Wm. E. Howe & Co., Philadelphia, tax & accounting problems. Exhibitors added to those reported in Vol. 10:19 are: Communications Products Co., Marlboro, N. J.; Community Engineering Co., Allentown, Pa.; DuMont, Clifton, N. J.; Plastoid Corp., Long Island City, N. Y.; Holt Electronics Corp., Mahanoy City, Pa.; RMC Associates, New York.

Sen. Russell Long (D-La.) said this week he'd offer amendment to general tax bill (HR-8300) to give excise tax relief to TV-radio manufacturers (Vol. 10:13, 16) only if it appeared Senate was going to defeat amendment by Sen. George (D-Ga.) to raise personal income tax exemptions. If George amendment is adopted, he said he wouldn't propose excise tax amendment.

Sylvania laid off 200 TV assembly workers and eliminated 2 production lines this week at Buffalo plant in anticipation of transfer of most TV production to new Batavia, N. Y. plant, expected to be in full operation by July. Quarterly report discloses that picture tube div. is concentrating on aluminized tubes to extent of about 70% of production, also on 21 & 24-in. sizes.

RCA and IUE-CIO reached agreement May 14 on wage increases for more than 12,000 workers in 4 plants, including 8800 in Camden and others in Moorestown, N. J., Cincinnati & Santa Monica, Cal. Terms weren't divulged, though agreement was under wage-reopening clause in 2-year contract running to June 1, 1955.

Topics & Trends of TV Trade: Annual distributor conventions for introduction of fall TV lines get under way in June, continue through July. Most lines which have been introduced by then will be shown to dealers week of June 27 at American Furniture Mart and Merchandise Mart in Chicago. These manufacturers have thus far announced distributor conventions as follows:

Admiral, second week in June at unidentified Chicago hotel; Arvin, July 18 at Grove Park Inn, Asheville, N. C.; Capehart-Farnsworth, June 7 at Ft. Wayne's Hotel Van Orman & June 28 at San Francisco's Hotel St. Francis; DuMont, June 15 at New York's Hotel Statler; Hoffman Radio, July 7 at Los Angeles' Huntington Hotel; RCA, annual meeting of field reps June 7 at Atlantic City's Haddon Hall Hotel; Raytheon, June 17 at Chicago's Sheraton Hotel; Stromberg-Carlson, July 26 at Rochester plant; Sylvania, July 14 at Buffalo's Hotel Statler & Erlanger Theatre; Zenith, July 15 at Chicago's Drake Hotel.

Philco's convention, scheduled originally for latter June, is an uncertainty as result of strike at TV-radio-electronics plants in Philadelphia, Croyden, Pa. & Sandusky, O.

Business failures among TV-radio-appliance retailers in first quarter of 1954 ran somewhat ahead of corresponding period year ago, while failures among distributors were about even with 1953, reports Dun & Bradstreet. Some 128 retail failures were recorded in first 3 months this year, compared to 82 last year. Thirteen distributors failed vs. 12 in 1953. Report didn't indicate what percentage of the total these business failures represented. It defines a failed business as one that "ceased operations as a result of assignment to creditors, bankruptcy, or resulted in loss to creditors."

DuMont may start production of radio sets by fall if present plans of marketing v.p. W. H. Kelley are approved by Dr. DuMont. Despite current softness of radio market. Kelley is anxious to round out DuMont line with a few home & portable radios. Final decision is expected within several weeks.

New RETMA brochure, TV & Radio Service Instruction in Your Community, outlining recommended course for training technicians, was mailed this week to industrial & trade schools. Prepared in cooperation with N. Y. Trade School, it's available free from RETMA.

LECTRONICS has attracted quite a few companies not even remotely connected with it originally—and Chicago financial consultant Edgar Greenebaum Jr., specialist in TV-radio-electronics fields, cites as prime example of this "swing" the 72-year-old Westinghouse Air Brake Co. in the study he has just completed for Television Digest (see p. 1). Its complex control equipment was improved with electronic applications, and a subsidiary Union Switch & Signal Co. manufactured electronic control equipment for guided missiles during World War II. Thereafter it acquired Melpar Inc., now its research & development subsidiary specializing in electronics.

American Machine & Metals Inc. was primarily a manufacturer of heavy industrial equipment, including laundry machinery, when in March 1944 it bought United States Gauge Co., designers & manufacturers of electronics instruments. Fairbanks, Morse & Co., known for scales, internal combustion engines and other heavy equipment, announced last month it was setting up an electronics division for various products. And Crane Co., which had acquired Hydro-Aire Inc. in 1951, now is working on transistors as well as electro-mechanical actuators and other aircraft equipment—a far cry from plumbing fixtures and valves.

Distributor Notes: RCA appoints Jerry Achtenhagen & Sons Inc., 820 W. Ash St., San Diego, replacing Leo J. Meyberg Co., which continues as Los Angeles & San Francisco distributor; RCA also names East Coast Appliance Co., 1929 Hampton St., Columbia, S. C. (E. M. Smith, pres.) . . . CBS-Columbia appoints Shelborne Corp., 238 Franklin Ave., Scranton (Louis Schiffner, pres.) . . . Sylvania appoints Tom P. McDermott Inc., Tulsa . . . McCormack & Co., San Francisco (CBS-Columbia) appoints Thomas H. Ryan gen. sales mgr., replacing M. D. Schuster, now Dallman Co., San Francisco (Philco) . . . Gerald O. Kaye & Assoc., N. Y. (Crosley-Bendix) appoints Andrew Schwartz electronics sales mgr., Alfred B. Packer home laundry sales mgr.

First big record company to put its music on tape is RCA Victor, which has teamed up with Magnecord Inc., Chicago tape recorder manufacturer, to provide recorded music service for industry, hotels, etc. Music from RCA's record library will be put on magnetic tape and delivered by Magnecord to subscribers on 8-hour reels designed to play automatically on special tape-player designed for the functional music system. Webster-Chicago this week entered recorded music business, shipping first 6 reels of high-fidelity music on magnetic tape.

N. Y. Better Business Bureau, strengthening its campaign for more ethical advertising by TV-radio-appliance retailers, last week issued new regulations requiring that prices listed in ads cover all charges a customer must pay and that tube sizes should be listed whenever set size is mentioned. Also, ads claiming special sales or reductions should not be used unless claim applies to all items in ad. Major TV chains & dept. stores pledged compliance.

Radio shipments to dealers, excluding auto radios, totaled 565,770 in first 2 months (when production was 915,810), according to state-by-state & county-by-county breakdown available from RETMA. Shipments in Feb. alone were 291,234, compared to 274,536 in Jan.

"Raytheon: Learning New Markets for Electronics" is cover story in May 15 Business Week, with particular emphasis on Radarange, electronic cooker, which makes consumer debut next fall when it will be built into stove made by Tappan Stove Co.

The TV-radio patent situation is subject of series of 5 articles by TV-radio editor Martin Rosenblum starting in *Retailing Daily*, May 17.

Textron Inc. is a vivid example of "diversification into electronics." Big textile firm last Jan. acquired Dalmo Victor Co., specializing in airborne antennas for the military. Another example might be in the making: Elgin National Watch Co. pres. J. G. Shennan recently announced: "In building an expanded and diversified future, it is natural that Elgin should select for exploration certain frontier fields in which its technology can be applied most effectively. From among these we have chosen 2—miniature electronics and precision production instruments." About 2 years ago, New Haven Clock Co. acquired Condenser Products Co., medium-sized maker of capacitors. Bulova Watch Co. makes quartz crystals, has other diverse activities in electronics.

Gabriel Co., maker of shock absorbers, went into the antenna field in 1946 by acquiring Ward Products Corp., and 5 years later added Workshop Associates Inc., antenna experts. General Mills Inc. a few years ago set up an electronics division to turn out involved radar and other gear, is keeping it going even though it's selling out its appliance business. Goodyear Tire & Rubber Co. has done considerable work on electronic computers. General Motor's AC Spark Plug Div. made electronic gear during the war, still is doing so. Willys Motors has set up an

electronic div., is making passes at the TV-radio-communications transmitter field, does military electronics work.

American Car & Foundry Co. (railway cars) also owns Avion Instrument Corp., recently set up ACF Electronics div. under Robert Henry, developer of "project tinkertoy" for Bureau of Standards, to manufacture printed-circuit & automatic-production components for military & civilian applications, including TV (Vol. 9:38 & 10:12). American Machine & Foundry Co., originally set up to make machinery for the tobacco industry, acquired Transducer Corp. in 1948, has been increasing its work in electronics ever since.

Daystrom Inc., once called American Type Founders Inc., has gone a long way from the manufacture of printing equipment since the war when it first produced electronic devices; its instrument division is still an important supplier of electronic gunfire control systems for the Navy, and its Daystrom Electric Corp. makes film, wire & magnetic tape recorders. And the Mergenthaler Linotype Co., it's rumored, will shortly introduce an electronic photo-composition machine.

California Eastern Airways Inc. was primarily in air transportation until it acquired Wireway Corp of America and Land-Aire Inc., the former specializing in tape recorders, the latter in range instrumentation operations and electronic engine analyzers.

General Precision Equipment Corp. originally made items for the movie industry; 13 years ago it acquired Librascope Inc. (computers, etc.) and then it kept on diversifying until now it has the Kearfott Co., Ampro Corp. and Link Aviation Inc. Cleveland Graphite Bronze Co. changed its name to Clevite Corp. in 1952, shortly after acquiring Brush Development Co., now Brush Electronic Corp., and early last year it added Transistor Products Inc. Also in Cleveland, Thompson Products Inc. owns 49% of Ramo-Woolridge Corp., specialist in advanced electronics research, and all of Bell Sound Systems Inc. and Dage Electronics (TV cameras).

Minnesota Mining & Mfg. Co., besides working on magnetic tapes, got further into the electronics field last year by buying American Lava Corp., component maker, and Irvington Varnish & Insulator Co. Bell & Gossett Co., specialist in hot water heating equipment, has developed a new electronic communications & control device. Carnation Co. was so successful in designing its own electronically-controlled automatic milk handling equipment that it's now selling it to others.

Bowser Inc., maker of equipment ranging from gas pumps to beverage filters, in 1951 took over National Scientific Laboratories Inc. (electronics engineering) and Gudeman Co. (capacitors). Carborundum Co. makes resistors in its Globar Div. Thor Corp. (washing machines) last year bought Phillips Control Corp. (relays). Claude Neon Inc.'s primary activity today is electronics. Permutit Co., basically in the water softening business, makes electronic controls through subsidiary Simplex Valve & Meter Co.

\* \* \* \*

Both Paramount Pictures Corp., which owns a TV station in Los Angeles, and its offshoot American Broadcasting-Paramount Theatres Inc., which owns a TV network with 5 stations and a radio network with 5 stations, are up to their ears in electronics. The former owns about 28% of DuMont, half of Chromatic Television Laboratories (color tubes); 54% of International Telemeter Corp. Latter does research on electronic computers as well as experiments in pay-as-you-look TV. AB-PT owns 50% of Microwave Associates Inc., researchers. Storer Broadcasting Co. will take over Empire Coil Co. as part of big TV station deal (Vol. 10:2).

Electronics Reports: Electronic psychologists, factories and supermarkets-these may be products of the "electronic revolution" of the next 25 years, as foreseen by Hallicrafters pres. Wm. J. Halligan in May 12 address to National Conference on Airborne Electronics at Dayton. Some of the "new electronic applications which will reach into practically every phase of our living": Electronic retailing-the push-button supermarket-which already has made a beginning with self-answering telephones, revolving turntables and closed-circuit TV in some stores. Air conditioners, ranges, auto headlights and brakes, controlled electronically are already in stages of research & development. In field of medicine, \$1 billion worth of electronic equipment is already in use; GE is now testing "robot psychologist, which quickly computes problems in statistical psychology" for Army personnel placement: "scientists believe that it is not inconceivable that we will have electronic devices that act as substitutes for heart and lungs while these organs are being operated on."

World's most powerful electron microscope — with twice as great magnification as any now in use—was presented to Sweden's Karolinska Institute at ceremonies May 11 at United Nations. Built by RCA and purchased under Rockefeller Foundation grant, it permits study of particles smaller than 1/10,000,000-in. diameter. Automatic camera in instrument takes photographs which can be enlarged up to 200,000 times size of the specimen—scale at which a dime would measure more than 2 mi. across. Introduction of new microscope coincides with 15th anniversay of development of first electron microscope, produced by RCA in 1939, said RCA v.p. Theodore A. Smith at the UN ceremonies.

Symposium on Global Communications, sponsored by IRE in Washington, June 23-25, will feature addresses and papers by Haraden Pratt, former telecommunications advisor to the President; Brig. Gen. R. V. D. Corput Jr., director of communications-electronics for Joint Chiefs of Staff; Wm. D. Porter, asst. administrator for telecommunications, Office of Defense Mobilization; Francis Colt DeWolf, telecommunications chief, State Dept.; Edward W. Allen Jr., FCC chief engineer; George W. Gilman, systems engineering director, Bell Labs.

Daystrom Inc., Elizabeth, N. J. manufacturers of printing equipment, furniture and electronic equipment, has offered to buy 50,000 shares of Weston Electrical Instrument Corp. stock at \$25 a share, and has requested Weston holders to submit tenders to Chase National Bank by May 24. Only shares purchased before May 1 will be considered. Weston stock closed at 22½ May 11, day of the Daystrom announcement.

Electronic clinical thermometer which takes temperatures in 5-7 seconds was demonstrated this week by Army Surgeon General's office in Washington. Invented by Army dentist Col. George T. Perkins, it's called "Swiftem" and is being manufactured under Army contract by Burlington Instrument Co., Burlington, Ia. Presently available models for doctors cost \$60-\$70, company spokesman said. Household model at \$15-\$25 is being developed.

Transistorized audio amplifier to provide practical plug-in emergency service in airborne communications in event of failure of aircraft intercom amplifier or power supply, has been developed by RCA, engineer D. E. Shumaker told National Conference on Airborne Electronics in Dayton May 11.

New supersonic guided missile, "The Sparrow," under development for 7 years, is now being produced for Navy by Sperry Farragut Corp., Bristol, Tenn. Performance details of rocket-powered missile are secret, but reportedly it's launched from jet fighter planes while in flight, can be guided accurately to destroy target aircraft.

Color Trends & Briefs: Ad agencies look at color in hard terms of set circulation and little else, Advertising Age found in poll of top agencies, following up NBC pres. Pat Weaver's adjuration to recent convention of American Assn. of Advertising Agencies (Vol. 10:18 and Special Report, May 1).

Magazine surveyed TV-radio heads of 10 major agencies, said it found only one "in the proper frame of mind to be sold on the idea of having the client spend extra money to sponsor color casts within the next few months." Asking for reactions to NBC-TV's projected "spectaculars" scheduled this fall (Vol. 10:13), Advertising Age noted that agencies "have been weighing them not so much for the color plus as for their potential effectiveness as monochrome TV vehicles." It noted, however, that Chrysler is about to announce sponsorship of 13 Monday spectaculars. Sample reactions:

C. Terence Clyne, Biow: "They tell us there'll be a couple thousand color sets by fall. That's not very important to an advertiser." Has experimented with color film spots, working with NBC, but isn't satisfied yet.

John U. Reber, J. Walter Thompson: Experimenting, but has had no demand from clients for color this fall.

Roger Pryor, Foote, Cone & Belding: "Tremendously excited about color in general," but not yet satisfied with film.

Robert Foreman, BBDO: "Dickering on a lot of things for fall," but no one rushing to order time on spectaculars. "It's inevitable with the number of clients we've got that some of them will be in color this fall. But color per se doesn't bulk large in our thinking. Whether or not we buy these programs will depend on the audience they reach for the money. I can't conceive of anyone buying a show just because it's in color."

L. T. Steele, Benton & Bowles: "We hear that NBC plans to televise *Home* in color on a regular basis in the fall. We have participants on the show. If such is the case, we'll be doing color in the fall, but we don't expect to pay more for it."

F. C. Barton Jr., Lennen & Newell: If spectaculars are sold, it will be because they are excellent black-&-white shows. "The color part will be inconsequential."

Dan Seymour, Young & Rubicam: "We have several clients who want to get into TV. The color show will be in good time and this might be one way to get them into TV. But we need to know more about the shows."

F. M. Gillham, Cunningham & Walsh: Present attitude is "wait-and-see."

Two agencies asked not to be identified. One of them "may well be one of the first agencies to place an advertiser in the NBC-TV spectaculars for fall." Other said it has tested all its clients' products in color but isn't yet ready to advise them to buy color.

NBC announced, meanwhile, that its first color spectacular is scheduled Sept. 12, starring Betty Hutton in a musical comedy with an original book commissioned by producer Max Liebman. Liebman will produce 20 of the 90-min. shows next season, the second on Sept. 25.

\* \* \* \*

Complete color studios will be displayed by both GE and RCA at NARTB convention in Chicago's Palmer House, May 23-27. GE will show CBS-developed field-sequential camera with its "Chromacoder," continuous-motion 16mm film scanner, slide scanner. RCA will have its regular color camera, plus 3-vidicon film and slide camera. Both will demonstrate closed-circuit pictures. Both will also show 50-kw vhf and 12½-kw uhf transmitters, black-&-white cameras, control equipment, microphones, etc. RCA also announced this week that its image orthicon specially developed for color camera (type 6474/1854) is now commercially available.

DuMont tri-color tube was shown to set makers and DuMont's tube licensees May 10-11, and viewers were generally impressed, as were network engineers, film producers, newsmen and others at earlier showings (Vol. 10:18). A typical reaction was that of west coast receiver manufacturer H. L. Hoffman who said, after attending demonstration: "It's a step in the right direction. The larger picture and better convergence are quite desirable. This was a progress report, and I'd have to see it in production, but I was favorably impressed. Our objective is a 21-in. rectangular tube at about \$100." Samples were promised in 30-60 days, with regular production plans to be indicated later. Dr. Allen DuMont said production rate will be able to handle "a reasonable demand," and tube sales mgr. Bill Scales said deliveries will come in time for pre-Christmas set sales. Dr. DuMont says he can't visualize any type of color tube likely to be less costly to produce. "The blank and the gun cost about the same for all tubes," he says. "The difference is in the mask and screen. RCA charges \$100 for its assembly; Lawrence assembly costs \$125. We pay \$20 for ours, and I think it will go down to about \$3. It looks as if the cost of color tubes will get down to about double that of black-&-white or a little more." FCC commissioners and top staff members attended demonstration in Passaic May 14. All commissioners except Webster attended, with these of staff: Curtis Plummer, Joseph Kittner, James Barr, Edward Chapin.

\* \* \*

Metropolitan Museum of Art colorcast May 8 by NBC-TV's mobile unit prompted unanimous huzzahs by critics and led Museum director Francis Henry Taylor to state that he expects color TV to "revolutionize" appreciation of art just as radio did for music. As we viewed program, it epitomized what color TV can do and showed how color is opening completely new areas of programming. Variety's Abel Green conjectured that program "may well have set the pattern for a new type of tinted TV showmanship." New York Times' Jack Gould wrote: "For the viewer, sitting in the familiar surroundings of his own home, the experience of looking across the room and seeing a masterpiece in color was almost uncannily exciting and absorbing." Mr. Taylor conceded that art "purists" might consider color TV's fidelity slightly lacking but he noted that early Caruso recordings had to precede today's high fidelity reproduction. Scripps-Howard columnist Fred Othman, reporting experience viewing program at home with set on loan from GE, called it "downright gorgeous." Shown on program were paintings by Pieter Breughel, El Greco, Rembrandt, Vermeer, Manet, Cezanne and Van Gogh, plus 4000-year-old Egyptian ceramic hippopotamus, 2500-year-old Arabian bronze bull, Greek bronze horse.

Leasing plan for color sets, started April 1 by Emerson (Vol. 10:10, 12), has produced little public acceptance, pres. Benjamin Abrams stated this week. Without disclosing number of sets leased, he said, "It cannot be denied that consumers have little desire for color TV with small screens and infrequent programming." Plan was offered in New York, Philadelphia, Chicago, Los Angeles. Rates are \$200 for first month, \$75 monthly thereafter.

Further development of Lawrence color tube is reported by Chromatic TV Labs, pres. Richard Hodgson stating that grid is now "radiation-suppressed" and that picture area is true rectangle 14½x11-in. Tube is 25-in. long, uses glass envelope. Delivery of samples to set and tube makers is due in 60 days.

Color set census started by WSAZ-TV, Huntington, W. Va., shows 29 receivers in area as of May 1.

Financial & Trade Notes: Columbia Broadcasting System Inc. achieved remarkably good first quarter volume and earnings to large extent by reason of huge upsurge in TV network & station time sales and strong record business. CBS also had advantage of continued leading position in network radio time sales (for latest PIB figures for network TV and network radio, see Vol. 10:18) and, though its quarterly report isn't broken down, presumably enjoyed good business at manufacturing subsidiaries, too.

Consolidated CBS gross income rose to \$90,974,533 for quarter from \$76,454,815 for corresponding 3 months of 1953. Earnings before taxes were \$6,466,365, after taxes \$2,866,365 (\$1.22 a share), which compares with \$5,738,-149 & \$2,338,148 (\$1) for 1953 period. It's noteworthy that the CBS volume for first 1954 quarter alone approached the \$98,377,258 for all of 1948, when it wasn't in the set & tube manufacturing business and when net profit was \$5,041,682 (\$2.94 a share). Since 1948, the CBS rise has been impressive:

(	Gross Income	Net Profit	Per Common Share
1949	\$105,397,580	\$4,184,079	\$2.44
1950	124,105,408	4,105,329	2.39
1951	192,384,608	6,360,097	3.10
1952	251,594,490	6,445,506	2.75
1953	313,908,771	8,894,642	3.80

Admiral Corp.'s first quarter sales dropped 19% to \$55,977,562, net earnings 51% to \$1,504,044 (64¢ a share), according to May 11 report by exec. v.p. John B. Huarisa. These compared with \$69,191,849 & \$3,056,878 (\$1.30) in same 1953 quarter. Bottom of current readjustment period has been reached, said Huarisa, and sales and earnings should improve during rest of year. During quarter, TV dealers sold as many receivers as in first 1953 quarter but large share moved from inventories, now at low level.

Appliance sales and international sales were at higher level, Huarisa reported, and company's new 125,000-sq. ft. fiberglas div. plant in West Chicago is shortly going into production of a droppable fuel tank developed for the Air Force. Fiberglas div. also has developed new lightweight insulating freezer chest liner. Admiral had scheduled more than 3000 of the 15-in. color TV sets for first quarter but slashed this to a few hundred in favor of 19-in. schedule next fall.

Among officers' and directors' stock transactions reported by SEC for March: Frank H. Sparks sold 200 Arvin, holds 7050; Malcolm Ferguson bought 300 Bendix, holds 1263; Lloyd H. Coffin sold 700 CBS last Dec., 1000 in Feb., holds 9090; Louis Abrams trusts bought 500 Emerson, he personally holds 47,663, trusts hold 1050; Paul R. Doelz bought 1100 Indiana Steel Products, holds 1800 personally, 3080 through thrusts; Harry A. Ehle sold 1000 International Resistance, holds 17,500; Bruce R. Tuttle bought 100 Olympic Radio, holds 100; Arthur L. Chapman bought 147 Sylvania, holds 503.

Fundamental Inventors Inc., big mutual investment company headquartering in Elizabeth, N. J., discloses in current prospectus that as of last Dec. 31 it held 17,000 shares of CBS "A" purchased at \$603,080; 16,000 CBS "B," \$569,304; 39,000 GE, \$2,059,249; 32,000 Motorola, \$982,975; 70,000 RCA, \$1,317,294; 45,000 Westinghouse, \$1,396,720; 18,000 Zenith, \$1,162,980. Total cost was \$8,091,602, market value as of Dec. 31, \$10,987,875.

Reeves-Ely Laboratories consolidated sales were \$39,-630,155 and net income \$1,823,174 (\$1.71 per share) in 1953 vs. \$34,986,297 sales & \$1,262,281 profit (\$1.18) in 1952, with unfilled orders at year-end in excess of \$62,000,000, reports pres. David T. Bonner. Working capital at end of year was \$12,244,152, up from \$10,671,963 year before.

Paramount Pictures consolidated net income for 1953 was \$6,779,563 (\$3.06 a share), compared to 1952 net of \$5,340,584 (\$2.28) not including non-recurring profit of \$559,287 from sale of real property, or \$5,899,871 (\$2.52) including this profit. Estimated net for first quarter ended April 3 is \$1,404,000 (63¢) as against \$1,374,000 (59¢) for 1953 quarter. Pres. Barney Balaban, in annual report, hailed progress of 50% subsidiary Chromatic TV Laboratories on Lawrence color tube, which he said has been "tremendously strengthened as the only practical and economical answer to the problem of getting popular-size color receivers to the public in the very near future."

Trav-Ler Radio sales for first quarter 1954 were down about \$20,000 from 1953 first quarter's \$4,800,000, pres. Joe Friedman told recent annual meeting. Profits were also down from year ago, he said, because of the "highly competitive market." In first quarter 1953, Trav-Ler reported profit of \$270,000 (35¢ a share). Company's TV sales were up about 15% from year ago, radio sales about the same, he added, with defense business accounting for 21-22% of first quarter sales compared with 35% year ago. By May, company will have completed its defense contracts.

Howard W. Sams & Co. reports \$856,738 sales for quarter ending March 31, up 29% from \$664,153 for same 1953 period. For first 3 quarters of present fiscal year, sales were \$2,121,228, up 22% from \$1,740,967 for same 1953 period. Firm reports 36 manufacturers of 49 products now participating in its services, is constructing new Indianapolis plant, has offered for sale 431 shares of its \$100 par 5% preferred stock.

Gabriel Co. net income dropped to \$63,348 (11¢ a share) in first quarter from \$131,184 (22¢) same 1953 period. Sales were \$5,020,087 vs. \$5,578,960. Decline in Ward Products Div. antenna sales and profits was reported greater than decline in rest of Gabriel operations.

Cornell-Dubilier earned \$847,953 (\$1.59 a share) on sales of \$21,564,445 in 6 months ended March 31, compared to \$895,204 (\$1.68) on \$22,732,082 in corresponding period year ago.

Globe-Union Inc. net income for first 1954 quarter dropped to \$118,743 (17¢ a share) from \$510,997 (71¢) for same 1953 quarter.

Dividends: Television-Electronics Fund Inc., 7¢ payable May 29 to stockholders of record May 14; Standard Radio Ltd. "A," 15¢ July 9 to holders June 18; National Co., 2% stock June 30 to holders June 25, also 2% stock Dec. 30 to holders Dec. 5; CBS "A" & "B," 40¢ June 11 to holders May 28; Canadian GE, \$1 July 1 to holders June 15.

Sentinel Radio Corp. for second consecutive quarter deferred action on common dividend; last payment was  $7\frac{1}{2}$ ¢ on Nov. 30, 1953.

Packard-Bell paid regular quarterly dividend of  $25\phi$  April 25 to stockholders of record April 12; we erred in reporting that it had omitted the dividend (Vol. 10:18).

General Mills, world's largest miller and big package food manufacturer, sold its small appliance business this week for undisclosed sum to Illinois McGraw Electric Co., Elgin, Ill. Since 1946 General Mills had been making irons, toasters, food mixers & other kitchen appliances. General Mills pres. C. H. Bell said purchase included capital equipment, tooling & inventory. It will continue to manufacture electronic instruments.

"U. S. Govt. Purchasing Directory," first complete guide to govt.'s military and civilian purchasing activities, has just been published by Small Business Administration and is available for 50¢ from Supt. of Documents, Washington 25, D. C.

ELEVISION Advertising Bureau (Vol. 10:17-19) took definite form at preliminary organization meeting in Chicago May 14, where budget of \$500,000 was tentatively approved, by-laws proposed, unanimous decision voted to devote organization to promotion of spot & local business at local station levels rather than to sell TV at large. Plan is to pattern Bureau after ANPA Bureau of Advertising, Magazine Advertising Bureau and, to lesser extent, BAB. Final organization meeting will be held during NARTB convention in Palmer House, Chicago, at 9 a.m., May 24.

In belief that networks have done splendid job of selling network TV, TAB will urge value of "local TV" and seek to develop more and new spot business. Networks can't join, though their owned stations are invited along with all other stations. Tentative budget for office in N. Y. has been fixed at \$500,000, to be derived from monthly dues amounting to each member station's highest quarter hour rate. One-third of board's members will be selected from communities of 150,000 or less, one-third from 150,000-500,000, one-third from 500,000 and upward.

Temporary chairman is Richard A. Moore, KTTV, Los Angeles, who initiated the project with aid of Richard P. Doherty, ex-NARTB employe-employer relations v.p., now an independent consultant, who has made it clear he does not expect to join the TAB setup. At this week's Chicago meeting, it was decided to meet with NARTB committee that had been formed to set up similar agency and seek to avoid duplication of effort. TAB will function entirely apart from NARTB.

Attending this week's Chicago session with counsel Neville Miller, consultants Doherty and Robert Purcell and acting chairman Moore: Jules Herbuveaux, WNBQ, Chicago; Sterling Quinlan & Elliott Henry, WBKB & ABC stations; Frank Schreiber, WGN-TV, Chicago; Toni Harker & Robert Wood, Storer stations; Frank Fogarty, WOW-TV & Meredith stations; Harold See, KRON-TV, San Francisco; Roger Clipp, WFIL-TV, Philadelphia; Norman Gittleson, WJAR-TV, Providence; John Bone, WNEM-TV, Bay City; Joe Higgins, WTHI-TV, Terre Haute (CP); Robert Covington, WBTV, Charlotte; Neil Cline, WHAS-TV, Louisville; W. B. Parmalee, WWJ-TV, Detroit; Wm. Quarton, WMT-TV, Cedar Rapids; Vernon Nolte, WHIZ-TV, Zanesville, O.; James C. Hanrahan, WEWS, Cleveland; Don Davis, WHB-TV, Kansas City; Dub Rogers, KDUB, Lubbock, Tex.; Wm. F. Kiley, WFBM-TV, Indianapolis; Lawrence Rogers, WSAZ-TV, Huntington, W. Va.

Long-awaited NARTB TV ownership audit (Vol. 10:4) moved small step closer this week with disclosure that 4-month "pre-testing of field methods" would begin immediately to determine measurement techniques to be used in census. This will be followed by pilot study in undetermined markets. Though official census of set ownership & circulation is one of industry's crying needs, NARTB and networks have only recently gotten together on project. Members of organization-implementation committee supervising study: Robert D. Swezey, WDSU-TV, New Orleans, chairman; Hugh Beville, NBC; Donald Coyle, ABC; Oscar Katz, CBS; Edward Eadeh, DuMont; Ward Quaal, Crosley Bestg. Corp.; Paul Raibourn, KTLA, Los Angeles; Harold V. Hough, WBAP-TV, Ft. Worth; Clair R. McCollough, WGAL-TV, Lancaster, Pa.; J. Leonard Reinsch, WSB-TV, Atlanta; Donald Thornburgh, WCAU-TV, Philadelphia; Lee Wailes, Storer stations.

l'aving way for Armed Forces TV stations overseas (Vol. 10:19), Senate Armed Services Committee May 13 approved enabling legislation (S-3401) introduced by Chairman Saltonstall (R-Mass.) for Defense Dept.

Australian Royal Commission has urged early inauguration of TV with first stations in Sydney and Melbourne.

Tentative schedule of order of appearances in first phase of Senate uhf probe, May 19-21, Room G-16, U.S. Capitol (see p. 3): FCC (Chairman Hyde); UHF Industry Coordinating Committee (7 witnesses); RETMA (pres. Glen McDaniel); DuMont (Dr. Allen B. DuMont, others); GE (Dr. W. R. G. Baker); RCA (W. W. Watts); General Precision Laboratory (Blair Foulds); Washington attorney Wm. A. Roberts; Lou Poller, WCAN-TV, Milwaukee; Ronald Woodyard, WIFE, Dayton (now off air); Donald Burton & Wm. Craig, WLBC-TV, Muncie, Ind.; Comdr. Mortimer Loewi, WITV, Ft. Lauderdale, Fla.; N. Y. engineer Morris Berman; manufacturer-telecaster Sarkes Tarzian, WTTV, Bloomington, Ind.; Vincent Lutz, Assn. of TV Service Companies, St. Louis; Larry Israel, WENS. Pittsburgh; Thomas Martin, WEEU-TV, Reading, Pa.; J. P. Beacom, WJPB-TV, Fairmont, W. Va.; Philip Merryman, WICC-TV, Bridgeport; John Esau, KTVQ, Oklahoma City; Wm. J. Scripps, Detroit; Gordon Brown, WSAY, Rochester, N. Y.; Robert Mullen, National Citizens Committee for Educational TV; S. W. Townsend, WKST-TV, New Castle, Pa.; Elfred Beck, KCEB, Tulsa. At least 11 more individuals and groups will be heard when hearings resume in June.

"Territorial exclusivity" change in network rules, proposed by FCC (Vol. 10:14,19) brought more comments and countercomments. WAKR-TV, Akron, charged that NBC is actually practicing duplication in adjoining cities except where its own stations (such as WNBK, Cleveland) are involved. WAKR-TV pointed to NBC affiliates in Boston & Providence, Detroit & Toledo, New Haven & Hartford. WICC-TV, Bridgeport, said it has had orders from network sponsors but couldn't get their programs from CBS because latter claimed WCBS-TV, New York, covered Bridgeport adequately. A vhf grantee, KQXI, San Jose, Cal. also favored FCC's proposal, stating that San Jose is 50 mi. from San Francisco and can hardly be called a "suburb." WTVR, Richmond, opposed rule, said it would weaken affiliates' bargaining power with networks.

Edward Lamb appealed to courts this week for temporary and permanent injunctions to stop FCC from going ahead with hearing on allegations that he lied when he said he had no past pro-Communist affiliations (Vol. 10:19). He charged that FCC is proceeding illegally and unconstitutionally in putting burden of proof on him and in continuing to bring up allegations it threw out 6 times previously. In addition, he said that 3 Commission investigators tried unsuccessfully to induce people of Toledo and Erie to give false testimony and, in at least one instance, offered a bribe. He claimed that investigators said: "We are going to get Lamb and take WICU away from him." FCC has 8 days in which to answer charges; court will hold hearing shortly thereafter.

Big night for freak reception was May 13: Scores of set owners in Providence, R. I. picked up good picture from KYTV, Springfield, Mo. (Ch. 3), 1400 mi. away. Some baseball fans in Washington, trying to tune in Baltimore Orioles game on WMAR-TV, Baltimore (Ch. 2), got WMT-TV, Cedar Rapids, Ia. (800 mi.) instead.

FCC's 20th birthday is June 19 on which date in 1934 it succeeded old Federal Radio Commission. It started with 233 employees and \$1,888,176 budget, now has staff of 1100 and \$7,400,000 budget.

Television Digest's exhibit at NARTB convention in Chicago, May 23-27, will be Room 830, Palmer House. Visitors are welcome to come up and get copies of current Newsletter and our other published material.

## MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE FOR MANAGEMENT OF THE VISUAL BROADCASTING AND ALLIED ELECTRONICS ARTS AND INDUSTRY



PUBLISHED WEEKLY BY RADIO NEWS BUREAU . WYATT BLDG. . WASHINGTON 5. D.C. . TELEPHONE STERLING 3-1755 . VOL. 10: No. 21

May 22, 1954

MAY 2 4 Con In this issue:

Where the Sets Are—As of Jan. 1, 1954, page 1
Many Lost Money—Yet 1953 Income Way Up, page 1
Dispelling the TV 'Gold Mine' Myth, page 2
Senators Lean to Drastic UHF Remedies, page 3
What Action Do the UHF Spokesmen Want? page 4

Sets & Transmitters Not Blamed for UHF Woes, page 6 VHF Grants Soon in Milwaukee & Minneapolis, page 8 Transmitter Shipments & Upcoming Stations, page 11 Price Parts Down, Makers See TV Upbeat, page 12 Trade Seeks 'Why' of Radio Sales Slump, page 13

WHERE THE SETS ARE—AS OF JAN. 1, 1954: J. Walter Thompson Co. has released to us, for industry distribution, its latest report on TV households in the United States — and we're happy to make it available to our subscribers as a Special Report herewith. It's titled "Where the TV Sets Are" and provides estimates as of Jan. 1, 1954 for 340 top markets in alphabetical order, indicating (1) total households in the U.S., (2) TV households, (3) ratio of TV households to total households, (4) percent of U.S. total TV households in each market.

We've printed 2 of the preceding reports by this big advertising agency — first in our January 1953 Factbook covering estimates as of <u>Jan. 1, 1953</u>, second as a Special Report of April 3, 1953 covering projections to <u>April 1, 1953</u>. Those had the markets arranged in order of size, but JWT researchers departed from that format this time, list them alphabetically, because <u>rankings of many markets have changed</u> and there's no Census Bureau rearrangement as yet. The new report does, however, identify each market as A, B, C, D' or D, according to population groupings.

It should be emphasized that these figures, only ones of their kind, do not purport to show any station's coverage but simply estimate the number of TV homes in market areas (usually metropolitan areas) delineated by U.S. Census Bureau. Local and nearby station coverage areas invariably embrace many more receivers. But these are "hard core" figures -- only ones of their kind from such a high-level source. Last previous count was that of Nov. 1, 1953 (TV Ownership by Counties) prepared for CBS-TV by A.C. Nielsen Co. and published by us as Special Report of Feb. 27, 1954.

Note: It's interesting that the <u>CBS-Nielsen</u> report, dated Nov. 1, showed 27,506,500 TV families out of U.S. total of 47,191,500, or 58%. The <u>JWT</u> report of Jan. 1 showed 27,000,000 TV households out of 47,560,000, or 56.8% -- slightly less though dated 2 months later! And this week <u>NBC</u> research dept. reported that there were 29,495,000 TV sets-in-use as of April 1, 1954.

MANY LOST MONEY—YET 1953 INCOME WAY UP: What stands out in revenue-expense-income report on telecasting for 1953, submitted by FCC Chairman Hyde at Senate uhf hearing this week, is the continued remarkable climb over 1952 (Vol. 9:31) -- despite very substantial losses suffered by most post-freeze stations. Official 1953 figures:

Total revenues up 32.8% to \$430,800,000, expenses up 34.8% to \$362,400,000, income before taxes up 23.2% to \$68,400,000. This for all stations and the networks -- and all this in the face of post-freeze stations' net losses of \$10,100,000.

Matter of fact, though FCC figures don't provide that particular breakdown, it looks as though about half of the 323 stations covered in the report lost money during year. Tremendous gains of the networks and older stations accounted mainly for the enormous upsurge, which appears to be continuing into this year.

Because the statistics were prepared for the hearing, most of the report's 25 tables are devoted to non-financial data comparing vhf & uhf -- such as distribution

of stations, uhf set saturation, hours of network programs carried (by vhf & uhf and by city) and other data. There is, however, considerable information on <u>post-freeze</u> stations' financial behavior for first 3 months of this year (see story below).

\* \* \* \*

Perhaps most remarkable figures on 1953 telecasting are those on pre-freeze stations, showing that revenues increased faster than expenses and produced whopping 40.8% increase in net income before taxes. Of that pre-freeze group, networks and their 16 owned stations almost doubled net -- rising 81.7%. High points of study:

- (1) Networks and their 16 stations had revenues of \$231,700,000 vs. \$180,-200,000 in 1952, netted \$18,000,000 vs. \$9,900,000 in 1952. The other 92 pre-freeze stations' revenue was \$174,500,000 vs. \$143,400,000 in 1952 -- with net going up to \$60,500,000 from \$45,800,000 in 1952.
- (2) The 113 post-freeze vhf stations operating during 1953 had revenues of only \$15,800,000, lost \$4,200,000. The 102 uhf took in \$8,800,000, lost \$5,900,000. Both revenue and loss figures are somewhat misleading, however, because very few of the stations operated full year. Many got on air late in year.
- (3) Average pre-freeze station (other than the 16 network owned) enjoyed a revenue of \$1,896,457 and a net income of \$657,609 before taxes. These compare with 1952 figures of \$1,541,825 and \$492,351. Of revenues, average of \$1,648,511 came from time sales, \$149,957 from "sundry", \$97,989 from talent sales.
- (4) Average pre-freeze station's revenues from time sales breaks down as follows: \$449,130 network, \$847,859 national & regional spot, \$619,576 local. Commissions took \$268,054 from average station.
- (5) Profits were achieved by 97 of the 108 pre-freeze stations. Of these, 26 had net of \$1,500,000 or more each. Seven had less than \$100,000. Of the 11 with 10sses (there were 14 the previous year), three lost less than \$100,000, three lost \$100-200,000, one lost \$200-400,000, four lost \$400-800,000.
- (6) "Tangible broadcast property" cost average uhf station \$300,493, average whf station \$376,125. Two whfs and one uhf reported spending under \$100,000. One whf reported over \$1,000,000. Rest were between. Figures are for post-freeze only.

Report is skeleton of the full study to be released at future date. Tabulation of AM-FM, delayed by this study, is scheduled for late in summer. This week's report is identified as Mimeo. 6148, available from FCC -- or we'll get you copy.

DISPELLING THE TV 'GOLD MINE' MYTH: Only 25% of all post-freeze stations made money during first quarter of this year. While a good number were approaching break-even point, a substantial 45% continued to pile up heavy losses each month.

These figures, covering both vhf and uhf stations, highlight FCC's comprehensive second survey of post-freeze TV station economics, prepared by its economic divand inserted by Chairman Hyde into record of Senate uhf probe. As anticipated, the study shows gloomy financial picture for most uhf stations -- but it also indicates that a vhf grant is far from the financial equivalent of striking a vein of uranium.

It must be borne in mind that these stations are all quite new -- and that the pioneer pre-freeze stations went through far longer period of tremendous losses before seeing even a glimmer of hope of a profit. But there's no gainsaying that pre-freeze telecasters faced entirely different set of circumstances than those faced now by their newly-arrived brethren.

FCC study is based on data supplied by 175 of the 192 post-freeze stations on air as of November 1953 -- with <u>88 vhf</u> and <u>87 uhf</u> stations reporting. Using figures for first-quarter 1954 only, Commission economists found:

Only 46 of the 175 vhf & uhf stations made profit for the period. Just 33 vhf stations (37%) and 13 uhf outlets (15%) were in the black. The average monthly profit of money-making vhf and uhf stations was about same -- \$10,735 for vhf and \$10,214 for uhf. But monthly losses of unprofitable uhf stations averaged \$10,614 as opposed to \$6795 for vhf.

Breaking down stations which lost money, survey showed "continuing substantial monthly losses" by 53 uhf stations (60%), as opposed to 23 vhf (25%) -- includ-

ing 1 whf and 8 whf stations which have gone off air since period covered by study. Of the remaining red-ink stations, 20 whf and 10 whf reported profit during 1 or 2 months of the quarter, and another 12 whf & 11 whf were approaching break-even point.

The money-losers aren't necessarily the newest stations. Unprofitable vhf and uhf stations were same average age as profitable vhf stations -- 9 months old -- and only one month younger than average profitable uhf station.

Importance of network programs is illustrated by table showing relationship between network hours and profits: Average profitable uhf station carried 30 hours weekly, average unprofitable uhf only half as many. The average profitable vhf had 32 hours, unprofitable vhf only 13 hours.

Perhaps most revealing tables in FCC's 43-page study are those relating to network programming comparisons between vhf and uhf stations. Taking typical week, Commission found post-freeze vhf stations in cities of 250,000 population and over carried median of 37 hours of network programming, while uhf in same category had only 19. In cities under 250,000, however, post-freeze vhf appeared to be suffering under same handicap as uhf -- median figure being 15 hours for vhf, 14 for uhf.

Paucity of top-notch programs on uhf is graphically indicated by table showing distribution of "top ten" network shows between vhf and uhf stations in same cities. The "top ten" actually are 16 programs totaling 11 program hours -- the 10 most popular shows listed in March 1 Nielsen, Trendex and ARB reports. For the 34 cities listed, average vhf station carried nearly 5 hours of the most popular programs, while average uhf had less than one hour.

Other tables in the definitive study relate to profit & loss as a function of set saturation, city population, number of <a href="https://www.new.number.org/vhf.signals">whf signals</a> received <a href="https://www.number.org/numb

SENATORS LEAN TO DRASTIC UHF REMEDIES: So impressed were Senate communications subcommittee members by the pleas of uhf operators for urgent action to alleviate their economic plight, that as of now they seem inclined to use strong measures -- possibly drastic enough to cut across the whole fabric of the TV structure.

Three solid days of testimony went into the record this week, mostly reflecting virtual unanimity among uhf grantees that revolutionary changes must be made in the allocations and in TV regulation. The uhf group would appear to have reason for their assurance they have a majority of the Interstate Commerce Committee on their side -- albeit only that side has been heard and the hearings are in recess until June 3-4 when vhf & network spokesmen will be heard, along with more uhf operators.

Hanging over the entire proceeding, too, is the Bricker Bill (S-3456) to give FCC complete authority to regulate the networks (Vol. 10:20) -- also spurred by uhf representatives. Time militates against securing its passage in few months of the Congressional session remaining -- but the impressive presentation by uhf telecasters this week indicates it could win appreciable support. Networks will oppose it vigorously, but it could continue to plague them into the next session.

Network representatives and old-line station operators -- the few who had bothered to pay attention -- were taken aback at the way things were going. They looked at each other in disbelief, seemed to find it incredible that Senators -- Republican Senators, including the ultra-conservative Bricker, of all people -- could actually seriously consider such strong remedies for uhf's ills.

\* \* \* \*

Uhf protagonists were inclined to convey impression that their case was in the proverbial bag after noting the sympathetic reaction of the Senators. They also seemed to labor under the misapprehension that a Senatorial dictum would be the endall of their woes. But the networks have yet to bring up their guns, the well-heeled whf operators will inevitably fight back -- and all of them muster strong lobbies and command Senatorial ears, too.

Sen. Potter (R-Mich.), chairman of the subcommittee, did say that his group may meet in executive session next week "to discuss testimony already heard" == but

he also told a packed hearing room at the conclusion of this week's hearings when it was suggested that action should come immediately:

"I want you to know it is very unusual for a committee to take any action before all the testimony has been presented." In an interview afterward, he told us he hopes his committee will act "immediately after the June hearings are over." His own sympathy for the underdog uhf seemed pretty clear, and it should be remembered the subcommittee's 5 members are part of the all-powerful Committee on Interstate Commerce, which rules TV-radio and in past has put plenty of pressures on the FCC.

Sen. Bricker heads the main committee, with Colorado's Ed Johnson, ex-chairman -- the same who threw plenty of weight around during the color imbroglio -- as ranking minority member until he retires from the Senate at the end of this session. The Potter subcommittee includes Senators Schoeppel (R-Kan.), Bowring (R-Neb.), Hunt (D-Wyo.), Pastore (D-R.I.). Sen. Johnson sat in and spoke up occasionally, too.

WHAT ACTION DO THE UNF SPOKESMEN WANT? Proposals at the 3-day Senate uhf hearings varied all over the lot -- but the 3-part plan having strongest endorsement of the overwhelming majority of those testifying was this:

- (1) Require FCC to move all stations into the uhf band, giving vhf stations an "adjustment period" of up to 5 years (or until equipment investments can be amortized) during which they could operate simultaneously on both vhf & uhf.
- (2) <u>Declare an immediate freeze</u> -- <u>or "chill</u>", as some put it -- suspending all new-station grants and existing-station modifications pending evolution of new all-uhf allocation plan.
  - (3) Limit color broadcasting to uhf channels only -- immediately.

These weren't the only save-uhf ideas advanced, by any means -- but by Friday they had gathered the most adherents. Among other reallocations strongly espoused:

(1) Move all TV into vhf band by adding channels from FM band and possibly from govt. vhf band, with directional transmitting antennas to permit closer separations; (2) Eliminate vhf-uhf intermixture by rearranging allocations -- either as permanent or interim measure -- until all-vhf or all-uhf allocation can be worked out.

Virtually everybody endorsed Sen. Johnson's proposal to remove excise tax from sets with uhf tuners (see p. 6). And majority favored forcing vhf stations to keep their transmitters in immediate area of principal cities served; cutting powers and antenna heights of vhf stations; extending govt. loans to uhf owners.

\* \* \* \*

There were plenty of proposals short of reallocation, too. Most uhf witnesses endorsed the Bricker Bill -- and Senators as well as spectators were absorbed by an impressive 2½-hour presentation of the DuMont plan (Vol. 10:19) by Dr. Allen B. Du-Mont, his research v.p. Dr. Thomas T. Goldsmith, his network director Ted Bergmann. The DuMont proposal actually comprises 3 alternative "plans":

Plan A: Parcel out affiliates so that all 4 networks end up with same number of vhf and uhf stations in top 100 markets.

Plan B: Parcel out network programs so that all stations are assured same amount of strong and weak network fare, and all networks have equal access to both vhf and uhf stations in top 100 markets.

Plan C: Allow networks to own up to 11 stations each, provided that they affiliate 7 uhf stations for each additional station they acquire above the present limit of 5. When plan is completely implemented, all networks would have same number of vhf and uhf affiliates in top 100 markets.

"Wouldn't rate regulation result from such plans?" Sen. Schoeppel asked Dr. DuMont. He replied, "Possibly, ultimately." Sen. Hunt then wondered whether TV "is approaching the status of telephone and other utilities." And Sen. Pastore questioned wisdom of Plan C, saying: "We'd create a new monopoly to break up an old one."

<u>DuMont scored strongly</u> when network director Ted Bergmann said that demise of DuMont and ABC would leave concentration of control in few hands. To illustrate, he pointed out that <u>Army-McCarthy hearings</u> are being carried live only by ABC and DuMont, and only in those states "where station facilities exist in numbers necessary to the existence of 4 networks."

Commission won't act drastically to help uhf -- not unless Congress says so. FCC chairman Rosel Hyde made that clear in his testimony at outset of the hearings. Reviewing history of TV allocations, he defended intermixture of vhf & uhf stations as only way to achieve nationwide competitive service. He presented no new plans to rescue uhf stations, but outlined all measures proposed to FCC to date.

He was questioned sharply by Sen. Pastore, who accused Commission of "building inequity on inequity" through heavy allocation of vhf stations to the biggest cities, particularly New York and Los Angeles. "Why can't the Govt. condemn some of them and put them where they're really needed?" he demanded.

Recriminations against FCC for its allocation plan were held to minimum by the witnesses. Most looked at intermixture as an "honest mistake." But they did sharply criticize Commission for "changing the rules in the middle of the game" by dropping new vhf channels into allocation plan, permitting vhf transmitter sites far from main city, making unexpectedly quick grants as result of mergers and dropouts.

The word "monopoly" came into frequent use to describe the major networks and high-powered vhf stations -- not only by witnesses but by Sens. Pastore & Johnson.

\* \* \* \*

The really hot session came on final day of hearings Friday, when most uhf operators -- and ex-operators -- told their stories, dwelling on cold shoulders they got from major networks and from Madison Ave.; on "super-power" vhf stations nearby; on quick vhf grants; on high interconnection charges.

Senators listened with particular attention to 2 operators who told how they were forced to take their stations off the air -- Ronald Woodyard, WIFE, Dayton and Jack Garrison, KACY, Festus-St. Louis -- as they had listened 2 days before to similar story by Fred Weber, WFPG-TV, Atlantic City. And they were moved by Lou Poller of Milwaukee, who said his successful WCAN-TV is "threatened with extinction."

All FCC commissioners were present on final day, sitting on dais with the Senators. Hearing erupted dramatically just after attorney Wm. A. Roberts of UHF TV Assn. proposed reallocation of all TV into uhf band. Sen. Hunt (D-Wyo.) asked Hyde if 70 uhf channels could provide nationwide service without vhf. Hyde replied it would be difficult to provide "adequate coverage for congested areas" under such a plan, and denied that vhf stations enjoy a "monopoly".

Then Sen. Johnson boomed: "There's a very serious monopoly in vhf and I'm sure the chairman of the Commission knows there is... Uhf is about to be blanked out and completely eliminated and that's what this hearing is for." Sen. Pastore chimed in: "The 2 big networks have the programs sewed up on vhf."

To which Chairman Potter added, with apparent great feeling of urgency: "If all TV should be in uhf, we should start taking the first steps now."

Comrs. Sterling, Webster and Lee were questioned in turn -- all agreeing that the 70 uhf channels alone probably weren't enough for nationwide competitive service. Then came Comr. Hennock's hysterical outburst, widely reported in press:

"I'm going to take my hair down and blame the Senate as much as the Commission," she shouted, her voice strident, her face growing bright red. Bursting into sobs, she blurted: "I blame the Senate because of Senatorial pressure -- when you Senators call up and tell us 'hurry up and give us quick grants for our communities and do it by the most disreputable manner known to man.'"

Accusation went unanswered for the moment, but later <u>Potter said</u> he realized FCC "has been under great pressure from Congress and others to expedite grants," and this has contributed to plight of uhf stations. "The average member of Congress," he confided, "acts as the wind blows." Comr. Hennock, now calmer, hastened to say she appreciated Senators were merely acting on behalf of their constituents.

"Both the Congress and possibly the FCC are to blame," put in Sen. Hunt. "We have been very negligent in not knowing their [uhf stations'] problems."

"There's been a great deal of effort on the part of many to get quick action on applications," said Potter. "I hope that through these hearings some action can be taken which will save the uhf band as a medium for TV operation."

Keynoting the urgency which uhf operators attach to need for first aid were

the many pleas for the subcommittee to go into executive session before hearings are over and <u>request immediate freeze</u> pending further study -- and such statements as the one by Jack Garrison (KACY) that unless there's quick action by Govt. "within less than 150 days there will be <u>no uhf TV in the St. Louis area</u>." Some owners of operating stations told subcommittee they couldn't hold cut much longer.

This set stage for mass presentation by combined UHF Industry Coordinating Committee (70 members) and Poller's UHF TV Assn. which had finally gotten together on a united program the night before hearing.

Program called for immediate freeze, followed by reallocation of all stations to uhf band. Presentation was made by attorney Benedict Cottone, ex-FCC gen. counsel, who said that vhf stations would be permitted to operate for several years while they also operate uhf. They should not be allowed to broadcast same programs on vhf and uhf, would gradually shift best programs to uhf and fold up vhf station.

The big uhf group also gave limited endorsement to the Bricker Bill, felt it should be passed only to provide "reserve power" for FCC. Cottone said he would have FCC "enforce the laws" with particular attention to "networks' understandings with stations." Networks should have to offer programs to all comers, letting the "give-and-take of the marketplace" replace current affiliation contracts, he said.

All but forgotten by uhf spokesmen was FCC's "5 & 2" multiple ownership idea and Sen. Johnson's substitute (Vol. 10:11) -- which was opposed by FCC in comments filed May 18; Sen. Johnson himself has dropped it.

\* \* \* \*

Week's hearings would have been solely a uhf presentation -- nothing from vhf or network side -- had it not been for merest happenstance. Sarkes Tarzian, electronic equipment maker who built and operates highly successful vhf WTTV, Bloomington, Ind. (Ch. 10), attended hearing to describe his new uhf tuner (see p. 8). As a vhf pioneer who started when there was little assurance TV would pay, he was ready to explode when he reached the stand.

He accused uhf operators of "trying to take something away from the people who were foresighted enough to go into TV in the first place," and added: "It's not the function of the Govt. to guarantee a profit to everyone; the pioneers didn't have anyone to guarantee their profits." Then he really warmed up:

"It's just like the Russians," he said. "Push everyone into uhf and make everybody poor and we'll all be better off."

Tarzian ventured that all stations would never be equal, even in an all-uhf allocation. "Uhf stations with 2000-ft. towers and 1000-kw transmitters will still be blanketing everybody else." Pointing to long losses of the pioneers, he told uhf operators to forget their "5-year-plan" to move everyone to uhf -- and instead work on a "5-year-plan to sell converters and sets and build up your audience."

That's a preview of testimony you can expect from others when the hearings resume June 3-4, though Tarzian is more outspoken than most. For list of this week's witnesses and those submitting written proposals, see p. 9.

SETS & TRANSMITTERS NOT BLAMED FOR UHF WOES: Few uhf telecasters claimed technical performance of uhf transmitters or receivers was primarily at fault -- nor did they generally put onus on manufacturers -- during testimony this week before Senate subcommittee investigating uhf problems.

There were scattered complaints that receivers weren't sufficiently sensitive or stable, or that higher-powered transmitters have been too slow in coming -- but general theme of testimony was that equipment is adequate if it only has the right kind of programs to deliver.

Senators seemed convinced by manufacturing witnesses' testimony that their stake in uhf is substantial; that there is a cost differential in making vhf-only and vhf-uhf sets; that vhf-uhf set production has been geared to demand and even beyond; that transmitter development has been pushed to the hilt by competition.

With Senators so conditioned, chances of Sen. Johnson's ingenious measure for encouraging uhf set production and sales by eliminating the excise tax on them (Vol. 10:20) are far brighter than they had been prior to hearing. Uhf witnesses

and manufacturers have endorsed it vigorously, pleading urgency. Rest of telecasting industry, including NARTB, is solidly behind it. Subcommittee Chairman Potter himself stated flatly: "As one member of this committee, I heartily endorse this effort to have the excise tax removed from uhf receivers."

Sen. Johnson is more optimistic, too, but he warns that there are merely 10 days left for everyone to get behind the proposal and urge Sen. Millikin's finance committee to approve the Johnson Amendment.

\* \* \* \*

RETMA pres. Glen McDaniel offered convincing figures to show industry hasn't been lax in production of vhf-uhf sets. He reported production of 1,459,475 uhf-equipped sets in 1953, some 20% of the 7,214,787 total. For the first 1954 quarter, 412,913 uhfs have been produced, 21.6% of the 1,910,939 total. But, he stated --

"The present situation in a nutshell is that during the first 4 months of 1954 our factory inventories were 32% vhf-uhf sets but only 22% of our sales were vhf-uhf sets. We have been making more vhf-uhf sets than we can sell."

Since cost differential between vhf-uhf and vhf-only can never be eliminated at factory, McDaniel said, elimination of excise on vhf-uhf is the only answer. In medium and high-priced sets, he said, manufacturing differential would be eliminated entirely; in cheaper sets, most of the differential would be erased.

Turning to uhf in color sets, McDaniel predicted that set makers wouldn't arbitrarily include uhf in all color sets because competition would force them to use every means to cut costs. Removal of excise on uhf would do much, he stated, to insure inclusion of uhf in all color sets.

Transmitter makers' investment in uhf was made quite clear by GE and RCA witnesses. GE's Paul Chamberlain reported that GE has shipped \$10,000,000 worth of uhf equipment, of which \$7,000,000 is still owed to GE. He said that GE has invested 360,000 engineering man hours and \$3,600,000 in uhf research and development.

GE has shipped 44 uhf transmitters, 34 of them 12-kw, Chamberlain stated. He said that 60-kw transmitter employing 75-kw klystron is expected early in 1956.

RCA's W.W. Watts stated that 1,800,000 engineering hours and \$16,000,000 have been spent on uhf by RCA. He reported 75 RCA 1-kw transmitters in use, with orders for 29 more on the books. As for new 12-kw transmitters, he said that orders for 47 are on hand and that shipments will start soon. He also disclosed development of new 50-gain antenna which will give ERP of 400-600 kw with 12-kw transmitter.

General Precision Laboratory Inc. announced development of GPL-Continental 50-kw uhf transmitter, first model due for delivery in July 1955. It will use Eimac klystron. TV mgr. E.A. Hungerford Jr. indicated uhf development was outgrowth of Continental's work making transmitters up to 1000-kw for Voice of America.

\* \* \* \*

On receiver end, GE's Dr. L.R. Fink reported improvement in uhf design, said that extra cost for uhf in GE's current line is as low as half what it was in early sets and that performance has been improved several-fold. He noted that 22% of GE's 1953 production was vhf-uhf, compared with whole industry's 20%.

Detailing uhf performance, Dr. Fink stated that GE sets had noise level of 16-20 db last year, now have 12-16 db -- compared with 6 db for good vhf sets. He concluded: "The result of our work has been that the customer has had continuously available a choice of uhf receivers capable of performance up to the limits of our known technology. The receiver is not a real limitation to the growth of uhf."

Watts reported that RCA has put uhf in 23% of its sets vs. 20% for industry. Furthermore, he said, uhf is included in all the 4000 color sets RCA has built. To sum up, he stated: "In our shipments of various types of receivers, we are and must be governed by what the public is willing to buy. Naturally, we hope that the public will continue to buy a substantial number of receivers uhf-equipped at the factory. The fact that we have shipped a greater proportion of factory equipped uhf receivers than the industry average shows that our promotion of this type of receiver has been hard hitting and successful."

Tuner maker Sarkes Tarzian came up with what he believes is an answer to the

price differential between vhf-uhf and vhf-only sets -- a new vhf-uhf 82-channel tuner which he says can be built for only \$6.25 more than vhf-only. He offered it at cost, urged that set makers not mark up the \$6.25, so that it will be possible for consumers to buy vhf-uhf sets for only \$6.25 more than vhf-only.

Regarding performance, Tarzian claimed tuner has noise level of only 10 db. No other manufacturer claims such performance in its commercial uhf tuners.

Plumping for removal of excise on uhf sets, Tarzian took crack at manufacturers making turret tuners with strip uhf inserts. Tax removal should apply only to "full range" sets, he said, "not to makeshift strip arrangements which have been a delusion." He reported Westinghouse and Capehart are using his new tuner.

VHF GRANTS SOON IN MILWAUKEE & MINNEAPOLIS: FCC granted no CPs this week, but it issued 3 substantial initial decisions which will soon mature into final vhf grants, while another vhf grant was gestating as result of dropout. The initial decisions:

Minneapolis, KEYD, Ch. 9; <u>Jefferson City, Mo.</u>, KWOS, Ch. 13; <u>Milwaukee</u>, Milwaukee Area Telecasting Corp., Ch. 12. The initial decision due shortly will go to WMFJ, Daytona Beach, Fla. for Ch. 2.

Six uhf CPs were cancelled this week, most in any single week -- one voluntarily and other 5 simply allowing their CPs to lapse. Turning in its CP was WDHN, New Brunswick, N.J. The 5 who didn't pursue grants: KMER, Merced, Cal. (Ch. 34); WTLK, Paducah, Ky. (Ch. 43); WTTM-TV, Trenton, N.J. (Ch. 41); KMSL, Marshall, Tex. (Ch. 16); WBEY, Beckley, W.Va. (Ch. 21) -- making 67 uhf CPs given up to date.

<u>Initial decision favoring KEYD in Minneapolis</u> resulted when WLOL and WDGY dismissed -- no merger, no payment for expenses. <u>Nod to KWOS</u> in Jefferson City came after dropouts of Capitol TV Corp., headed by ex-Gov. Forrest Smith, and L.H.P. Co., owned by Durwood Theatres -- former to get \$14,472 for expenses, latter \$7500.

Milwaukee deal was 4-way merger, designed to expedite first post-freeze vhf into that city. When Milwaukee Area Telecasting Corp. gets CP, new Television Corp. will be formed, Milwaukee Area getting 30%, WEMP 30%, WFOX 30%, Kolero Telecasting Corp. 10% plus up to \$30,000 expenses. WFOX will be sold. Milwaukee Area application is 50% owned by Gran theatre interests, part owners of WREX-TV, Rockford, Ill. (Ch. 13) and of CP for WFRV-TV, Green Bay, Wis. (Ch. 5).

[For further details about principals in all the aforementioned grantees and applicants, see TV application list in TV Factbook No. 18.]

DD OR UNUSUAL approaches to uhf problem were advanced by several witnesses at Senate subcommittee hearings this week (see pp. 3-6). There was owner S. H. Patterson of uhf KSAN-TV, San Francisco, for example, one of 2 objectors to Sen. Johnson's proposal to exempt uhf sets from excise taxes. He excoriated set makers for "asking for a handout," and suggested that excise taxes from TV sets be distributed as a subsidy "to the dying patient, the uhf telecaster."

Then there was Morris Berman, who lists himself as "pres., N. Y. Society of Engineers," whose panacea is construction of 75 mile-high towers across the U. S. He listed as the No. 1 "advantage" of his system "the elimination of all but 150 of the 2053 stations predicted for the near future by the FCC."

More seriously heeded was stirring statement of veteran broadcaster Ronald B. Woodyard, who was forced to abandon his uhf station WIFE, Dayton (Vol. 10:11). His proposals included complete ban on ownership of more than one TV and/or radio station by any entity, and on ownership of stations by networks and by newspapers. He opposed Johnson excise tax bill because "the tax reduction on theatre tickets didn't reduce admission prices and there's no reason to believe it will cut TV set prices."

Two vhf station operators filed written comments. Ed Craney, KXLF-TV, Butte, Mont., said plight of small-town vhf stations is as serious as uhf, urged subcommittee to do something about both. Gerald J. Morey, WNHC-TV,

New Haven, indicated he'd welcome his uhf colleagues into vhf band, urged Congress to find more vhf channels through use of other vhf frequencies and directional antennas.

Uhf success story was related by Donald A. Burton & Wm. F. Criag of WLBC-TV, Muncie. Ind., who told how they wooed and won local viewers as well as the 4 networks, and "found no prejudice against uhf on Madison Ave."

- m -

Community antennas also underwent attack this week, during Senate uhf hearing, when J. P. Beacom, operator of uhf station WJPB-TV, Fairmont, W. Va., said stations' "very existence" is threatened by the "accelerated expansion of the unregulated and uncontrolled community antenna systems." He said that J. H. Whitney-owned system in Fairmont misled public into not converting to uhf, promising system would feed WJPB-TV to homes—but station's signals were carried only 2 days. Beacom also attacked FCC's recent microwave grant for community system service (Vol. 10:19), and said: "The action of the FCC opens new towns and areas to community cable systems at the expense of the uhf 'home town grass roots' TV stations." He advised passing law to control community systems.

Quip overheard as Senate uhf probe, jam-packed, had to move from Capitol to larger Senate Caucus Room, which happens also to be place of recessed Army-McCarthy hearings: "Is this a scene change from The Cohn Munity to The UHF Scrutiny?"

PRESENTING ORAL testimony at uhf hearing before communications subcommittee of Senate Commerce Committee May 19-21 (see pp. 3-6) in order of appearance: FCC Chairman Rosel Hyde; Comr. Frieda Hennock; Glen McDaniel, RETMA; ex-Sen. Scott Lucas (D-Ill.), Harold Thoms, WISE-TV, Asheville, N.C., Fred Weber, WFPG-TV, Atlantic City & Ben McKinnon, WGVL, Greenville, S. C., for UHF Industry Coordinating Committee; Dr. Allen B. DuMont, Thomas T. Goldsmith & Ted Bergmann, DuMont; Paul Chamberlain, L. R. Fink & Allen P. Haase, GE; Wm. A. Roberts, UHF TV Assn.; Lou Poller, WCAN-TV, Milwaukee; Jack Garrison, KACY, Festus-St. Louis; Ronald Woodyard, WIFE, Dayton; Robert J. Campbell, Dayton Education Foundation; Mortimer Loewi, WITV, Ft. Lauderdale, Fla.; Morris Berman, N. Y. Society of Engineers; Sarkes Tarzian, WTTV, Bloomington, Ind.; Vincent J. Lutz, Assn. of TV Service Companies, St. Louis; Philip Merryman, WICC-TV, Bridgeport, Conn.; S. W. Townsend, WKST-TV, Newcastle, Pa.; Benedict Cottone, UHF Industry Coordinating Committee & UHF TV Assn.; Donald Burton & Wm. Craig, WLBC-TV, Muncie, Ind.; J. P. Beacom, WJPB-TV, Fairmont, W. Va.; Larry H. Israel, WENS, Pittsburgh; Rev. S. H. Patterson, KSAN-TV, San Francisco.

Inserted in hearing record were statements by Thomas Martin, WEEU-TV, Reading, Pa.; Wm. L. Putnam, WWLP, Springfield, Mass.; Theodore B. Pitman Jr., WTAO-TV, Cambridge, Mass.; Elfred Beck, KCEB, Tulsa; Seymour Krieger, Joint Committee on Educational TV; Blair Foulds, General Precision Laboratory; Andrew Haley, Washington attorney, on behalf of 8 uhf stations; Edward F. Baughn, WPAG-TV, Ann Arbor, Mich.; John C. Pomeroy, WILS-TV, Lansing, Mich.; Milton Friedland, WICS, Springfield, Ill.: Raymond M. Wilmotte, Washington consulting engineer; Don C. Wirth, WNAM-TV, Neenah, Wis.; Leonard A. Versluis, WLAV (AM), Grand Rapids, Mich.; Frank Lyman Jr., WTAO-TV, Cambridge, Mass.; Henry Fogel, Granco Products Inc.; Ralph H. Soby, Allen D. Cardwell Electronic Products Corp.; Van C. Cook, Ann Arbor, Mich.; George Wedemeyer, Wedemeyer Electronic Supply Co., Ann Arbor, Mich.; J. E. Littell, Ann Arbor (Mich.) TV Service Assn.; Gerald J. Morey, WNHC-TV, New Haven, Conn.; Ed Craney, KXLF-TV, Butte, Mont.; WKAP (AM), Allentown, Pa.; Joseph Kerner, Blonder-Tongue Labs.

Why do so many uhf CP holders turn back their grants? Before this week's Senate subcommittee hearing, Chairman Potter wrote all grantees and stations which had given up the ghost to ask that question. Forty-seven replied and their answers were inserted in hearing record. We tabulated the reasons (most of them giving more than one) with this result: 20 couldn't get network affiliation, "good network" affiliation, permanent affiliation, or affiliation on good financial terms; 17 saw little chance of success because of vhf competition; 8 couldn't get national and/or local advertisers; 7 blamed set manufacturers or technical shortcomings of receivers; 7 said area couldn't support another TV station, even if it were vhf; 4 said transmitters were inadequate or too costly; 3 blamed lack of uhf acceptance by public; 2 discounted "general economics" of uhf; 2 couldn't get good programming; 2 gave up uhf to apply for vhf; 5 gave no reasons or unrelated reasons.

- D -

Walter Reade Jr., theatreman-operator of uhf WRTV, Asbury Park, N. J., has suggested to ASCAP that it accept "token" license payments from uhf stations "to indicate ASCAP's confidence" until such time as they become economically successful.

Biggest theatre-TV hookup in history is in prospect for Marciano-Charles heavyweight title bout June 17. Theatre Network TV Inc. has signed 63 theatres, including 12 driveins, to carry closed-circuit telecast.

Personal Noies: Frank Stanton, CBS pres., due back week of May 24 from quick flying trip to Europe . . . Norman Hawkins, recently mgr. of KXLY-TV, Spokane, onetime sales mgr. of WWJ-TV, Detroit, returns to Detroit area to join CKLW, Windsor, whose Ch. 5 TV adjunct is due on air in July . . . Bob Struble named sales mgr. of KXLY-TV, Spokane . . . Frank H. McIntosh elected pres. of Assn. of Federal Communications Consulting Engineers, succeeding Frank G. Kear; T. A. M. Craven elected v.p.; Everett L. Dillard, secy.; Robt. Kennedy, treas. . . . Cecil C. Bidlack, ex-NBC Cleveland, joins National Assn. of Educational Broadcasters as its first TV engineer, following grant for that purpose by Ford Foundation . . . Lester H. Bowman, technical director, takes new title of director of physical operations, CBS Hollywood, with James V. Melick now director of production administration . . . Howard F. Barnick, ex-Eagle-Lion Studios, named business mgr., KNXT, Los Angeles, replacing Harry Zipper, now CBS Hollywood . . . John R. Overall, eastern sales mgr., and Dorothy Kemble, director of continuity acceptance & education, have resigned from MBS staff . . . G. W. (Johnny) Johnstone, TV-radio director, National Assn. of Manufacturers, leaves immediately after NARTB convention on auto tour of Pacific Coast and Northwest, visiting NAM regional offices and TV stations on behalf of its weekly Industry on Parade film . . . Wm. E. Eckstein named program mgr. of WTSK-TV, Knoxville . . . Carl Tibbetts, ex-WSB-TV, Atlanta, named production mgr. of WATE, Knoxville . . . Ed Boghosian promoted to national sales mgr., WJAR-TV, Providence . . . James E. Conley, ex-Bolling, Chicago, named regional sales mgr. and Steve Briggs to be program mgr. of upcoming WISH-TV, Indianapolis (Ch. 8) ... Bill Hickey, ex-WABT, Birmingham, joins WCBS-TV in charge of late-evening sports show, Sports of the Night . . . Gordon D. Walker, ex-KNXT, Los Angeles, joins Hollywood office of Kenyon & Eckhardt . . . Melvin L. Gold, ex-National Screen Service, has set up Mel Gold Productions, 1639 Broadway, N. Y., as producer of TV, industrial & other films . . . Reggie Schuebel has set up Reggie Schuebel Inc., 7 E. 47th St., N. Y., taking over Wyatt & Schuebel agency after partnership with John Wyatt was severed.

Page Communications Engineers Inc. has been formed in Washington by consulting engineers Page, Creutz, Garrison & Waldschmitt to take over design, procurement, construction, installation, testing and operation of radio communications plants, systems and equipment in U. S. and foreign countries. Partnership of Page, Creutz, Garrison & Waldschmitt (Millard M. Garrison deceased in March 1954) continues in AM, FM & TV engineering, with David L. Steel named an associate. New corporation, heavily in govt. work, has as officers: Esterly C. Page, pres.; Joseph A. Waldschmitt, exec. v.p.; John Creutz, v.p.-treas.; Charles J. Seeley, secy.; James L. Hollis, chief engineer. Messrs. Page, Waldschmitt and Creutz also own Rixon Electronics Inc., Silver Spring, Md., lab & model shop, whose v.p. & gen. mgr. is Joseph C. Myrick.

New members of NARTB TV Code Review Board are G. Richard Shafto, WIS-TV, Columbia, S. C., & Wm. B. Quarton, WMT-TV, Cedar Rapids, Ia. They replace Walter J. Damm, WTMJ-TV, Milwaukee, & E. K. Jett, WMAR-TV, Baltimore. Remaining on board are John E. Fetzer, WKZO-TV, Kalamazoo & KOLN-TV, Lincoln, Neb., chairman; J. Leonard Reinsch, WSB-TV, Atlanta; Mrs. A. Scott Bullitt, KING-TV, Seattle.

Roosevelt College Assn., Chicago, has selected CBS's Edward R. Murrow and ABC's Elmer Davis as co-winners of its annual award for "distinguished service to American democracy." Oberlin College confers honorary degree on Murrow June 14.

Telecasting Notes: Charting growth of 95 of the 108 pre-freeze TV stations, Sponsor Magazine (which incidentally is playing host to these pioneer telecasters at a commemorative dinner in Chicago May 23), tabulates statistics in special layout in May 17 edition that pretty well epitomize the fantastic march of the telecasting industry: (a) From serving average of 27,800 sets when they went on the air, the 95 last Jan. 1 served average of 617,500. (b) Average base hourly time rate of \$250 has risen to \$920. (c) Average sources of business at outset were 57.5% local, 21.8% national spot, 17.2% network; now it's 23.6% local, 40.8% national spot, 27.6% network. (d) Originally, they averaged 32.5% network shows, 35.3% local live, 36% film: now it's 50.8% network, 24% local live, 26.9% film. (e) Average of 5.8 hours on air per day has gone up to 16.2. (f) From average of 41 employes per station, it's now 98 . . . Re-runs of TV films are profitable not only to sponsors and stations—they may prove gold mine to actors. New Screen Actors Guild contract, which provides for residual payments to actors for 3rd & 4th showings of films made since March 1952, is just beginning to pay off: 375 actors have shared \$30,074 in re-run payments to date -\$26,440 of it in last 3 months . . . "See Ya in TV, Say the Funny Papers" headlines May 22 Billboard story reporting more comic strips being converted to TV film shows for fall, among them Steve Canyon, Blondie, Dixie Dugan, Tailspin Tommy, Heart of Juliet Jones. Already on air: Dick Tracy, Fearless Fosdick, Terry & the Pirates, Super-

Melwork Accounts: Oldsmobile, in biggest single purchase of NBC-TV color "spectaculars" so far, this week bought full run of 13 shows every 4th Sat. 9-10:30 p.m., thru D. P. Brother & Co., Detroit. RCA bought alt. sponsorship of all 13 spectaculars every 4th Mon. 8-9:30 p.m., thru Kenyon & Eckhardt; leading candidates for other sponsor are Ford & Nash. Hazel Bishop (cosmetics) has signed as one sponsor every 4th Sun. 7:30-9 p.m., with others likely to be Reynolds Metals & General Mills . . . Chrysler to sponsor series of dramas by "foremost authors" 3 out of 4 weeks, with 4th week devoted to top-level musical variety programs, on CBS-TV in fall, Thu. 8:30-9:30 p.m., thru McCann-Erickson . . . Elgin Watch Co. replaces Motorola as alt.-week sponsor with U. S. Steel, buying Elgin Hour on ABC-TV starting in Oct., Tue. 9:30-10:30 p.m., thru Young & Rubicam; U. S. Steel renews its sponsorship for coming year, thru BBDO ... RCA buys 20 min. of new Sid Caesar Show on NBC-TV in fall, Mon. 8-9 p.m., thru Kenvon & Eckhardt . . . Crosley-Bendix signing to sponsor 8 shows featuring Martha Raye on NBC-TV in fall Tue. 8-9 p.m.; Buick to sponsor Milton Berle in that time for 20 programs, General Foods backs Bop Hope in 6 programs . . . Campbell Soup Co. switches Abbott & Costello film series from NBC-TV to CBS-TV starting June 5, Sat. 11:30 a.m.-noon, thru BBDO; it replaces Rod Brown of the Rocket Rangers . . . Continental Mfg. Corp., Los Angeles (motor oil) sponsors Indianapolis Thrills of a Lifetime, film recap of Indianapolis Speedway classics, on ABC-TV Mon. May 31, 8:30-9 p.m., thru W. H. Hunt Adv.

BMI has questionnaired TV stations whether they want another series of TV clinics, proposed in N. Y. Aug. 2-3; Chicago, Aug. 6-7; Los Angeles, Aug. 9-10.

Clem Randau, onetime UP business mgr., has purchased *Litchfield* (Conn.) *Times*, state's oldest weekly. He's also co-publisher of *New Milford* (Conn.) *Times*.

- **5** -

ABC & CBS both made overtures to Firestone this week following its break-up with NBC (Vol. 10:20), but no contracts were signed. ABC offered old Mon. 8:30-9 p.m. time segment for simulcast of Voice of Firestone; CBS offered another "choice" time segment, being unwilling to shift Arthur Godfrey's Talent Scouts. Decision is expected in month or so.

man, Flash Gordon . . . "Everybody scouts actors, but nobody scouts writers," says Cy Howard, producer of CBS-TV's That's My Boy. After returning from visit to his alma mater, U of Wisconsin, he told Hollywood Variety reporter: "We're overlooking a great potential in these college kids. We should send scouts [and] bring to Hollywood their best writers. The networks should put them under contract, to write with the pros" . . . Seventh Videotown survey started by Cunningham & Walsh in New Brunswick, N. J. . . . WJBK-TV, Detroit (Storer) raises Class AA hour (8-10:30 p.m. daily) from \$1700 to \$2000, min. from \$350 to \$400, other classes remaining unchanged -including Class A (7-8 p.m. & 10:30-11 p.m.) at \$1600 & \$320. WNBW, Washington, raises Class AA hour from \$900 to \$1000, and 10-sec. from \$95 to \$135 . . . Newlymerged KOOL-TV, Phoenix (which absorbed time-sharing KOY-TV) hikes base hour rate from \$250 to \$365, min. from \$50 to \$70. New XEJ-TV, Juarez (Ch. 5, opposite El Paso) reports \$120 hour, \$22 min. KCJB-TV, Minot, N. D., with \$150 hour rate, and upcoming KXJB-TV, Valley City, N. D., at \$200, to offer combination hour at \$300 . . . More rate increases: WSM-TV, Nashville, hour from \$500 to \$600, min. \$100 to \$120; WENS, Pittsburgh, from \$350 to \$450 & \$70 to \$90; WKZO-TV, Kalamazoo, \$700 to \$800 & \$135 to \$150; KXLY-TV, Spokane, \$300 to \$400 & \$60 to \$80; KOLN-TV, Lincoln, Neb., \$200 to \$250 & \$34 to \$50; KMJ-TV, Fresno, \$300 to \$350 & \$60 to \$70; KTSM-TV, El Paso, \$200 to \$250 & \$40 to \$50.

Army-McCarthy hearings had local sponsors on at least 4 stations, as reported up to press time-possibly Besides St. Louis Post-Dispatch sponsorship of show piped to local uhf WTVI from DuMont (Vol. 10:20), unidentified local sponsors were reported on WENS, Pittsburgh; WTVP, Decatur, Ill.; WWLP, Springfield, Mass .-all 3 fed by ABC-TV. Only ABC-TV & DuMont are carrying program live in full, hence alone are affected by Senate subcommittee's ruling permitting sponsorship (Vol. 10:20). Networks and stations say uncertainty of duration, limitations on commercials, high costs, etc. have made it tough to attract sponsors. But both networks say they'll continue to carry hearings fully, ABC-TV with 51 stations linked, DuMont 10. NBC-TV & CBS-TV are continuing with late-evening filmed highlights only (30 or 45 minutes). Not everyone on Capitol Hill is happy about lifting of initial ban on sponsorship; this week, Sen. Bennett (R-Utah) proposed rule forbidding commercial sponsorship of any televised Senate hearings, asserting McCarthy example "opens the door to a whole new range of possible improper relationships and subtle means for influencing legislation." Quip of the week: Newsweck quotes wag who suggests ideal sponsors for McCarthy hearings would be Army Reserve and Schine Hotels.

CBS-TV paid Sen. McCarthy this week for the \$6336 it cost to film his April 6 reply to Ed Murrow's attack on Sce It Now. Network said "policy of fairness and balance" required it to pay McCarthy, but only because expenses involved program it produced and controlled. CBS spokesman previously had said payment was guaranteed by "someone outside the TV industry." Sponsor Alcoa had refused to pay on grounds its contract with CBS covered all costs. McCarthy's reply was filmed by Fox Movietone.

Bucking for food sponsors, NBC-TV originates segment of *Home* (11 a.m.-noon) May 26 from Cleveland's Convention Hall during Supermarket Institute convention, with 4000 delegates due to see it in big screen demonstration in auditorium.

The 300th station getting network service will be WKNY-TV, Kingston, N. Y. starting May 25. It's 55th added by AT&T this year, and 60 more are expected by year's end.

OS ANGELES has a second uhf in irregular operation -but its formal test debut and its commercial debut are still undecided, and so it isn't listed as an on-the-air station as yet. It's John Poole Broadcasting Co.'s KBIC-TV (Ch. 22), originally having call letters KPIK, with GE 12-kw plant and antenna atop Mt. Wilson, from which test signals have been reported as far away as San Diego (110 mi.), according to engineering director Thornton Chew. For some weeks, it has transmitted "on loose schedule" at 3-4 p.m. each weekday. It has no plans yet for regularly scheduled tests and hasn't published any rate card. Other Los Angeles uhf is KTHE (Ch. 28, educational) which began last Aug., operating non-commercially with backing of Allan Hancock Foundation from UCLA campus. John Poole's KBID-TV, Fresno (Ch. 53), has been on air since last Feb. 13 with GE equipment (Vol. 10:7), and he holds CP for KBIE-TV, Sacramento

RCA shipped 10-kw transmitter May 19 to WMBV-TV, Marinette, Wis. (Ch. 11), due in July, and 2-kw to CFQC-TV, Saskatoon, Sask. (Ch. 2), due in Aug. or Sept. This week, it also shipped 50-kw amplifier to KLZ-TV, Denver (Ch. 7), and 25-kw amplifier to WIS-TV, Columbia, S. C. (Ch. 10).

GE ships 12-kw transmitter and 4-bay antenna week of May 24, to WGTH-TV, Hartford, Conn. (Ch. 18); this week, it shipped 6-bay antennas to KALB-TV, Alexandria, La. (Ch. 5), and KGVO-TV, Missoula, Mont. (Ch. 13), both of which got 5-kw transmitters in latter March and are now completing construction. This week, also, it shipped 3-bay to now-operating KIEM-TV, Eureka, Cal. (Ch. 3).

GPL delivered Continental 1-kw transmitter with studio equipment this week to WQXI-TV, Atlanta (Ch. 36).

In our continuing survey of upcoming new stations, these were reports received this week:

WGR-TV, Buffalo (Ch. 2), has 25-kw RCA transmitter & 6-bay antenna due June 1, now plans late July test patterns and commercial debut sometime in Aug. as basic NBC affiliate. Studios and offices will be at 184 Barton St., now being remodeled, and WGR radio moves in June to Hotel Lafayette penthouse where TV transmitter and 436-ft. Emsco TV tower will also be located. Last week, FCC approved name change to WGR Corp. under merger by which Niagara Frontier Amusement Corp. acquired radio WGR and Niagara Falls Gazette has option to buy 25% after disposing of interest in WHLD (Vol. 10:16). Headley-Reed will be rep.

KGEO-TV, Enid, Okla. (Ch. 5), now planning test patterns about June 15, expects to complete installation of 10-kw RCA transmitter and 12-bay antenna on 650-ft. Emsco tower by June 10, reports commercial mgr. Tom Belcher. Only 66 mi. from Oklahoma City, it plans to begin programming July 1 as ABC interconnected. Owner is local appliance dealer Streets Electronics Inc. Base rate will be \$225. Pearson will be rep.

WKBT, La Crosse, Wis. (Ch. 8), with 10-kw RCA transmitter installed and 500-ft. Stainless tower & 12-bay RCA antenna ready, expects to meet June 21 test pattern target. reports pres.-gen. mgr. Howard Dahl. It plans Aug. 1 commercial start as primary NBC affiliate, will also carry CBS & DuMont programs. La Crosse Tribune has sold its WKTY to Herbert H. Lee group (KDHI, Fairbault, Minn.) in order to buy 41% of WKBT. Base hour will he \$200. Raymer will be rep.

WINT, Waterloo-Ft. Wayne, Ind. (Ch. 15), with 12-kw GE transmitter due for shipment as soon as transmitter house is ready, expected in about 2 weeks, now plans July tests, reports pres. R. Morris Pierce, who operates radio WDOK, Cleveland. With GE 5-bay antenna on hand

SHIFTS to new channels were required of 30 stations by FCC as part of its end-of-freeze decision in April 1952, and all have moved except WHAM-TV, Rochester, which is due to go soon from Ch. 6 to Ch. 5. Coming up soon is first uhf station to shift—WFMJ-TV, Youngstown, aiming to switch from Ch. 73 to Ch. 21 on or about May 29.

Owned by Youngstown Vindicator, this NBC station had troubles galore on Ch. 73, finally acquired CP for Ch. 21 from Polan Industries for \$76,612 (Vol. 10:19) when that company decided not to build. Station was particularly bedeviled with poor performance of receivers at top of uhf band, blaming sensitivity, transmission-line losses, unstable oscillators, short-lived receiving tubes, etc. (Vol. 10:10).

WFMJ-TV chief engineer Frank Dieringer reports that one parts distributor has been selling certain oscillator tube at rate of about 700 weekly.

WFMJ-TV shift includes move from temporary 300-ft. tower to new 1000-ft. structure 200-ft. away. Present 1-kw RCA transmitter is being converted to new channel by employing new crystals, coils, capacitors, cavity parts, etc. A 12½-kw amplifier is due in latter June; ERP will then go to 175 kw.

Another interesting shift is that of WTTV, Bloomington, Ind., from Ch. 10 to Ch. 4. In doing so, it also moved nearer Indianapolis, raised power to 100 kw and height to 1000 ft. above average terrain.

Combination of changes produced trouble for some points in Indianapolis. WTTV thereupon set up own organization there to install simple outside vhf antenna at \$12.95 complete, with money-back guarantee. As result, mgr. Bob Lemon writes:

"We are getting orders and putting up several hundred per day... Of course, it may be a little unorthodox, but we figured other media have circulation departments, and we decided we'd help viewers and ourselves too."

WTTV's entry into installation didn't hurt other servicing organizations. *Indianapolis News* business editor Gerald Dreyer, reporting on small business activity in first quarter, wrote: "The TV and electric service firms, still enjoying the benefits of WTTV's switch to Ch. 4, topped the increases with 18.1%."

at site 16 mi. north of Ft. Wayne, its 800-ft. Stainless tower was nearly up this week. Other area outlet, WKJG-TV, got on air last Nov. WINT rep not yet chosen.

WGTH-TV, Hartford, Conn. (Ch. 18), last reporting spring target, now plans July 12 test patterns, July 15 programming, according to gen. mgr. Fred Wagenvoord. GE 12-kw transmitter is en route, buildings are ready, and 250-ft. of 400-ft. Lehigh tower has been built. June 15 is completion date for tower with GE 4-bay helical antenna. Co-owners are General Teleradio and Hartford Times. It will be second in area, WKNB-TV having begun in Feb. 1953. Rep will be H-R Television.

NBC-Northwestern University Television Institute fulltime 6-week course in advanced training for TV management, directing & production starts June 18, will be conducted in Chicago Merchandise Mart studios. Codirectors are Donley F. Fedderson, chairman of school's dept. of radio & TV, and Miss Judith Waller, NBC Chicago.

. 🗆 .

Minimum of 5-kw uhf transmitter, proposed by FCC (Vol. 10:16), was opposed this week by NARTB, which reported poll of members showed them unanimously against idea. NARTB pointed out that 5-kw transmitter is unnecessary and uneconomical for many small communities.

DuMont's new 50-kw vhf transmitter for Ch. 7-13, introduced at NARTB convention, employs two water-cooled tetrodes in final amplifier, is claimed to occupy 40% less floor space than competitive high-power units.

Trade Report May 22, 1954

PARTS PRICES DOWN, MAKERS SEE TV UPBEAT: Some clues to the future plans of TV set makers came to light this week from those in good position to know -- parts manufacturers who, by supplying components, frequently hold the key to their next moves.

Several important parts makers told us at Chicago Electronic Parts Show this week they looked for sizeable increase in TV production in last 6 months of year, on basis of orders for parts now on their books. All noted increase in orders last 3 weeks or so -- a welcome reaction to fact that the set makers had reduced their huge inventory of parts, a condition which prevented parts manufacturers from sharing in high TV unit sales for first quarter (Vol. 10:15).

Decreases in parts prices appear to be in offing -- but there's no guarantee that they will. Nor is there any assurance that the set makers will take advantage of any cuts to bring down their prices, in face of their complaints of low profits.

\* \* \* \*

Labor is giving set makers increasingly valid reason for raising prices, any parts reductions notwithstanding. Philostrike at 10 TV-radio-electronics plants in Philadelphia, Croyden, Pa. & Sandusky, O. enters its 4th week as we go to press, with little sign of early settlement. Meeting of Federal mediator, management and union proved unproductive, with neither side budging from original positions.

RCA this week settled accounts with labor, granting average 9-10¢ hourly wage increases to 29,000 at plants in Bloomington & Marion, Ind., Canonsburg & Lancaster, Pa., Cambridge, O., Camden & Moorestown, N.J., Hollywood & Santa Monica, Cal. Whole industry wonders whether RCA will pass along wage increases in form of higher prices on new TVs to be shown field reps at Atlantic City's Haddon Hall June 7. If so, it could inspire similar moves by others -- even those without labor problems.

Guessing game on the direction of prices continued this week, with everyone admittedly fishing for information, asking more questions than they're answering on the subject. Spokesman for one major manufacturer advanced theory this week that prices probably will not go up on industry-wide basis, but that greater promotional effort would be concentrated on higher end of lines. This was doubted by another major set maker, who said trade would continue advertising leaders, then trying to "sell up" more expensive models on which profit margins are greater. He said this was only practical way of merchandising.

\* \* \* \*

Atmosphere at parts show was generally bearish. Harry Ehle, show president & International Resistance Co. sales v.p., estimated industry-wide electronic parts business at factory level about 30% below first quarter of 1953 -- most of it blamed on high TV inventories, which kept parts orders at a minimum. Parts makers in hotel rooms & booths were openly expressing their anxiety, shopping prices & special deals and hopefully looking to high-fidelity to take up some of the volume gone from TV. Some 279 exhibitors, 7 more than year ago, were on hand to demonstrate their items, many of them new products designed especially to capitalize on hi-fi upsurge.

Price-cutting was rampant on all types of components, judging from comments we heard from manufacturers & distributors alike. As a consequence of recent tube price cuts (Vol. 10:20) and fact that tube no longer represents as large an investment in proportion to other parts, it's even likely the one-year warranty on picture tubes will be replaced in about 6 months by 90-day warranty, as in other components. Inconsistency of tube prices was further emphasized this week by RCA's increase of \$2.50-\$3 on 8 CR tubes, shortly after cuts by Sylvania & CBS-Hytron, hikes by GE.

Parts makers are looking for lift from color -- but not this year. Thus far, nearly all the specialized components used exclusively in color receivers have been

made by set makers themselves. Consensus was that only when color prices come down to merchandisable level could parts makers expect to benefit. Ehle said parts makers could speed lower color prices by continuing to lower components costs, declaring:

"We're smart enough to realize we can make money only if the set makers are making money. We have to help them get down to the golden figure -- whatever that may be -- which customers will be willing and eager to pay for color. We have to do that even if it means contributing out of our profit."

\* \* \* \*

Further reflecting Philco strike was production of only 96,007 TVs week ended May 14 (second week of walkout), down from 103,563 preceding week and 120,687 units week ended April 30. It was year's 19th week, brought production for year to date to about 2,105,000, compared to about 3,100,000 in same period of 1953.

Radio production jumped to 211,161 (including 103,831 auto), highest for any week since Jan., prompting speculation that other manufacturers are boosting output considerably during Philco strike. Total compared to 167,445 week ended May 7 and 163,289 week before. Radio output in 19 weeks was 3,690,000 vs. 5,285,000 in 1953.

TRADE SEEKS 'WHY' OF RADIO SALES SLUMP: The bleak 1954 radio market is as baffling as it is alarming to manufacturers, many of whom plan consumer research surveys this summer to determine why folks aren't buying radios -- despite average retail price of mere \$42. Here's statistical evidence of radio decline in first 4 months, excluding auto radios which are dependent on auto production and are channeled into many distribution outlets other than those used for TV-radio:

<u>Production</u>, 1,887,132 vs. 2,917,536 in first 4 months of 1953 & 2,339,354 in 1952; <u>factory sales</u>, 1,674,370 vs. 2,897,392 in 1953 & 2,275,010 in 1952; <u>distributor sales</u>, 1,337,787 vs. 2,044,485 in 1953 & 1,962,970 in 1952; <u>retail sales</u>, 1,330,-000 vs. 1,850,000 in 1953 & 2,150,000 in 1952.

Inventories at all levels at end of April totaled about 3,500,000 (864,221 at factory, 1,137,376 distributors, 1,500,000 retail) vs. 2,800,000 at end of April 1953 (430,489 factory, 972,327 distributors, 1,400,000 retail) and 2,364,000 in 1952 (344,000 at factory, 920,000 at distributors, 1,100,000 retail.)

Manufacturers are unable to explain decline, though they agree something must be done about it -- and quickly. One manufacturer says radios are victims of fall in national economy, puts them in category of wrist watches & jewelry -- i.e., something people can get along without when times are a little tough. Another blamed lack of initiative by dealers in pushing radio. "They see a \$200 TV set and visions of profit dance before their eyes," he declared. "When they look at a \$30 radio, what do they see? Damned little -- and they show it."

There's hope radio sales will pick up last half of year for 2 reasons: (1) Following consumer surveys, several major manufacturers plan intensive ad campaigns to push radios. (2) Liquidation sales & special deals will be very common by fall. On this basis, despite bad start, radio industry leaders are hopeful home radio retail sales may be close to 6,500,000 this year, as against 7,100,000 sold last year.

Note: Auto radio production also has fallen off from last year -- totaling 1,417,620 in first 4 months, down from 2,076,188 in 1953 but slightly more than the 1,286,509 turned out in 1952 (when auto production was limited by wartime materials restrictions). There is virtually no factory inventory in auto radios. Statistics on distributor & retail movement of auto radios aren't available.

Distributor Notes: RCA establishes new subsidiary, RCA Victor Distributing Corp.-Southern California, 2027 S. Figueroa St., taking over Los Angeles distribution from Leo J. Meyberg Co., which continues as San Francisco outlet. Harold R. Maag, RCA v.p. & western mgr., will be in charge, reporting to Paul A. Barkmeier, RCA distribution v.p. L. E. Starkweather, mgr. of Leo Meyberg, keeps same job with RCA subsidiary. Last week Meyberg relinquished San Diego distribution to Jerry Achtenhagen & Sons . . . Sylvania appoints Mack Electric Co., Dothan, Ala. . . . Olympic Radio appoints new MFS Distributing Co., Denver (Lewis Jesser, gen. mgr.) . . . Admiral ap-

points Leo Lisee, ex-Washington regional mgr. & gen. mgr. of former distributor Mid-Atlantic Appliances, as mgr. of new Washington factory branch . . . Maryland Wholesalers, Baltimore (Admiral) appoints Larry L. Malin, from Admiral Los Angeles factory branch, as gen. mgr. . . . Zenith-New Jersey appoints Joel Calgut, ex-Gross Distributors (Stromberg-Carlson), as district mgr., replacing L. M. Braun, now parts & service mgr. . . . Stuart F. Louchheim Co., Philadelphia (Zenith) appoints John F. Mehr as TV mgr.; he's ex-Zenith Washington regional mgr. . . . Graybar appoints T. A. Huston asst. mgr. of national appliance sales.

Topics & Trends of TV Trade: RCA introduced 24 new "series string" electron tubes this week, designed to capitalize on growing use of new circuitry by TV manufacturers as means of reducing production costs, particularly of low-end models. New tubes operate with heaters connected in single "series string" circuit, permitting elimination of such components as heater transformers in TV receivers. In conventional tube arrangement, heaters are connected in parallel lines and require transformer for power supply.

Some TV manufacturers, notably Crosley, are already in production of "series string" system, and others are expected to adopt this method in wake of RCA announcement. First of the new tubes will be available commercially next month, designed with tougher (600 milliampere) filaments to withstand more powerful current surge tubes must take. According to Douglas Y. Smith, RCA tube marketing mgr., all heaters in tube string reach operating temperature uniformly, thereby minimizing heating burnouts

"Series circuit" tubes contributed greatly to reductions in radio prices, making possible inexpensive AC-DC radios when industry started wiring tube filaments in series.

\* \* \* \*

First reappearance of 14-in. models in 5-6 years is Majestic's "Starlet" plastic table model introduced this week to retail at \$130 and intended to be competitive with recent Crosley "Super V" & Raytheon "Challenger," both 17-in. at \$140-\$160. Majestic's set is enclosed in luggage carrying case with handles, weighs 39 lbs. (compared to Crosleys 53, Raytheon's 46), has controls on top, measures 12½-in. high, 15-in. wide, 18½-in. deep; it's also available in mahogany wood finish at \$140. Also introduced was standard-size 21-in. mahogany table at \$170.

Zenith lost latest decision in patent suits involving its refusal to pay royalties to RCA, pending in Federal court in Wilmington since first filed by Zenith in 1946, when Judge Leahy May 20 denied its motion to dismiss counterclaim of infringements asserted in arguments last Jan. 21 on behalf of defendants RCA, GE & Western Electric, AT&T, Bell Labs & Westinghouse. While still tangled in legal procedures, final adjudication of long-drawn-out litigation is presumably nearer as result of this week's decision, which was marked by unusually strong language by the court—one part of decision asserting claim of absent defendants' (AT&T, Bell Labs & Westinghouse) coownership of counterclaim patents "is finally proved bogus" and another part stating: "Regard for the longstanding elementals of patent properties and their application to the basic clauses of the cross-licensing agreements, coupled with realignment of several misconceptions, punctures Zenith's argument." Zenith had asked court for judgment of invalidity, non-infringement and unenforceability of certain patents and for an injunction. Only RCA, GE & WE were served, each counterclaiming and alleging Zenith infringement of particular patents. Zenith denied both validity and infringement of the patents and separate trial was ordered to precede trial on issues of enforceability. Zenith moved to dismiss counterclaims for defect, urging indispensibility of absent parties alleging they held rights in counterclaimed patents tantamount to co-ownership.

Report on spurious radiation (Vol. 10:14, 16)—showing which manufacturers have promised to adhere to RETMA plan, etc—is being prepared by radiation committee chairman Dr. W. R. G. Baker for submission during RETMA annual convention in Chicago June 17. Shortly thereafter, he'll supply FCC with list indicating which manufacturers will go along with plan, which won't, which haven't responded.

Trade Personals: Gwilym A. Price, pres. of Westinghouse, elected to board of directors, Eastman Kodak Co. ... Robert L. Sanstron appointed TV-radio marketing mgr., Allied Purchasing Corp., replacing Bernard Rafkin, now TV-radio-appliances buyer at Morehouse-Fashion, Allied outlet in Columbus, O. . . . Hugh H. Boyer, from its Washington govt. sales office, named Zenith Washington regional mgr., replacing John F. Mehr, now TV sales mgr., Stuart F. Louchheim Co., Philadelphia (Zenith) . . . Matt Little, pres. of Quam-Nichols (speakers), returns to desk after lengthy illness which forced his resignation as chairman of RETMA parts div. (Vol. 10:19) ... Edward C. Madden promoted to Admiral traffic mgr., Thomas A. Gaudette asst. mgr. . . . Neal F. Harmon promoted to GE sales mgr. for mobile communication equipment, Edwin W. Kenefake sales mgr. for microwave equipment, James D. Helm sales mgr. for special accounts, all reporting to L. Robt. Sheeley ... Donald F. Pitts, ex-Graybar, named Capehart-Farnsworth New England sales mgr., Boston . . . Daniel Newman, ex-DuMont Labs, named CBS-Columbia asst. service director . . . Harold D. Brandt, from Spokane distributor F. B. Connelly Co., appointed CBS-Columbia northwest sales mgr. . . . Donald E. Smith named CBS-Hytron midwestern district sales mgr., St. Louis . . . Allen S. Nelson, ex-Admiral, named distributor sales mgr., International Rectifier Corp., El Segundo, Cal. . . . Joseph H. Moss Jr., onetime DuMont national distribution director, resigns as Hoffman Radio eastern div. mgr. . . . Ricardo Muniz, ex-TV manufacturing chief for Westinghouse, now heads operations of Canadian Westinghouse receiver production in Brantford, Ont.

Crosley's 17-in. "Super V" table model (Vol. 10:7) now also out in ebony & white finishes at \$160.

HIPMENTS of TVs to dealers totaled 1,655,839 in first 3 months of 1954, exceeding production of 1,447,110 in that period, according to RETMA's cumulative state & county tables released this week. They compared with 2,060,016 shipped in first quarter of 1953, when production was 2,259,943, and shipments of 1,277,512 in first quarter of 1952, when production was 1,324,831. New York led, with 148,161; Pennsylvania second, 109,965; California third, 105,034. In March alone, shipments totaled 582,839, compared with 460,378 in Feb. and 711,838 in March 1953. Here's state-by-state report (county-by-county & territorial tables available from RETMA upon request):

State	Total	State	Total
Alabama	27.304	New Hampshire	8.316
Arizona	6.880	New Jersey	
Arkansas	23.380	New Mexico	
California	105,034	New York	148.161
Colorado	13.122	North Carolina	
Connecticut	21.573	North Dakota	
Delaware	3,539	Ohio	
District of Columbia	10.108	Oklahoma	
Florida	42,702	Oregon	
Georgia	40.367	Pennsylvania	109,965
Idaho	13.807	Rhode Island	
Illinois	104,731	South Carolina	
Indiana	53,424	South Dakota	6,150
	40.340	Tennessee	
Iowa	27.595	Texas	. 89,017
Kansas		Utah	
Kentucky	20,203	Vermont	
Louisiana	33,831	Virginia	
Maine	29,128	Washington	. 26,649
Maryland	19,849	West Virginia	
Massachusetts	46,150	Wisconsin	
Michigan	66,834	Wyoming	
Minnesota	33,080		
Mississippi	14,735	U. S. TOTAL	1,651,400
Missouri	46,140	Alaska	
Montana	5,764	Hawaii	
Nebraska	17,652		
Nevada	1,738	GRAND TOTAL	1,655,839

RCA's net income from patent royalties, usually kept secret, is revealed as "less than \$2,500,000 in 1953" in final article of Martin P. Rosenblum's series of 5 on the TV-radio patent situation in May 21 Retailing Daily. From 1947-52, it averaged \$3,500,000 a year.

Special Report May 22, 1954

# WHERE THE TV SETS ARE

The J. Walter Thompson Company Report on TV Households in the U.S. as of Jan. 1, 1954

(Fourth Edition)

TV Household Figures for 340 Top Markets in Alphabetical Order

Including Data on All of the 215 Markets Having One or More TV Stations in Service Jan. 1, 1954

EDITOR'S NOTE: These figures expand and bring up-to-date 3 previous reports by the J. Walter Thompson Company, embracing more markets and the additional TV sets in use. Before utilizing these figures, it's urged that the following foreword by J. Walter Thompson Company should be read carefully. It should be noted that the figures do not purport to coincide with station coverage areas, which invariably are considerably larger than the markets here defined and for which additional data must be procured from individual stations. The market divisions are standard metropolitan areas as defined by the U.S. Census Bureau. The figures are designed to show where the sets are—not who reaches them.

TELEVISION HOUSEHOLDS in the United States reached 27,000,000 on Jan. 1, 1954, according to this latest J. Walter Thompson Company estimate showing their location in terms of 340 leading markets. These markets account for 84% of the total TV households in the U. S.; for every 10 households therein, nearly 7 possess a TV receiver.

A 6,000,000 increase in the number of TV households has taken place since the first in this series of reports was published in January, 1953 (Television Factbook No. 16 of Jan. 15, 1953). Now, 57% of the 47,500,000 households in the country have TV sets. On the overall, there is the remarkable average of slightly more than one TV household for every two households in the nation.

As important as the number of sets in use is the number of markets now on the air with one or more TV stations. There were 215 such markets as of Jan. 1, 1954, and each is covered in this report. Within these TV markets, there were 356 stations in operation—234 of them vhf stations (channels 2 through 13) and 122 uhf (channels 14 through 83).

#### Sources of Set and Market Data

These new TV household estimates are the result of J. Walter Thompson Company research, including information derived from a national study made by the Thompson Consumer Panel. The set totals, which rely heavily on industry sales information, take into account dealer inventories of new sets and of old, trade-in models, also "second" sets in a growing number of homes, and special conditions existing in many markets. No market is credited with greater than a 90% ratio of TV households.

Market totals of TV households used in this report are extracted from the confidential "J. Walter Thompson Company Coverage Report on All U. S. Counties." This analysis provides data on all counties

within range of the TV signal from any source and indicates the most effective way of reaching any U.S. county with TV.

The markets named in this study are listed alphabetically and each is identified by its market category as it appears in Population and Its Distribution compiled by the J. Walter Thompson Company and published by McGraw-Hill. Market categories and their definition are as follows:

- A Markets-Metropolitan Areas with population over 2,000,000
- B Markets-Metropolitan Areas with population 450,000 to 2,000,000
- C Markets-Metropolitan Areas with population 150,000 to 450,000
- D' Markets-Metropolitan Areas with population 50,000 to 150,000
- D Markets-Counties having one or more cities with population between 25,000 and 50,000
- E Markets—Counties having no cities with populations over 25,000 but having populations of which more than 50% of the total is urban in character.
- F' and F Markets—Rural Markets. F' are counties with average farm income. F markets are counties with below average farm income.

The summary table in this report shows the total of TV households classified by market groups. It shows, for example, that the 8 "A" markets account for more than one-third of the nation's TV sets. If the next 35 markets constituting group "B" are added, the incremental total is 61% of the U.S. sets. Nearly 21,000,000 households are located in groups "A" and "B" and there are nearly eight sets for every ten households.

#### Purpose of This Report

This report was prepared to make it easier to answer numerous questions related to the potential penetration of TV into specific markets, including those markets not having a TV station of their own. It provides information on markets in which other media should be given strongest emphasis and it helps planners to determine whether sales and merchandising follow-through that stems from TV advertising is being directed to those markets where it will do the most good.

#### What This Report Is Not

This report tells only where the TV sets are, market by market. It does NOT provide the total number of sets that can be reached by individual stations. A station's signal transcends market boundaries and in many cases overlaps the signals of other stations, thus making duplicated coverage a factor to consider. The markets here delineated are the standard metropolitan areas and metropolitan markets as defined by The U. S. Bureau of The Census.

Nor does this report attempt to show how many households have sets that are equipped to bring in the

UHF channels (14 through 83). Only rarely do the number of sets equipped to receive these UHF channels approximate the total number of sets in a market.

The rate at which set owners are making the necessary changes in old sets to equip them to receive UHF channels is rapidly increasing. In part this is due to the large number of UHF stations on the air. Their number has been so fast growing that it now makes up nearly one-third of the total of all stations. Another factor improving audience potentials for UHF is the large proportion of all new sets sold that can be tuned to some or all UHF as well as the VHF signals reaching a market.

This is not a coverage report, and it is recommended that information on coverage should be sought from the stations themselves or from their representatives. Because the very nature of conversion of a VHF set for UHF sometimes puts limitations on the specific UHF channels that can be received, it is necessary to have accurate information on the number of sets in a market that can bring in, for example, UHF station "X". This again is information within the area of "coverage" and is best obtained from the stations in question.

### Summary of TV Households by Market Groups

As defined in "Population and Its Distribution", compiled by J. Wolter Thompson Company and published by McGrow-Hill Book Co.

Single and Cumulative Totals for Each Major Group are Shown

	Estimated No. Households Jan. 1, 1954†	Cumulative Total Households Jan. 1, 1954	No. of TV Households Jan. 1, 1954	Ratio of TV Households to total Households (Cols. 3 to 1)	Cumulative Total of TV Households Jan. 1, 1954	Ratio of Cumulative TV Households to Cumulative Total Households (Cols. 5 to 2)	Per Cent of U. S. Total TV Households	Cumulative Per Cent of U.S. Total TV Households
8 "A" Markets	12,268,800	12,268,800	10,019,040	81.7%	10,019,040	81.7%	37.1%	37.1%
35 "B" Markets	8,549,300	20,818,100	6,574,697	76.9%	16,593,737	79.7%	24.3%	61.4%
72 "C" Markets	5,867,300	26,685,400	3,539,071	60.3%	20,132,808	75.4%	13.1%	74.5%
47 "D'" Markets	1,683,300	28,368,700	847,677	50.4%	20,980,485	73.9%	3.1%	77.6%
150 "D" Markets	3,710,800	32,079,500	1,413,848	38.1%	22,394,333	69.8%	5.2%	82.8%
Balance of U.S.	15,480,800	47,560,300	4,605,667	29.7%	27,000,000	56.8%	17.2%	100.0%
Total U.S.	47,560,300	47,560,300	27,000,000	56.8%	27,000,000	56.8%	100.0%	100.0%

†Total of U.S. households from "Survey of Buying Power-1954," published by Sales Management Magazine.

## Alphabetical List Showing Estimated Number of Television Households In 340 Important U.S. Markets

(January 1, 1954)

Asterisk (\*) indicates that no TV station was located in this market on Jan. 1, 1954

Markets and Market Groups (See text)	Counties	Estimated No. of Households Jan. 1, 1954†	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U.S. Total TV Households
ABILENE (D)	Taylor, Texas:	21,100	5,849	27.7%	.0217%
AKRON (C)	Summit, Ohio:	132,900	116,240	87.5%	.4305%
*ALBANY (D)	Dougherty, Ga.:	14,500	1,761	11.8%	.0065%
ALBANY-TROY- SCHENECTADY (B)	Albany, Rensselaer, Schenectady, N. Y.:	171,100	152,314	89.0%	.5641%
ALBUQUERQUE (D')	Bernalillo, N. M.:	51,700	23,847	46.1%	.0883%
*ALEXANDRIA (D)	Rapides, La.:	27,500	2,075	7.5%	.0077%
ALISAL (E) (SALINAS & MONTEREY)	Monterey, Calif.:	50,200	12,695	25.3%	.0470%
ALLENTOWN- (C) BETHLEHEM- EASTON	Lehigh, Northampton, Pa.; Warren, N. J.:	132,200	118,507	89.6%	.4385%
ALTOONA (D')	Blair, Pa.:	41,300	31,921	77.3%	.1182%
AMARILLO (D')	Potter, Randall, Texas:	32,900	20,513	62.3%	.0760%
AMES (E)	Story, Iowa:	13,200	7,954	60.3%	.0295%
*AMSTERDAM (D)	Montgomery, N. Y.:	19,300	14,072	72.9%	.0521%
*ANDERSON (D)	Madison, Ind.:	35,500	30,591	86.2%	.1133%
ANDERSON (F)	Anderson, S. C.;	24,300	5,928	24.4%	.0220%
ANN ARBOR (D)	Washtenaw, Mich.:	40,700	23,231	57.1%	.0860%
*ANNISTON (D)	Calhoun, Ala.:	22,500	8,279	36.8%	.0307%
*APPLETON (D)	Outagamie, Wis.:	24,500	11,217	45.8%	.0415%
ASHEVILLE (D')	Buncombe, N.C.:	35,000	8,761	25.0%	.0324%
ASHTABULA (E)	Ashtabula, Ohio:	25,500	19,373	76.0%	.0718%
*ATHENS (D)	Clarke, Ga.:	10,700	5,562	52.0%	.0206%
ATLANTA (B)	Cobb, DeKalb, Fulton, Ga.:	212,100	178,656	84.2%	.6617%
ATLANTIC CITY (D')	Atlantic, N. J.:	44,500	35,316	79.4%	.1308%
*AUBURN (D)	Cayuga, N. Y.:	21,700	18,139	83.6%	.0672%
AUGUSTA (C)	Richmond, Ga.; Aiken, S. C.:	60,100	12,047	20.0%	.0446%
AUSTIN (E)	Mower, Minn.:	12,700	5,285	41.6%	.0196%
AUSTIN (C)	Travis, Texas:	48,200	22,889	47.5%	.0848%
BAKERSFIELD- (D) EAST BAKERSFIELD	Kern, Calif.:	80,800	33,577	41.6%	.1244%
BALTIMORE (B)	Baltimore City, Baltimore, Anne Arundel, Md.:	416,700	360,461	86.5%	1.3350%
BANGOR (D)	Penobscot, Me.:	28,900	13,533	46.8%	.0501%
BATON ROUGE (C)	East Baton Rouge Parish, La.:	55,600	19,826	35.7%	.0734%
BATTLE CREEK (D)	Calhoun, Mich.;	39,800	29,646	74.5%	.1098%
*BAY CITY (D')	Bay, Mich.:	27,600	14,071	51.0%	.0521%
*BEAUMONT- (C) PORT ARTHUR	Jefferson, Texas:	64,500	19,771	30.7%	.0732%
BELLINGHAM (D)	Whatcomb, Wash.:	22,500	4,355	19.4%	.0161%
*BELOIT (D)	Rock, Wis.:	30,200	8,493	28.1%	.0315%
BILLINGS (D)	Yellowstone, Mont.:	21,300	4,087	19.2%	.0151%
*BILOXI (D)	Harrison, Miss.:	30,600	10,499	34.3%	.0389%
BINGHAMTON (C)	Broome, N. Y.:	58,700	51,779	88.2%	.1918%
BIRMINGHAM (B)	Jefferson, Ala,:	171,300	108,316	63.2%	.4012%

Markets and Market Groups (See text)	Counties	Estimated No. of Households Jan. 1, 1954†	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U. S. Total TV Households
BISMARCK (E)	Burleigh, N. D.:	7,800	1,516	19.4%	.0056%
BLOOMINGTON (D)		24,600	7,764	31.6%	.0288%
BLOOMINGTON (D)		14,400	8,105	56.3%	.0300%
*BLUEFIELD (D)	Tazewell, Va.; Mercer, W. Va.:	31,100	7,226	23.2%	.0267%
BOISE CITY (D)	Ada, Idaho:	24,900	7,360	29.6%	.0273%
BOSTON (A)	Essex, Middlesex, Norfolk, Suffolk, M	ass.: 868,000	725,836	83.6%	2.6882%
*BREMERTON (D)	Kitsap, Wash.:	28,900	19,422	67.2%	.0719%
BRIDGEPORT (B)	Fairfield, Conn.:	161,700	145,530	90.0%	.5584%
*BRISTOL (D)	Sullivan, Tenn.; Washington, Va.: (Including Independent City of Bristo	ol, Va.)41,000	8,506	20.7%	.0315%
*BROCKTON (C)	Plymouth, Mass.:	62,000	44,023	71.0%	.1630%
BROWNSVILLE (D)	Cameron, Texas:	36,400	5,594	15.4%	.0207%
BUFFALO (B)	Erie, Niagara, N. Y .:	344,800	306,889	89.0%	1.1366%
*BURLINGTON (D)	Des Moines, Iowa;	14,400	9,143	63.5%	.0339%
*BURLINGTON (D)	Chittendon, Vt.:	17,500	4,683	26.8%	.0173%
BUTTE (D)	Silver Bow, Mont.:	18,500	5,050	27.3%	.0187%
CADILLAC (E)	Wexford, Mich.:	5,800	1,591	27.4%	.0059%
*CANTON (C)	Stark, Ohio:	90,000	69,271	77.0%	.2566%
CEDAR RAPIDS (D').	Linn, Iowa:	35,600	18,544	52.1%	.0687%
CHAMBERSBURG (F')	Franklin, Pa.:	22,500	11,474	51.0%	.0425%
CHAMPAIGN (D)	Champaign, Ill.:	31,500	8,724	27.7%	.0323%
CHARLESTON (C)	Charleston, S. C.:	48,000	16,229	33.8%	.0601%
CHARLESTON (C)	Fayette, Kanawha, W. Va.:	88,900	50,569	56.9%	.1873%
CHARLOTTE (C)	Mecklenburg, N. C .:	59,000	43,175	73.2%	.1599%
*CHARLOTTESVILLE (D)	Albemarle, Va.: (Including Independently of Charlottesville, Va.)	dent 13,700	3,032	22.1%	.0112%
*CHATTANOOGA (C)	Hamilton, Tenn.; Walker, Ga.:	74,100	19,306	26.1%	.0715%
*CHEYENNE (D)	Laramie, Wyo.:	15,700	5,208	33.2%	.0193%
CHICAGO (A)	Cook, DuPage, Kane, Lake, Will, II Lake, Ind.:	11.; 1,794,400	1,531,197	85.3%	5.6709%
СНІСО (F')	Butte, Calif.;	24,200	6,634	27.4%	.0246%
CINCINNATI (B)	Hamilton, Ohio; Campbell, Kenton, I	Ky.: 302,800	272,316	89.9%	1.0085%
*CLARKSBURG (D),		24,200	4,690	19.4%	.0174%
CLEVELAND (B)		468,300	420,521	89.8%	1.5574%
*CLINTON (D)	Clinton, Iowa;	16,000	11,181	69.9%	.0414%
COLORADO SPRINGS (D)	El Paso, Colo.;	30,300	9,632	31.8%	.0357%
COLUMBIA (D)		14,300	2,646	18.5%	.0098%
COLUMBIA (D')		42,000	12,758	30.4%	.0473%
	Chattahochee, Muscogee, Ga.; Russell, Ala.:	47,300	11,042	23.3%	.0409%
COLUMBUS (B)		163,900	147,510	90.0%	.5528%
*CONCORD (D),		18,400	7,159	38.9%	.0265%
*CORPUS CHRISTI (C)		55,100	7,191	13.1%	.0266%
*CUMBERLAND (D)	-	27,300	9,728	35.6%	.0360%
DALLAS (B)		225,300	152,116	67.5%	.5634%
DANVILLE (D)		28,200	7,753	27.5%	.0287%
	Pittsylvania, Va.: (Including Independent City of Danville, Va.)	26,800	8,205	30.6%	.0304%
DAVENPORT- (C) ROCK ISLAND- MOLINE	Rock Island, Ill.; Scott, Iowa:	76,900	69,211	90.0%	.2589%

				Dania at EV	n
		Estimated No.	Estimated No.	Ratio of TV Households	Per cent of U.S.
Markets and Market Groups (See text)	Counties	of Households Jan. 1, 1954†	TV Households Jan. 1, 1954	to Total Households	Total TV Households
		<del></del>			~
	Greene, Montgomery, Ohio:	151,400	133,520	88.2%	.4945%
*DAYTONA BEACH (D)		27,500	5,062	18.1%	.0187%
DECATUR (D')		34,500	14,959	43.4%	.0554%
	Adams, Arapahoe, Denver, Jefferson, Colo.:	215,900	121,830	56.4%	.4511%
DES MOINES (C)		77,500	50,493	65.2%	.1870%
	Macomb, Oakland, Wayne, Mich.:	969,700	776,869	80.1%	2.8772%
*DUBUQUE (D)		20,200	6,233	30.9%	.0231%
SUPERIOR	Douglas, Wisc.; St. Louis, Minn.:	81,000	14,565	18.0%	.0540%
*DURHAM (D')		28,600	13,937	48.7%	.0516%
	Chippewa, Eau Claire, Wis.:	28,800	8,869	30.8%	.0328%
*ELKHART (D)		28,700	13,078	45.6%	.0484%
ELMIRA (D)		29,000	16,948	58.4%	.0628%
EL PASO (C)		56,600	33,860	59.8%	.1254%
*ENID (D)		17,700	9,468	53.5%	.0351%
ERIE (C)	Erie, Pa.:	68,600	61,740	90.0%	.2314%
*EUGENE (D)	Lane, Ore.:	46,800	3,746	8.0%	.0139%
EUREKA (F')	Humboldt, Calif.:	28,000	5,153	18.4%	.0191%
EVANSVILLE (C)	Vanderburgh, Ind,:	55,300	13,909	25.2%	.0515%
*EVERETT (D)	Snohomish, Wash.:	39,500	14,905	37.7%	.0552%
*FAIRMONT (D)	Marion, W. Va.:	20,800	7,858	37.8%	.0291%
*FALL RIVER- (C) NEW BEDFORD	Bristol, Mass.:	120,200	95,263	79.3%	.3528%
FARGO (D)	Cass, N. D.:	17,700	6,474	36.6%	.0240%
*FAYETTEVILLE (D)	Cumberland, N. C.:	24,100	3,286	13.6%	.0122%
FLINT (C)	Genesee, Mich.:	87,400	63,623	72.8%	.2356%
*FOND du LAC (D)	Fond du Lac, Wis .:	20,400	9,134	44.8%	.0338%
FORT DODGE (D)	Webster, Iowa:	14,100	8,442	59.9%	.0313%
FORT LAUDERDALE (D)	Broward, Fla.:	37,200	17,907	48.1%	.0663%
FORT SMITH (D)	Sebastian, Ark.:	20,100	4,453	22.2%	.0165%
FORT WAYNE (C)	Allen, Ind.:	61,900	25,071	40.5%	.0929%
FORT WORTH (C) *	Tarrant, Texas;	141,500	85,802	60.6%	.3178%
FRESNO (C)	Fresno, Calif.:	93,300	38,292	41.0%	.1418%
*GADSDEN (D')	Etowah, Ala.:	28,100	10,714	38.1%	.0397%
*GAINESVILLE (D)	Alachua, Fla.:	16,300	3,321	20.4%	.0123%
*GALESBURG (D)	Knox, Ill.:	18,300	10,685	58.4%	.0396%
GALVESTON (D') ,	Galveston, Texas:	38,300	18,419	48.1%	.0682%
*GRAND FORKS (D)	Grand Forks, N. D.:	10,800	1,327	12.3%	.0049%
GRAND RAPIDS (C)	Kent, Mich.:	95,700	76,154	79.6%	.2820%
*GREAT FALLS (D)	Cascade, Mont.:	19,100	940	4.9%	.0035%
GREEN BAY (D'),	Brown, Wis.:	29,000	16,755	57.8%	.0621%
GREENSBORO- (C) HIGH POINT	Guilford, N.C.:	55,500	31,354	56.5%	.1161%
*GREENVILLE (D)	Washington, Miss.:	21,200	1,423	6.7%	.0053%
GREENVILLE (F)	Pitt, N. C.:	15,000	3,706	24.7%	.0137%
GREENVILLE (C).,	Greenville, S. C .:	49,600	16,527	33.3%	.0612%
*HAGERSTOWN (D)	Washington, Md.:	24,600	14,457	58.8%	.0535%
*HAMILTON- (D') MIDDLETOWN	Butler, Ohio:	46,500	41,850	90.0%	.1558%

Markets and Market Groups (See text)	Counties	Estimated No. of Households Jan. 1, 1954†	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U.S. I otal TV Households
HAMPTON- (B) NEWPORT NEWS- WARWICK (See also Norfolk-Portsmouth)	Independent cities of Hampton (former Elizabeth City Co.), Newport News ar Warwick (formerly Warwick Co.), Va	nd	36,527	75.8%	1353%
HANNIBAL (E)	Marion, Mo.:	10,300	3,349	32.5%	.0124%
HARRISBURG (F)	Saline, Ill.:	11,000	1,657	15.1%	.0061%
HARRISBURG (C)	Cumberland, Dauphin, Pa.:	91,900	67,200	73.1%	.2488%
HARRISONBURG (F')	Rockingham, Va.;	12,600	3,866	30.7%	.0143%
HARTFORD (B)	Hartford, Middlesex, Conn.:	191,900	150,766	78.6%	.5583%
*HATTIESBURG (D)	Forrest, Miss.:	14,200	2,071	14.6%	.0077%
*HOT SPRINGS (D)	Garland, Ark.:	15,600	829	5.3%	.0031%
HOUSTON (B)	Harris, Texas:	294,700	191,638	65.0%	.7097%
HUNTINGTON- (C) ASHLAND	Cabell, Wayne, W. Va.; Lawrence, Ohio; Boyd, Ky.;	72,000	51,149	71.0%	.1894%
HUTCHINSON (D)	Reno, Kan.:	18,700	6,716	35.9%	.0249%
IDAHO FALLS (E)	Bonneville, Idaho:	10,000	1,786	17.5%	.0066%
INDIANAPOLIS (B)	Marion, Ind.:	190,100	171,090	90.0%	.6412%
*IOWA CITY (D),	Johnson, Iowa:	13,000	4,161	32.0%	.0154%
*ITHACA (D)	Tompkins, N. Y.:	18,000	7,870	43.7%	.0291%
*JACKSON (D')	Jackson, Mich.:	34,200	16,093	47.1%	.0596%
JACKSON (D')	Hinds, Miss.:	43,400	14,159	32.6%	,0524%
*JACKSON (D)	Madison, Tenn.:	17,600	6,100	34.7%	.0226%
JACKSONVILLE (C)	Duval, Fla.:	100,200	64,183	64.1%	.2377%
*JAMESTOWN (D)	Chautauqua, N. Y.:	46,700	31,308	67.0%	.1160%
*JEFFERSON CITY (D)	Cole, Mo.:	10,200	2,310	22.6%	.0086%
JOHNSON CITY (D),	Washington, Tenn.:	15,900	5,805	36.5%	.0215%
JOHNSTOWN (C)	Cambria, Somerset, Pa.:	78,900	67,879	86.0%	.2514%
*JOPLIN (D)	Jasper, Newton, Mo.:	37,500	8,934	23.8%	.0330%
KALAMAZOO (D')	Kalamazoo, Mich.:	42,300	32,662	77.2%	.1210%
*KANKAKEE (D)	Kankakee, Ill.:	20,300		69.2%	.0520%
*KANNAPOLIS (D)			14,045		
KANSAS CITY (B)	Cabarrus, Rowan, N.C.: Johnson, Wyandotte, Kan.; Clay, Jackson, Mo.;	38,800 298,100	20,650 $192,223$	53.2% 64.5%	.0765% .7119%
KEARNEY (F')	Buffalo, Neb.:	8,500	1,238	14.6%	.0046%
*KENOSHA (D')	Kenosha, Wis.:	24,600	18,958	77.1%	.0702%
*KEY WEST (D)	Monroe, Fla.:	10,200	261	2.6%	.0010%
*KINGSTON (D)	Ulster, N. Y.:	30,500	12,571	41.2%	.0466%
KNOXVILLE (C)	Knox, Blount, Anderson, Tenn.:	97,400	21,198	21.8%	.0786%
*KOKOMO (D)	Howard, Ind.:	18,400	15,684	85.2%	.0581%
*LA CROSSE (D)	La Crosse, Wis.:	20,800	2.320	11.2%	.0086%
LAFAYETTE (D)	Tippecanoe, Ind,:	23,200	10,659	45.9%	.0395%
*LAFAYETTE (D)	Lafayette, La.:	16,700	2,038	12.2%	.0075%
*LA GRANGE (D)	Troup, Ga.:	14,200	6,212	43.7%	.0230%
	Calcasieu, La.:				.0190%
LAKE CHARLES (D)	Polk, Fla.:	30,900	5,136	16.6%	.0190%
*LAKELAND (D)		41,700	3,287	7.9%	
LANCASTER (C)	Lancaster, Pa.: Ingham, Mich.:	70,200	55,570	79.2%	.2058%
LANSING (C),	·	56,700	33,443	59.0%	.1239%
*LAREDO (D')	Webb, Texas:	13,700	458	3.3%	.0017%
LAS VEGAS (E)	Clark, Nev.:	23,500	4,492	19.1%	.0166%
*LAUREL (D)	Jones, Miss.:	16,900	1,783	10.6%	.0066%

Markets and Market Groups		Estimated No.	Estimated No. TV Households	Ratio of TV Households to Total	Per cent of U.S. Total TV
(See text)	Counties	Jan. 1, 1954†	Jan 1, 1954	Households	Households
LAWTON (D)	Comanche, Okla.:	18,000	7,615	42.3%	.0282%
LEBANON (D)	Lebanon, Pa.:	26,500	19,114	72.1%	.0708%
LEWISTON (D)	Androscoggin, Me.:	24,500	6,769	27.6%	.0251%
*LEXINGTON (D')	Fayette, Ky.:	30,000	10,144	33.8%	.0376%
LIMA (D')	Allen, Ohio:	28,700	12,059	42.0%	.0447%
LINCOLN (D')	Lancaster, Neb.:	41,100	23,568	57.3%	.0873%
LITTLE ROCK (C)	Pulaski, Ark.;	64,000	17,276	27.0%	.0640%
LONG BRANCH (E) (ASBURY PARK)	Monmouth, N. J.:	78,000	70,200	90.0%	.2702%
LONGVIEW (E),	Gregg, Texas:	19,200	4,211	21.9%	.0156%
*LORAIN-ELYRIA (D')	Lorain, Ohio:	47,500	37,043	78.0%	.1372%
LOS ANGELES (A)	Los Angeles, Orange, Calif.;	1,747,000	1,372,029	78.5%	5.0815%
LOUISVILLE (B)	Jefferson, Ky.; Clark, Floyd, Ind,:	186,300	142,677	76.6%	.5284%
LUBBOCK (D')	Lubbock, Texas:	38,000	18,971	49.9%	.0703%
LYNCHBURG (D)	Campbell, Va.: (Including Independently of Lynchburg, Va.)		12,102	57.1%	.0448%
MACON (D')	Bibb, Houston, Ga.:	42,800	14,918	34.9%	.0552%
MADISON (C)	Dane, Wis.:	51,400	19,612	38.2%	.0726%
*MANCHESTER (C)	Hillsborough, N. H.:	49,100	37,857	77.1%	.1402%
*MANITOWOC (D)	Manitowoc, Wis.:	20,500	8,629	42.1%	.0320%
*MANSFIELD (D)	Richland, Ohio:	29,500	19,153	64.9%	.0709%
*MARION (D)	Grant, Ind.:	20,300	10,040	49.5%	.0372%
*MARION (D)	Marion, Ohio:	16,800	12,913	76.9%	.0478%
*MASON CITY (D)	Cerro Gordo, Iowa:	14,700	4,372	29.7%	.0162%
MEDFORD (F')	Jackson, Ore.:	22,800	4,200	18.4%	.0156%
MEMPHIS (B)	Shelby, Tenn.:	148,800	100,614	67.6%	.3726%
MERIDIAN (D)	Lauderdale, Miss.:	19,800	2,718	13.7%	.0101%
MIAMI (B)	Dade, Fla.:	203,600	130,100	63.9%	.4818%
*MICHIGAN CITY (D)	La Porte, Ind.:	25,200	17,340	68.8%	.0642%
MIDLAND (E)	Midland, Texas:	11,300	1,495	13.2%	.0055%
MILWAUKEE (B)	Milwaukee, Wis.:	274,600	245,881	89.5%	.9107%
MINNEAPOLIS- (B) ST. PAUL	Anoka, Dakota, Hennepin, Ramsey, Minn.:	362,400	272,791	75.2%	1.0103%
MINOT (E)	Ward, N. D.:	10,300	2,442	23.7%	.0090%
MOBILE (C)	Mobile, Ala.:	72,900	28,639	39.3%	.1061%
MONROE (D)	Ouachita, La.:	23,900	7,379	30.9%	.0273%
MONTGOMERY (D')	Montgomery, Ala.	42,400	8,842	20.9%	.0327%
*MORGANTOWN (D)	Monongalia, W. Va.:	16,700	4,776	28.6%	.0177%
MUNCIE (D')	Delaware, Ind.:	30,900	23,558	76.2%	.0873%
*MUSKEGON (D)	Muskegon, Mich.:	40,500	21,677	53.5%	.0803%
*MUSKOGEE (D)	Muskogee, Okla.:	20,100	7,052	35.1%	.0261%
NASHVILLE (C)	Davidson, Tenn.:	98,400	57,592	58.5%	.2133%
*NEWARK (D),	Licking, Ohio:	23,400	17,059	72.9%	.0632%
*NEWBURGH (D)	Orange, N. Y.:	47,400	34,406	72.6%	.1274%
NEW CASTLE (D)	Lawrence, Pa.;	31,500	23,435	74.4%	.0868%
NEW HAVEN- (B) WATERBURY	New Haven, Conn.;	171,600	154,440	90.0%	.5788%
*NEW LONDON (D)	New London, Conn.:	45,900	21,801	47.5%	.0807%
NEW ORLEANS (B)	Jefferson, Orleans, St. Bernard, La.	: 225,300	129,947	57.7%	.4813%

Markets and Market Groups (See text)		Estimated No. of Households Jan. 1, 1954†	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U.S. Total TV Households
NEW YORK (A)	Bronx, Kings, Nassau, N. Y., Queens, Richmond, Rockland, Suffolk, West-chester, N. Y.; Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Union, Somerset, N. J.:		3,358,269	83.6%	13.1784%
NORFOLK- (B) PORTSMOUTH (See also Hampton-Newport News & Warwick)	Norfolk and Princess Anne Counties Va. (including cities of Norfolk, Port mouth, So. Norfolk.)		104,225	72.2%	.3860%
*NORMAN (D)	Cleveland, Okla.:	11,400	4,667	40.9%	.0173%
*OAK RIDGE (D)	Roane, Tenn.:	8,500	945	11.1%	.0035%
*ODESSA (D)	Ector, Texas:	16,800	2,079	12.4%	.0077%
*OGDEN (D')	Weber, Utah:	27,900	16,081	57.6%	.0596%
OKLAHOMA CITY (C).	Oklahoma, Okla.:	117,400	80,887	68.9%	.2996%
ОМАНА (С)	Douglas, Sarpy, Neb.; Pottawattamie, Ia	120,300	102,236	85.0%	.3786%
*ORLANDO (D')	Orange, Fla.:	44,200	6,483	14.7%	.0240%
OSHKOSH (D) ,	Winnebago, Wis.:	28,800	8,342	29.0%	.0309%
*OTTUMWA (D) ,	Wapello, Iowa:	15,500	3,309	21.3%	.0123%
*OWENSBORO (D)	Daviess, Ky.:	16,800	3,447	20.5%	.0128%
*PADUCAH (D)	McCracken, Ky.:	29,000	2,317	8.0%	.0086%
PANAMA CITY (D)	Bay, Fla.:	16,200	1,437	8.9%	.0053%
PARKERSBURG (D)	Wood, W. Va.:	20,200	6,264	31.0%	.0232%
PENSACOLA (D)	Escambia, Fla.:	36,100	6,501	18.0%	.0241%
*PETERSBURG (D)	Dinwiddie, Va. (Including Independent City of Petersburg, Va.)	13,700	9,935	72.5%	.0368%
PEORIA (C)	Peoria, Tazewell, Ill.:	83,400	46,146	55.3%	.1709%
PHILADELPHIA (A)	Bucks, Chester, Delaware, Mont- gomery, Philadelphia, Pa.; Burlingto Camden, Gloucester, N. J.:	1,139,700 n,	1,025,730	90.0%	3.8056%
PHOENIX (C),	Maricopa, Ariz.:	121,200	60,862	50.2%	.2254%
PINE BLUFF (D)	Jefferson, Ark.:	22,900	2,315	10.1%	.0086%
PITTSBURG (F)	Crawford, Kan.:	15,600	3,174	20.3%	.0118%
PITTSBURGH (A)	Allegheny, Beaver, Washington, Westmoreland, Pa.:	654,700	554,182	84.6%	2.0525%
*PITTSFIELD (D')	Berkshire, Mass.:	41,200	34,712	84.3%	.1286%
*POCATELLO (D)	Bannock, Power, Idaho:	13,700	1,467	10.7%	.0054%
*PORT HURON (D)	St. Clair, Mich.:	30,000	18,648	62.2%	.0691%
PORTLAND (C)	Cumberland, Me.:	50,800	20,452	40.3%	.0757%
PORTLAND (B)	Clackamas, Multnomah, Washington, Ore.; Clark, Wash.:	262,200	103,859	39.6%	.3847%
*PORTSMOUTH (D)	Scioto, Ohio:	27,000	15,667	58.0%	.0580%
PRINCETON (F')	Gibson, Ind.:	10,000	1,567	15.7%	.0058%
PROVIDENCE (B)	Bristol, Kent, Newport, Providence, R. I	.: 230,600	189,088	82.0%	.7003%
*PROVO (D)	Utah, Utah:	23,700	12,913	54.5%	.0478%
*POUGHKEEPSIE (D)	Dutchess, N. Y.:	38,700	27,468	71.0%	.1017%
PUEBLO (D')	Pueblo, Colo.:	29,400	7,960	27.1%	.0295%
QUINCY (D)	Adams, Ill.:	22,300	8,910	40.0%	.0330%
*RACINE (D')	Racine, Wis.:	35,100	21,918	62.4%	.0812%
RALEIGH (D')	Wake, N. C.:	36,300	13,974	38.5%	.0518%
*RAPID CITY (D)	Pennington, S. D.:	15,100	103	.7%	.0004%
READING (C)	Berks, Pa.:	77,900	70,110	90.0%	.2628%
RENO (D)	Washoe, Nev.:	19,800	6,932	35.0%	.0257%
THO (D) I RECEIVED	washoe, nev.:	10,000	0,002	00.070	. 5 25 1 70

Markets and Market Groups (See text)		estimated No. of Households Jan. 1, 1954	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U.S. Total TV Households
*RICHMOND (D)	Wayne, Ind.:	22,400	15,398	68.7%	.0570%
RICHMOND (C)	Richmond City, Chesterfield, Henric Va. (Including Independent City of Colonial Heights, Va.):	0, 101,300	65,607	64.7%	.2430%
*RIVERSIDE (D)	Riverside, Calif.:	69,500	36,622	52.7%	.1356%
ROANOKE (D')	Roanoke, Roanoke City, Va.:	39,200	21,617	55.1%	.0801%
ROCHESTER (D)	Olmsted, Minn.:	14,300	6,617	46.3%	$\boldsymbol{.0245\%}$
ROCHESTER (B)	Monroe, N. Y.:	161,800	145,620	90.0%	.5646%
ROCKFORD (C)	Winnebago, Ill.:	52,700	23,873	45.3%	.0884%
*ROCKY MOUNT (D)	Nash, Edgecombe, N. C.:	26,500	4,536	17.1%	.0168%
ROME (D)	Floyd, Ga.:	17,600	9,102	51.7%	.0337%
ROSWELL (D)	Chaves, N. M.:	14,100	3,769	26.7%	.0140%
SACRAMENTO (C)	Sacramento, Calif.:	106,700	52,816	49.5%	.1956%
SAGINAW (C)	Saginaw, Mich.:	48,100	31,674	65.9%	.1173%
*SALEM (D)	Marion, Polk, Ore.:	42,100	13,482	32.0%	.0499%
*SALINA (D)	Salina, Kan.:	11,700	2,617	22.4%	.0097%
SALT LAKE CITY (C)	Salt Lake City, Utah:	88,400	76,964	87.1%	.2850%
SAN ANGELO (D')	Tom Green, Texas:	20,300	4,617	22.7%	.0171%
SAN ANTONIO (B)	Bexar, Texas:	143,200	94,878	66.3%	.3514%
*SAN BERNARDINO (C) .	San Bernardino, Calif.:	109,200	57,327	52.5%	.2123%
SAN DIEGO (B)	San Diego, Calif.:	240,100	152,018	63.3%	.5630%
SAN FRANCISCO- (A) OAKLAND	Alameda, Contra Costa, San Fran- cisco, San Mateo, Solano, Marin, Calif	838,900	536,896	64.0%	1.9885%
*SAN JOSE (C)	Santa Clara, Calif.:	108,500	73,129	67.4%	.2708%
SAN LUIS OBISPO (F') .	San Luis Obispo, Calif.:	25,400	5,576	22.0%	.0207%
*SANDUSKY (D)	Erie, Ohio:	17,300	12,733	73.6%	.0472%
SANTA BARBARA (D)	Santa Barbara, Calif.:	36,100	14,241	39.4%	.0527%
*SANTA FE (D)	Santa Fe, N. M.	10,800	1,687	15.6%	.0062%
*SAVANNAH (C)	Chatham, Ga.:	47,400	8,849	18.7%	.0328%
SCRANTON (C)	Lackawanna, Pa.:	72,300	39,096	54.1%	.1448%
SEATTLE (B)	King, Wash.:	268,800	170,722	63.5%	.6323%
*SHEBOYGAN (D)	Sheboygan, Wis.:	25,400	16,982	66.9%	.0629%
SHREVEPORT (C)	Caddo Parish, La.:	54,800	7,722	14.1%	.0286%
SIOUX CITY (D')	Woodbury, Iowa:	34,800	24,472	70.3%	.0906%
SIOUX FALLS (D')	Minnehaha, S.D.:	23,200	10,396	44.8%	.0385%
SOUTH BEND (C)	St. Joseph, Ind.:	68,200	55,023	80.7%	.2038%
*SPARTANBURG (D).,.,	Spartanburg, S.C.:	40,900	15,128	37.0%	.0560%
SPOKANE (C)	Spokane, Wash.:	78,600	41,987	53.4%	.1555%
SPRINGFIELD (D')	Sangamon, Ill.:	44,600	12,983	29.1%	.0481%
SPRINGFIELD- (B) HOLYOKE	Hampden, Hampshire, Mass.:	139,100	103,075	74.1%	.3817%
SPRINGFIELD (D')	Greene, Mo.:	37,100	14,541	39.2%	.0539%
*SPRINGFIELD (D')	Clark, Ohio:	36,100	30,887	85.6%	.1144%
*ST. CLOUD (D)	Benton, Sherburne, Stearns, Minn.:	24,100	10,120	42.0%	.0375%
ST. JOSEPH (D')	Buchanan, Mo.:	31,900	14,646	45.9%	.0542%
ST. LOUIS (B)	St. Louis City, St. Charles, St. Louis	•	446,722	79.7%	1.6545%
	Mo.; Madison, St. Clair, Ill.:	,, 550,100	110,122	///	1.0010/0
STOCKTON (C)	San Joaquin, Calif.:	69,600	42,456	61.0%	.1572%
SYRACUSE (C)	Onondaga, N. Y.:	110,800	99,720	90.0%	.3737%
TACOMA (C)	Pierce, Wash.:	93,100	50,440	54.2%	.1868%
			-		

Markets and Market Groups (See text)	Counties	Estimated No. of Households Jan. 1, 1954†	Estimated No. TV Households Jan. 1, 1954	Ratio of TV Households to Total Households	Per cent of U.S. Total TV Households
*TALLAHASSEE (D)	Leon, Fla.:	15,200	1,286	8.5%	.0048%
TAMPA- (C) ST. PETERSBURG	Hillsborough, Pinellas, Fla.:	157,800	44,379	28.1%	.1644%
TEMPLE (D)	Bell, Texas:	23,300	5,670	24.3%	.0210%
*TERRE HAUTE (D')	Vigo, Ind.:	36,000	18,836	52.3%	.0698%
TEXARKANA (D)	Miller, Ark.; Bowie, Texas:	30,500	5,571	18.3%	.0207%
TOLEDO (C)	Lucas, Ohio:	127,600	114,840	90.0%	.4304%
TOPEKA (D')	Shawnee, Kan.:	39,700	17,270	43.5%	.0640%
*TORRINGTON (D)	Litchfield, Conn.;	31,800	20,150	63.4%	.0746%
*TRENTON (C)	Mercer, N. J.:	68,500	61,650	90.0%	.2311%
TUCSON	Pima, Ariz.:	55,600	16,957	30.5%	.0628%
TULARE (F')	Tulare, Calif.:	46,300	14,895	32.2%	.0552%
TULSA (C)	Tulsa, Okla.:	88,700	63,614	71.7%	.2356%
*TUSCALOOSA (D)	Tuscaloosa, Ala.:	24,200	7,189	29.7%	.0266%
TYLER (D)	Smith, Texas:	22,700	4,481	19.7%	.0166%
UTICA-ROME (C),	Herkimer, Oneida, N. Y.:	89,100	66,318	74.4%	.2456%
*VICKSBURG (D)	Warren, Miss.:	12,500	1,886	15.1%	.0070%
WACO (D')	McLennan, Texas:	41,400	10,534	25.4%	.0390%
WASHINGTON (B)	District of Columbia; Montgomery Prince Georges, Md; Arlington, Fa Va.; (Including Independent Cities Alexandria and Falls Church, Va.)	irfax, of	399,328	83.8%	1.4790%
WATERLOO (D')	Black Hawk, Iowa:	33,300	12,616	37.9%	.0467%
*WATERTOWN (D)	Jefferson, N. Y.:	27,000	13,640	50.5%	.0505%
*WAUSAU (D)	Marathon, Wis.:	22,900	1,811	7.9%	.0067%
WEST PALM BEACH (D)	Palm Beach, Fla.:	43,100	7,808	18.1%	.0289%
WHEELING- (C) STEUBENVILLE	Brooke, Hancock, Marshall, Ohio; W. Va.; Belmont, Jefferson, Ohio:	101,800	63,848	62.7%	.2366%
WICHITA (C)	Sedgwick, Kan.:	95,400	30,852	32.3%	.1143%
WICHITA FALLS (D')	Wichita, Texas:	32,400	12,700	39.2%	.0470%
WILKES-BARRE- (C) HAZELTON	Luzerne, Pa.;	107,700	54,567	50.7%	.2021%
*WILLIAMSPORT (D)	Lycoming, Pa.:	31,800	9,776	30.7%	.0362%
WILMINGTON (C)	New Castle, Del.; Salem, N. J.:	85,100	76,590	90.0%	.2849%
*WILMINGTON (D).,,,	New Hanover, N.C.:	20,000	1,472	7.4%	.0055%
*WINONA (D).	Winona, Minn.:	12,000	1,906	15.9%	.0071%
WINSTON-SALEM (D')	Forsythe, N.C.:	44,000	26,427	60.1%	.0979%
WORCESTER (B),	Worcester, Mass.:	165,900	141,405	85.2%	.5237%
YAKIMA (D)	Yakima, Wash.:	45,400	10,579	23.3%	.0392%
YORK (C)	York, Pa.:	64,200	57,780	90.0%	.2171%
YOUNGSTOWN (B)	Mahoning, Trumbull, Ohio; Mercer,	Pa.:157,700	126,865	80.4%	.4698%
YUMA (F')	Yuma, Ariz.:	9,100	1,587	17.4%	.0059%
ZANESVILLE (D)	Muskingum, Ohio:	23,500	14,073	59.9%	.0521%
Total All Markets Listo Per Cent of Total U.S.	ed In This Study	32,632,600 68.613%	22,708,001 84.1037%	69.6%	84.1037%

<sup>†</sup>Total Household Estimates from "Survey of Buying Power-1954," published by Sales Management Magazine.

Color Trends & Briefs: NBC-TV color mobile unit should provide some of most exciting shows to date-in addition to supplying dealers with choice demonstration fare—as it feeds 15-min. daily inserts to 11 a.m.-noon Home and 7-9 a.m. Today shows from various eastern cities (Vol. 10:18-19). We can now report actual itinerary, with specific dates, as follows:

June 9-10, Chicago—Clovcrdale Farm. Cited as a model, typical, modern midwestern farm operated by alert young couple.

June 16-17, Milwaukee — Whitnall Park. Famed for flowers, lagoon, etc. Will include horse show.

June 24-25, St. Louis—Visit to fabulous estate of brewer August A. Busch Jr. It was once Gen. Grant's farm, is now one of nation's

Showplaces.

June 30 & July 2, Columbus, O.—Two different locales, Gov.

Lausche's mansion and Ohio State Penitentiary, latter to be first
time TV has invaded any penitentiary.

July 8-9, Cleveland and July 15-16, Washington, programs un-

July 8-9, Cleveland and July 10 10, decided.

July 22-23, Baltimore—Trip to Ft. McHenry, where Francis Scott Key wrote Star Spangled Banner.

July 23-29, Philadelphia—Two sites. Session at city's fire school, where house will be burned and fire-fighting techniques demonstrated. Visit to Philadelphia Art Museum, wich will include displays of such things as old Mummer's Parade costumes.

Aug. 5-6, Boston, and Aug. 12-13, New York, programs for both selected.

NBC's color schedule, meanwhile, comprises 6 sessions of Bride & Groom, noon, May 24-26, May 31, June 1-2. Also in the works, to start in color at undisclosed date before fall, is new Tonight, 11:15-1 a.m., similar in concept to morning Today. NBC pres. Pat Weaver points out that Tonight alone would provide almost 10 hours of network color weekly, in addition to the 90-min. color spectaculars (Vol. 10:20).

Third station with live color camera is WTMJ-TV, Milwaukee-other 2 being WKY-TV, Oklahoma City and WBAP-TV, Ft. Worth-but gen. mgr. Walter Damm says he'll ease into local originations more gradually than others have. He has one camera, plus slide equipment, expects color film chain in late summer. Station has no plans for second camera, he says, "until we're sure it's economically justified." Target date is July 1, when station will start with the "NBC system," i.e., putting each sponsor's program on in color once without charge-if program is suited to color. By Jan. 1, this phase will be over and regular once-a-week cooking and women's shows are contemplated. Color commercials won't be "injected" into black-&-white programs. "We won't put on extravaganzas," Damm adds. "We'll get those from the network. I'm not making a lot of promises. Some people forget it takes 3 hours to warm up and adjust a color camera. Furthermore, there has been too much color here for us to get away with poor stuff. We've had network color here for quite a while. About 15-20,000 people have seen color on the 4 sets we have in our auditorium." Rates will not be increased for color. Extra charge will be made for color whenever extra production costs are incurred. Otherwise, color and monochrome prices will be exactly same. Says Damm: "If an advertiser comes in here with a color film that can be run through a color film chain without any extra cost to us, he won't be charged extra for it. Same goes for slides."

Some 200 color set sales in Oklahoma City are reported by WKY-TV mgr. P. A. Sugg on basis of word from distributors. He says that Dulany's, RCA distributor, says it can't get enough sets. "They're a live outfit," Sugg says. "They don't just sell a dealer a color set. They give him a package, including theatre seats and the like-real promotion." Sugg takes great pride in his color schedule of an hour daily, attributing many set sales to amount of programming. He says station crews had been training for color about 8 months and that not a single minute of outages has occurred. Closed-circuit demonstrations are being conducted for clients, and Sugg reports that some of the biggest sponsors in area sit goggledeyed, predicting a "revolution" in TV.

Financial & Trade Notes: ABC-TV's second and third quarters aren't expected to be profitable but outlook for fourth quarter, thanks to new programming, is very encouraging, said American Broadcasting-Paramount Theatres Inc. pres. Leonard Goldenson at annual stockholders meeting May 18. Beginning with third quarter, AB-PT also expects theatre business to improve, he stated. Second quarter theatre earnings are following pattern of first quarter (Vol. 10:17), when they were off due to higher film rentals growing out of shortage of feature films, increased depreciation charges due to installation of stereophonic sound and wide-screen equipment, and effects of TV for first time in many smaller cities, especially in South and Midwest. As for radio, he said: "Our confidence in radio is unshaken. It is going through a period of transition as a result of TV's growth. Nevertheless, there are indications of a reawakened interest in radio."

Philco earnings & sales declined in first quarterearnings being \$2,438,000 (62¢ a share) on sales of \$113,-770,000 vs. \$3,401,000 (88¢) on \$129,058,000 in same period last year and \$2,341,000 (64¢) on \$84,239,000 in first quarter 1952. Pres. Wm. Balderston declared: "As Philco anticipated, highly competitive conditions have prevailed in the TV industry and it has been necessary so far this year to produce a larger quantity of lower priced sets to meet the competitive situation. By following this policy, the company has increased its share of available business, strengthened its trade position and maintained employment at the highest level possible."

Magnavox earned \$2,030,912 (\$2.68 a share) on sales of \$51,147,940 in 9 months ended March 31, compared to \$2,051,578 (\$2.70) on sales of \$45,008,975 in corresponding period year ago. For 3 months ended March 31, earnings were \$358,552 (43¢) on sales of \$15,227,147, compared to \$505,554 (67¢) on \$18,882,725 in 1953 quarter.

General Instrument Corp. sales reached record \$32,-502,305 in fiscal year ended Feb. 28, up 7% over previous peak of \$30,407,529 in preceding fiscal year-but earnings declined to \$926,903 from \$1,275,863. Pres. Monte Cohen attributed earnings decline to slump in TV sales last quarter of 1953 and failure of uhf to come up to expectations.

Hoffman Radio Corp. has filed SEC registration statement covering 130,000 shares of 50¢ par common, to be offered publicly through syndicate managed by Blyth & Co. and Wm. R. Staats.

Standard Coil Products Inc. sales for 3 months ended March 31 were \$18,971,300, compared with \$26,040,729 same 1953 quarter-reflecting lower volume in TV industry generally. Net income for quarter fell to \$406,306 (28¢ a share) from \$1,737,045 (\$1.18).

Paramount Pictures Corp. now owns 750,000 shares or 64% of International Telemeter Corp., representing investment of \$800,000.

Dividends: Storer Broadcasting Co., 371/2¢ on common, 64¢ on Class B common, both payable June 14 to holders of record June 1; Hazeltine Corp., 25¢ June 15 to holders June 1; Sprague Electric Co., 40¢ June 14 to holders May 28; Oak Mfg. Co., 35¢ June 15 to holders June 1; Clevite Corp., 25¢ June 10 to holders May 28; Philco, 40¢ June 12 to holders June 1.

Oliver Irwin Lewis, 51, chief engineer for the Army Signal Corps engineering & technical div., widely known in the industry for his work in electronics, and a leading civilian advisor to the Chief Signal Officer on TV, radio, radar, etc., died May 18 in Philadelphia after an operation.

Brig. Gen. Carroll O. Bickelhaupt, 65, retired v.p. & secy. of AT&T and an authority in communications who was with the Army signal services in both wars, died in Rochester, N. Y., May 16.

RYSON BILL (H.R. 1227), which would ban advertising of all alcoholic beverages in all interstate media, looks no closer to passage than when similar measure was first introduced nearly decade ago—though hearings this week before House Commerce Committee produced another verbal battle between "wets" and "drys," accompanied by reams of publicity.

All media presented solid opposition to bill. NARTB Ralph W. Hardy vigorously defended "right to advertise legal goods and services which are generally available to the public for purchase and use." He branded bill as "very discriminatory," declared broadcasters are well aware of "the sensitive nature of alcoholic beverage program sponsorship" and observed that complete absence of liquor advertising on TV & radio was result of self regulation, not Federal control.

During Hardy's testimony, Chairman Wolverton (R-N. J.) demanded that radio networks answer charges of some temperance witnesses that they were discriminated against in seeking public service time. He criticized networks for not volunteering to testify, then called TV & radio stations "monopolies" because they were licensed by FCC. He was particularly critical of radio. Rep. Rogers (D-Fla.) asked Hardy to compile report on amount of time radio stations allow for alcoholic beverage advertising. Networks had no comment.

Wolverton's comments were inspired by testimony of San Antonio temperance leader Dr. Sam Morris, who charged Chicago's WGN had refused to sell him time to discuss temperance and would not allow him to bring up subject on program sponsored by his insurance company. He said he had opposed renewal of AM licenses to Louisville's WHAS and Dallas' KRLD on grounds of discrimination against temperance movement.

Among others opposing bill: AAAA, ANPA, Magazine Advertising Bureau, National Editorial Assn. Hearings resume, and possibly conclude, Mon. May 24. Sen. Langer (R-N. D.) has also introduced companion bill (S. 3294), with same aim as Bryson measure, on which hearings start June 21.

Real Texas whingding was pitched by WBAP-TV, Ft. Worth, on May 15 when it inaugurated local color originations with 3-hour show using RCA color cameras (Vol. 10:19). In addition to local bigwigs, RCA-NBC officials on hand were RCA chairman David Sarnoff, NBC exec. v.p. Robert Sarnoff, stations relations v.p. Harry Bannister, station relations mgr. Sheldon Hickox. Speaking at luncheon, before helping WBAP-TV chairman Amon Carter throw switch, Gen. Sarnoff predicted all TV will be color in 5-10 years; foresaw price of color sets in range of masses in 3-4 years; looked towards 3-D color and international TV. For radio, he predicted that in less than 10 years pocket-size personal radio "will be regarded as essential as a timepiece—and it will have a market equal to the number of persons in the world."

Color equipment of Wickes Engineering & Construction Co., Camden, N. J., will be distributed henceforth by General Precision Lab under agreement announced this week by Wickes v.p. John Million and GPL v.p. Blair Foulds. Color development programs of both will also be coordinated. Equipment includes subcarrier generators, bar generators, coders, convergence dot & bar generators, multiburst generators, amplitude linearity testers, envelope delay curve tracers, video monitors, vector display equipment.

Telechrome Inc. claims that equipment enabling stations to rebroadcast network color costs much less than generally believed, and it offers the gear for \$3950. Associated monitoring & test equipment is priced at \$4600, and facilities for locally generated color signals, including color scanning equipment, is offered at \$19,000.

Deal whereby KMO-TV, Tacoma, Wash. (Ch. 13), was to be sold by owner Carl Hammond to Jessica Longston group, owners of radio KAYO, Seattle (Vol. 10:5, 15) was dropped last week when FCC indicated hearing would be necessary due to overlap of KAYO & KMO. Latter station was also included in deal, which involved \$350,000 plus assumption of \$150,000 debt owed on equipment. KMO-TV is an independent, having lost its original NBC affiliation to KOMO-TV, Seattle (Ch. 4). Owner Carl Haymond states negotiations for sale are still going on; though unprofitable, he said TV station could earn money if backed with ample capital to promote it. His wry observation: "There are only 2 kinds of TV stations, namely, those making a lot of money and those losing money; nothing in between."

Attacking Ch. 31 CP to city-owned WNYC (Vol.10:20), N. Y. Commerce & Industry Assn. called operation of proposed station "utterly fantastic in the light of the city's current financial picture." Assn. exec. v.p. Thomas J. Miley wrote Mayor Wagner that the \$379,000 set aside by city for construction was \$200,000 short of minimum necessary for sufficient signal and that station operation would cost taxpayers minimum of \$2,250,000 a year. Besides, he added, grant to city is of "questionable legality." Walter Reade Jr., pres. of Asbury Park's uhf WRTV, welcomed grant, declaring "another uhf channel will create just that much more interest for our growing market."

John L. Booth, scion of the Michigan chain publishing family who turned his attention entirely to radio and has no hand in management of the 8 newspapers, this week closed \$150,000 deal to purchase Herman & Roy Radner's WIBM, Jackson, Mich. (250 watts on 1450 kc, ABC), subject to FCC approval. The Radners will dismiss their application for Ch. 10 in Parma, about 10 mi. west of Jackson, for which Booth and 2 others have filed. Booth suspended operation of WBKZ-TV, Battle Creek (Ch. 64), because of reported \$10,000 a month losses (Vol. 10:17). He also holds CP for WSBM-TV, Saginaw (Ch. 51), owns radio stations WJLB, Detroit; WBBC, Flint; WSGW, Saginaw.

Stay of CP for Ch. 4 to KWK, St. Louis (Vol. 10:17), was denied to WTVI, Belleville-St. Louis, by Court of Appeals which said that although "substantial question" is raised, public interest dictated that grantee be permitted to build. WTVI then asked court to hasten its hearing on merits of case, move it up to June; it also filed protest against grant with FCC.

Senate voted FCC \$7.294,400 for next year's budget, \$750,000 more than House has approved. The extra \$750,000, for spectrum monitoring, was approved over objection of Sen. Douglas (D-Ill.) who couldn't see any connection with security even though President's National Security Council recommended it. Measure now goes to Senate-Ilouse conference to iron out difference.

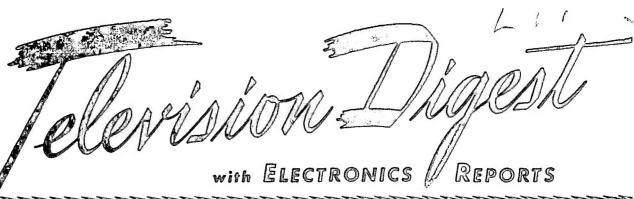
Forty stations have already joined new Television Advertising Bureau (Vol. 10:20), which formally organizes at Chicago's Palmer House May 24—an advance enrollment which consultant Richard P. Doherty states assures success of the projected TV advertising-promotion counterpart of newspapers' Bureau of Advertising.

Armed forces overseas TV stations (Vol. 10:19) came step closer to reality May 17 when Senate passed enabling legislation (S-3401) backed by Defense Dept. Bill now goes to House.

Limited supply of copies of Where The TV Sets Are, report on TV households by markets by J. Walter Thompson Co. (see p. 1), is available to visitors at our NARTB exhibit in Room 830, Palmer House.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE FOR MANAGEMENT OF THE VISUAL BROADCASTING AND ALLIED ELECTRONICS ARTS AND INDUSTRY



PUBLISHED WEEKLY BY RADIO NEWS BUREAU . WYATT BLDG. . WASHINGTON 5, D.C. . TELEPHONE STERLING 3-1755 . VOL. 10: No. 22

May 29, 1954

JUN 1 1954

In this issue:

Highlights of the NARTB Convention, page 1
VHFs, Networks Move Up Guns for Hearing, pp. 1-3
383 Stations Now on Air; 10th in Canada, page 3
More VHF Grants Near, Another UHF Suspends, page 4
Film Scanners Key to Heavy Color Schedules, pp. 4-5
Television Advertising Bureau Signs Up 105, page 6

Highest Rate on TV Station—WNBT's \$6200, page 7
FCC Roundtable at NARTB Convention, page 8
Transmitter Shipments & Upcoming Stations, page 10
High States in Big-Screen Color Battle, page 11
Plenty of Life in TV Trade During May, page 12
Network TV-Radio Billings—Jan.-April, page 16

HIGHLIGHTS OF THE NARTE CONVENTION: William S. Paley's scholarly yet down-to-earth treatise on responsibility in the handling of news and opinion broadcasts is particularly timely in light of recent events, merits closest attention of everybody in the telecasting and broadcasting business — and so we've published its full text as a Special Report herewith. It was, in our opinion, the high point of this year's NARTE convention, a clearcut statement of principles that might well be expounded again before Congress and the highest level thinkers in the land.

The Chicago convention otherwise was marked, from the TV point of view, by a universal acceptance of colorcasting as a fait accompli and imminent public service; by fantastic exhibitions of new telecasting equipment, notably color film scanners which will ease the stations' way into color (see story, p. 4); the mustering of 105 members for the new Television Advertising Bureau (p. 6); the problems of uhf, notably as expounded at the FCC's convention roundtable (p. 2); and, in closed meetings, network-station-rep moves to reduce radio night rates once again so as to hold their own in face of TV's admitted encroachment on their audience (p. 7).

VHFs, NETWORKS MOVE UP GUNS FOR HEARING: Furious counterattack against the drastic remedies proposed by uhf telecasters to Senate subcommittee (Vol. 10:21) was being prepared this week by hopping-mad vhf telecasters in a united, if tardy, effort to present strongest possible case when uhf hearings resume next Thu. & Fri., June 3-4. (For tentative list of witnesses, see p. 16.)

As scene shifted from Washington to Chicago NARTB convention, uhf operators -- who only last week were riding high on crest of impressive Senate presentation -- were bitter, too, about signs which made them believe the broadcasters' trade association intends to abandon policy of strict neutrality in the controversy.

The one aid-uhf measure favored by virtually everybody fell by the wayside, meanwhile, when Senate Finance Committee voted May 28 to take no action on any proposals to change excise taxes -- just one day after the communications subcommittee, under Sen. Potter (R-Mich.) had adopted resolution urging exemption of uhf-equipped sets from manufacturers' tax. The exemption proposal (Vol. 10:20-21), sponsored by Sen. Johnson (D-Colo.), appears to have virtually no chance now.

Terming defeat a "solar plexus blow," Sen. Johnson told us it would be useless to try to persuade Senate to overrule the committee. "I'm trying to figure out a way to bring relief other than by excise tax," he added, without elaboration.

\* \* \* \*

Networks and vhf telecasters, taken aback by uhf united-front proposals for reallocation, freeze and restrictions on vhf height and power -- and startled by the serious reception these suggestions got from the Senators -- lost no time in forming their own "organization" to give Senate subcommittee other side of picture. The

Chicago gathering was scene of strenuous activity as they forged emergency plans for defense of their frequencies. "There isn't a single vhf station that wasn't talked to or contacted by phone," one of most energetic vhf organizers told us.

Next phase in vhf plans is big meeting in Washington May 31-June 1, during which group will draw up testimony "to present whole story in the interest of fair play and cooperation with the subcommittee." A spokesman emphasized the unnamed behind-the-scenes group is not "anti-uhf," and expects to make several alternative proposals to assist hard-pressed operators. Washington law firm of Pierson & Ball has been retained to whip case into shape, with aid of battery of other lawyers due to attend Washington meeting with their station-owner clients.

While vhf-network strategy was being planned off the convention floor, some uhf telecasters were protesting that NARTB -- which represents both vhf and uhf stations -- was beginning to take an "anti-uhf" stand. Several even talked darkly of "walking out." They were particularly disturbed by May 25 address of NARTB pres. Harold Fellows, in which he pleaded for broadcaster unity, saying:

"We cannot solve our individual economic problems by the simple expedient of calling our Congressmen... It would seem to be expedient as well as prudent that we exhaust all possibilities of working out our industry problems together [before] we divide the army into warring tribes, and thus dissipate our strength... I am somewhat doubtful that we, as a group of businessmen have faced up to [the economic difficulties of some uhf and vhf stations] with the courage and honesty which should attend the conduct of our affairs."

Some also took offense at statement in Fellows' speech implying opposition to the <u>Bricker Bill</u>, which would give FCC authority to regulate networks, and at his endorsement of <u>Rosel Hyde</u> as FCC chairman.

Uhf members considered it a second blow when NARTB TV board held a special session next day and voted to appear at Senate hearings. Board wired subcommittee requesting permission for Mr. Fellows and engineering mgr. A. Prose Walker to present data. "It is believed that the NARTB can offer factual material of pertinence to a complete record," wire stated. "Inasmuch as the presentation would relate to factual and statistical information, it is suggested that if the appearance is accepted it precede any individual appearances anticipated by your subcommittee."

Pres. Harold A. Thoms of UHF Industry Coordinating Committee (70 members) wired Fellows May 28 for meeting between representatives of the 2 organizations on eve of hearings June 2, for "general discussion" of uhf problems.

UHF TV Assn., which claims 13 members, issued this statement same day over the signature of general counsel Wm. A. Roberts: "There can be no doubt now of the intention of the 'fat cats' to use their enormous power and resources to prevent any salvation for uhf TV. Of course, NARTB is the national organization of all broadcasters and will continue to be, but for the present time the UHF TV Assn. is the single-purpose group which will persist in preserving uhf operation for the public, the advertisers and the uhf broadcasters. All who agree with that idea should act now to cooperate with them."

\* \* \* \*

Uhf controversy kept cropping up as NARTB convention proceeded, despite some efforts to keep it down. FCC Chairman Hyde gave it brief but significant mention in his address at May 26 luncheon:

"As you know, various types of regulatory actions are already being advocated in high places, including still another freeze, curtailment of present services, and regulation of the distribution of network programs. I shall not discuss the subject further except to call your attention to the current hearing before the Senate subcommittee on communications and suggest that the way to avoid restrictive regulatory action is constructive voluntary action... The vitality of the industry came from freedom from oppressive regulation."

Comr. Hennock was in rare form again this week, and even more stridently outspoken (though less lachrymose) than at last week's Senate hearings. She precipitated a hot dispute with other commissioners at May 27 panel session. At outset, moderator

Harold Fellows said it had been agreed there would be no discussion of matters now before Senate subcommittee, but Miss Hennock insisted on reading prepared statement.

"I am now firmly convinced that only the eventual move of the TV service into the uhf band will save the patient," she said, endorsing proposal of the 2 organized uhf groups. A reasonable period of time -- "five or even 10 years" -- should be allowed for changeover, she added, and in meantime FCC should do everything it can "to bring network programming to the existing 127 uhf stations on an equitable and competitive basis." Reviving a dispute which brought one of most heated exchanges at last week's hearing, she said she hadn't slightest doubt that the 70 uhf channels alone would be enough for nationwide competitive service.

"I dissent from all of that except the part against sin," commented Comr. Doerfer. Bristling and angry, engineer Comr. Sterling also took issue.

"I consider that a direct attack against the engineers of the FCC staff and the industry," he said, drawing cheers. "I told the Senate subcommittee you can't generalize on such an important matter. You can't form an opinion overnight."

Chairman Hyde cautioned against drawing conclusions before all testimony is in. He was seconded by Comrs. Bartley and Lee, the latter commenting: "I'd like to learn how it will help the city of New York, with 7 channels -- 4 of them losing money -- to move them all to uhf."

[Note: It's not generally known that Commission once came within one vote of moving all TV into uhf. During 1948-52 allocation proceedings 3 commissioners -- Jones, Hennock, Walker -- reportedly favored the move. Wayne Coy, then chairman, often appeared to favor all-uhf allocation, and he could have swung the plan had he chosen to join the other 3.]

\* \* \* \* \*

Though most uhf telecasters seem to regard Senate proceedings necessary and desirable, some of their more fortunately situated uhf colleagues -- sitting on sidelines -- are viewing whole spectacle as setting up new obstacle they must surmount.

Regardless what the hearings may accomplish, it's unpleasant and undeniable fact that they've seriously damaged the prestige of uhf stations as a whole by tacit as well as expressed admissions of failures. With a few exceptions, the successful uhf operators have scrupulously avoided the hearings -- but several have remarked privately they're feeling the psychological impact where it hurts -- the pocketbook.

383 STATIONS NOW ON AIR; 10th IN CANADA: Month of May was least prolific for new TV starters since freeze-end in mid-1952. New KFXJ-TV, Grand Junction, Colo. (Ch. 5) was only second starter of the month (other having been KGLO-TV, Mason City, Ia., on Ch. 3, and only the 42nd so far this year. It makes 383 now on air, 125 of them uhf.

More stations actually quit than started in May. Besides this week's dropout of WECT, Elmira (see p. 4), uhf outlets went off the air in Atlantic City, Flint and Monroe, La.; and a vhf quit in Pueblo, Colo. (for details, see Vol. 10:19=20).

Canada's 10th station is now also on the air -- CBWT, Winnipeg (Ch. 4), sixth to be operated by govt.-owned Canadian Broadcasting Corp.; it began test patterns May 24, starts programming May 31, with 10-kw RCA transmitter, offered at \$200 rate.

Veteran radioman Rex G. Howell's new station in Grand Junction is only outlet in the vast space between Denver & Salt Lake City; it uses the 500-watt Gates transmitter, first such for TV, originally used by the now-defunct KFXD-TV, Nampa, Ida. (Ch. 6), which quit air for economic reasons last Aug. (Vol. 9:34). It also has 3-bay GE antenna on 340-ft. Aerial tower. Non-interconnected, it's scheduled to get kines from ABC, DuMont & NBC, starts programming May 30 after week of tests. E. A. Thomas is exec. v.p.; Ruth Howell, program director. Base rate is \$120. Rep is Hal Holman.

\* \* \* \*

June may bring a dozen or more new starters, if advance reports of principals and equipment makers can be believed. Listed for June starts -- though we again caution that delays are the rule -- are these vhf: WLAC-TV, Nashville (Ch. 5); WISH-TV, Indianapolis (Ch. 8); KELP-TV, El Paso (Ch. 13); KGEO-TV, Enid, Okla. (Ch. 5); WKBT, La Crosse, Wis. (Ch. 8); KGVO-TV, Missoula, Mont. (Ch. 13); WDBO-TV, Orlando, Flo-

rida (Ch. 6); KDRO-TV, Sedalia, Mo. (Ch. 6); WPBN-TV, Traverse City, Mich. (Ch. 7); WTHI-TV, Terre\_Haute, Ind. (Ch. 10).

In Canada CHCH-TV, Hamilton, Ont. (Ch. 11) and CFCM-TV, Quebec City (Ch. 4) are due on the air in June. In Mexico, XEFE-TV (Ch. 11) is reported building at Nuevo Laredo, opposite Laredo, Tex.

These uhf are also on books as June starters: WMSL-TV, Decatur, Ala. (Ch. 23); KVDO, Corpus Christi, Tex. (Ch. 22); WCET, Cincinnati (Ch. 48, educational); WBOC-TV, Salisbury, Md. (Ch. 16). There are several others, but their equipment situation is still obscure and it's doubtful whether they will start in June.

MORE VHF GRANTS NEAR, ANOTHER UHF SUSPENDS: No CPs were issued by FCC this week as members attended NARTB convention -- though 3 initial decisions were produced and another was lined up through dropout. One uhf station went silent, meanwhile, and 3 uhf CPs were surrendered to Commission. Initial decisions favored the following:

Dothan, Ala., Ala-Fla-Ga TV Inc., Ch. 9; Phoenix, Ariz., Arizona TV Co., Ch. 3; Petersburg, Va., WSSV, Ch. 8. Readied for an initial decision for Ch. 2 in Henderson, Nev., through dropout of KRAM, was Southwestern Publishing Co. Inc.

Station suspending was WECT, Elmira, N.Y. (Ch. 18), which asked permission to remain silent for 120 days "pending study of economic situation." It told FCC it has suffered losses every month since start in Oct. 1953. It's 17th station (14th uhf) to go off air, not counting those which went silent temporarily but resumed.

The CPs cancelled this week: WIP-TV, Philadelphia (Ch. 29), held by Gimbels since Nov. 1952; WTVX-TV, Goldsboro, N.C. (Ch. 34); WCRS-TV, Greenwood, S.C. (Ch. 21). Their defection brings total CP cancellations to 82 -- 70 uhf, 12 vhf.

Petersburg was the only one of the initial decisions resulting from hearing that went all the way. Examiner Claire Hardy chose WSSV over Southside Va. Telecasting Corp. because of local residence and community activity of former's principals and because it proposed programs more attuned to Petersburg than to nearby Richmond. Pres. of WSSV is Louis Peterson. Opponent is headed by Tom Tinsley, operator of WLEE, Richmond and WITH, Baltimore -- holder of CP for Ch. 72 in Baltimore.

(For details about principals in all foregoing cases, see TV Factbook No. 18.)

heard at all levels of the industry, looks as if it has produced results -- in form of intense development of color film scanners. Nothing at NARTB convention in Chicago this week was more apparent than feeling of telecasters that bulk color programming -- the kind of day-in-day-out fare that creates demand and sells sets -- must come from film. And substantial fruition is expected this fall.

Manufacturers' awareness of film's importance was even more obvious -- as 4 of them delivered some of the most vigorous sales pitches we've ever heard at a NARTB convention -- and we've heard a lot of them.

Not that live cameras aren't exciting plenty of interest, nor that the 2-way fight between RCA and GE isn't being waged fiercely -- but reaction of many telecasters is similar to that of Walter Damm, WTMJ-TV, Milwaukee, who says he's going to rely on the networks for color "extravaganzas" for the foreseeable future even though he now has one RCA live camera (Vol. 10:21).

The 4 manufacturers who showed scanners were DuMont, GE, Philco, RCA. Technical comparisons are extremely difficult because some scanners are more fully developed than others and it's impossible to draw final conclusions as to the soundness of their basic principles. Some showed consistently good pictures hour after hour. Others were obviously rushed too soon from the labs. At their best, pictures produced were certainly superior to results achieved in black-&-white at comparable stage of development. Of course, there's always question of how nearly the average station can approach performance demonstrated on exhibition floor.

Even prices were extremely difficult to compare. The only way station engineers were able to draw conclusions was to sit down with sales engineers and ask how scanners can be integrated with their specific equipment and program plans. As a very rough guide, however, a station with no color equipment at all will have to lay out \$50,000-100,000 to add color film, slide and network rebroadcast equipment.

Contemplating the new and difficult arts of producing live color, engineers nourished hopes of running color film as they do monochrome -- leaving up to the networks the tricky lighting, rehearsals, costume and make-up problems, etc.

Engineering judgment of highest order was demanded of station engineers as they attempted to distinguish between salesmanship and performance. Exhibit floor was where the men were separated from the boys.

\* \* \* \*

With choice of equipment so difficult, there's always possibility that stations will hesitate to buy anything. At same time, inter-station competition is such that no operator can afford to let his competitors get too great a head start.

Two basic kinds of scanners were shown -- RCA using conventional projector and 3-vidicon camera, the other 3 manufacturers employing continuous-motion projectors with single cathode ray tube used as flying-spot scanner.

Cross-claims of manufacturers are too numerous to mention. The continuous-motion proponents tout smoothness of operation and maintain that 3-vidicon approach has inherent registration problems. RCA asserts that "3-V" employs tried-&-true technique with which station engineers are familiar. RCA has support of General Precision Labs, which though it doesn't have color scanner, says it has tried continuous-motion cameras for years and would favor 3-vidicon approach.

All manufacturers report sales and great station interest. CBS and NBC are willing to try anything at least once, seem to be buying from all. <u>DuMont</u> reports it will deliver within a month to KTLA, Los Angeles, CBS and two others. <u>Philco</u> units are going directly from convention to NBC and CBS. <u>GE</u> has a "crash program" to produce 5 pre-production models for delivery in next few months. Regular production is slated for last quarter. RCA says it is writing business at a phenomenal rate; deliveries are due last quarter of this year.

Quietest of the bunch, until convention, was <u>Philco</u>, which first showed a 35mm color scanner at NARTB convention in Los Angeles last year. Now, it offers scanners in both 16mm and 35mm -- with camera mechanism made by Mitchell, slide equipment by Gray, both to Philco's specifications.

Among Philco innovations is 4000-ft. 16mm reel, giving 2 hours of programming. Company is only one making 35mm, reports it will be delivering first to NBC, CBS, Paramount, Technicolor, Air Force, Sylvania, and a few for export.

DuMont did some missionary work among ad agencies, seeking to change their minds from blase attitude expressed recently by some of top agencies (Vol. 10:20). Big agencies and advertisers were invited to submit their own film samples for tests at convention. DuMont claims that the demonstrations there are winning them over. Among agencies participating: Gardner; Henri, Hurst & MacDonald; Beaumont & Hohman; Leo Burnett; BBDO; Campbell-Ewald.

\* \* \* \*

On live camera front, RCA was most impressive with its continuous demonstrations of exceptional quality -- fed from exhibition floor to 30 receivers 4 floors above. GE-CBS setup, employing field-sequential camera and coder (Vol. 10:5), has shown much improvement, attributed by GE engineers to use of Emitron in color in lieu of image orthicons. Emitron is British tube, made by E.M.I. Four of the units have already been sent to CBS. Regular production is due last quarter.

RCA camera shipments to date, in addition to the 5 already delivered to 3 stations (2 to WKY-TV, Oklahoma City; 2 to WBAP-TV, Ft. Worth; one to WTMJ-TV, Milwaukee), are as follows: 3 to NBC, one to CBS, one to WBEN-TV, Buffalo. CBS and NBC get one more each this month; KTLA, Los Angeles, is next.

Summing up live camera development, Philco's director of research for TV-radio-appliances Donald Fink (in speech read by Hazeltine v.p. Arthur Loughren) gave NARTB engineering session this evaluation:

"The present competition between NBC and CBS in the matter of color cameras can surely be counted on to accelerate the development of single-gun camera tubes. Perhaps we can leave the question of color cameras with the realization that only a handful of unfortunate engineers know enough about it to be confined to the problem until a completely satisfactory solution is found. We wish them luck, and soon."

Personal Roles: James M. Valentine, onetime network engineer who for last year has been supervising planning and installation of foreign TV stations for IT&T's International Standard Electric Corp., named sales mgr. of TV branch, Federal Telecommunication Labs, Lodi, N. J. . . . Howard Stark, the station broker, and Wm. Rosensohn, v.p. Box Office TV Inc., sailed May 30 on S.S. United States for 6-week European business and pleasure trip . . . Norman Blackburn, ex-J. Walter Thompson v.p. in charge of Hollywood office, recently NBC-TV program v.p. in N. Y. & Hollywood, joins Screen Gems, TV subsidiary of Columbia Pictures, as exec. producer . . . Andrew D. Ring, Washington consulting engineer, returned May 25 from 5-week job in Formosa . . . Don Stewart on temporary leave from DuMont Network to act as consultant to WGLV, Easton, Pa. . . . Ray Rogers, chief engineer of WDTV, Pittsburgh, wins first gold cup award of Channel Master Corp. for outstanding contributions to betterment of TV transmission and reception . . . Dave Bennett, WTPA, Harrisburg, elected pres. of Pennsylvania Broadcasters Assn. . . . Robert J. McAndrews, commercial mgr., John Poole stations, elected pres. of So. California Broadcasters Assn., succeeding Frank Burke Jr., KFVD; Norman J. Ostby, KHJ, reelected v.p. . . . Edward J. McKernan named asst. to Ben Ludy, gen. mgr. of WIBW-TV & WIBW, Topeka . . . Paul Krakowski, asst. professor of journalism at West Va. U, joins WSAZ-TV & WSAZ, Huntington, as supervising editor . . . Alex Sherwood, veteran broadcaster and rep, becomes sales mgr., Global Telefilms, N. Y. . . . Hugh D. Lavery named Chicago mgr., Fletcher D. Richards Inc., succeeding W. D. Jordan, resigned . . . Frank E. Wilson promoted to local sales mgr. of WIRK-TV, W. Palm Beach ... Fred Mathews named commercial mgr. of KETX-TV, Tyler, Tex. . . . Joseph A. Jenkins, recently commercial mgr. of WKJF-TV, Pittsburgh, takes charge of new Pittsburgh sales office of WSTV-TV, Steubenville, O. . . . Herbert Landon, ex-Kenyon & Eckhardt, named pres.-gen. mgr. of Central Telefilms Inc., Peoria, Ill. . . . Wm. Crawford heads sales staff of new N. Y. office of Newark's WATV, at 6 E. 45th St. (phone Oxford 7-3022) . . . Richard Pack resigns as WNBT-WNBC program director, will vacation for a month before announcing new job.

Robert K. Richards, NARTB administrative v.p., resigned last week to become co-owner, with Walter Patterson, gen. mgr. of WKHM, Jackson, Mich., of local radio stations WHAR, Clarksburg, W. Va., and WKYR, Keyser, W. Va., which they have purchased for \$175,000 from Glacus G. Merrill. Patterson will run the stations, Richards will remain in Washington, may become a public relations source.

Alf M. Landon, pres. of KSCB, Independence, Kan., grantee of KTKA, Topeka (Ch. 42), elected v.p. of Daytime Broadcasters Assn.; he's the onetime GOP presidential candidate. Ray Livesay, WLBH, Mattoon, Ill., elected pres. of group.

John Schwartz, Belgian-born NBC-TV stage mgr. since 1951, on 3-month leave of absence this summer to serve as TV consultant to govt.-owned Belgium Institute of Broadcasting.

Arthur Pryor Jr., BBDO v.p. and head of its radio dept. since 1927, died in New York May 26 after week's illness. He was a son of the noted band leader, is survived by his widow, a married daughter and brother Roger Pryor, actor.

Paul Diamond, 38, eastern div. mgr. of Unity Television Corp., onetime Paramount TV executive, died of a heart attack in Chicago's Palmer House May 28. He had been attending NARTB convention.

TELEVISION Advertising Bureau, which has adopted symbol TvAB, had 105 stations signed, including many of the industry's leaders, by end of this week's NARTB convention—and it looks like it's definitely on the way to formation (Vol. 10:17, 19-20) despite rather lukewarm reception from NARTB hierarchy, the networks and some stations.

Ineligible for membership, networks aren't openly opposed, are taking a wait-&-see attitude, apparently none too pleased, skeptical about project for promotion of spot & local advertising a la ANPA's Bureau of Advertising. They frankly don't like the reps backing the project who they say prompted past attacks upon them, and they fear the bureau will devolve into a campaign headquarters against networks rather than for stations. Only one of the 16 owned-&-managed stations was among the signers—DuMont's WDTV, Pittsburgh—and that one on a "conditional" basis, subject to topside approval.

Skepticism among some independent stations was epitomized in this remark by one of the top managers, a pioneer both of radio and TV: "It's BAB all over again—an attempt by a lot of fellows who don't know how to make money to have those who do show them how, and pay the bill." NARTB's position isn't clear yet, though it had a committee (director Robert Swezey, WDSU-TV, chairman) at work on a similar project, presumably to operate within the association's fold.

Basic idea—a station-supported bureau in New York, devoted to developing national and local advertising for stations—intrigued a large scgment of the NARTB membership, who heard the TvAB presentation at crowded meeting, heard enthusiastic endorsements, then flocked to join up, willing to pay their highest July 1 quarter-hour time rate as monthly dues. The 105 signing represent some 40% of NARTB's TV membership, better than 25% of all stations on the air.

Next step: Nominating committee, around end of June, will send out ballots with 30 names for mail election of 15 board members, 5 each from respective markets of up to 150,000 population, 150-500,000, over 500,000. Then: Planning & organization, membership & staff personnel committees will be named for permanent setup, now temporarily headquartering in New Weston Hotel, N. Y.

Meanwhile, this executive committee of 12 is functioning with ex-NARTB employe-employer relations v.p. Richard P. Doherty as organizing consultant: Richard A. Moore, KTTV, Los Angeles, acting chairman; Frank Schreiber, WGN-TV, Chicago; Roger W. Clipp, WFIL-TV, Philadelphia; Charles Crutchfield, WBTV, Charlotte; Norman Gittleson, WJAR-TV, Providence; Jack Harris, KPRC-TV, Houston; Vernon Nolte, WHIZ-TV, Zanesville, O.; Wm. Quarton, WMT-TV, Cedar Rapids; L. H. Rogers, WSAZ-TV, Huntington; W. D. Rogers, KDUB-TV, Lubbock, Tex.; George B. Storer Jr., Storer stations; Harold P. See, KRON-TV, San Francisco.

TV membership of NARTB (257 stations, 4 networks) elected 2 new members of their board, reelected 4, so that there are now 11 members representing stations, 4 representing networks. Newly elected were John Esau, KTVQ, Oklahoma City, first from a uhf station, and W. D. Rogers, KDUB-TV, Lubbock, Tex. Reelected: Robert D. Swezey, WDSU-TV, New Orleans, present chairman; Clair R. McCollough, WGAL-TV, Lancaster, vice chairman; Harold Hough, WBAP-TV, Ft. Worth; Paul Raibourn, KTLA, Los Angeles; George B. Storer, Storer stations. Holdover members: Campbell Arnoux, WTAR-TV, Norfolk; Kenneth L. Carter, WAAM, Baltimore; Wnn. Fay, WHAM-TV, Rochester; Ward L. Quaal, Crosley stations; Alexander Stronach, ABC; Merle S. Jones, CBS; Ted Bergmann, DuMont; Frank M. Russell, NBC.

Station Accounts: Every major auto manufacturer is now using TV and/or radio, with TV network budgets reported up 67% for the auto industry as a whole, radio up more than 77%. This despite dropoff in auto sales and profits . . . Charles E. Hires Co. (beverages) had N. W. Ayer prepare 8-p. booklet, Hires TV & Radio Timebuying Guide, which it's distributing to its franchised bottlers to give them tips on how to buy TV & radio time wisely . . . Standard Oil of Indiana, in new summer campaign for White Crown premium gas, using 11 TV, 34 radio stations, thru McCann-Erickson, Chicago . . . Tapican Div., Pabst Brewing Co. (Tap-A-Cola non-fattening soft drink) buys 3 News of N. Y. weekly on WCBS-TV, thru Warwick & Legler . . . Alliance Mfg. Co. (antenna rotors) starts campaign in Aug. on 150-200 stations for all products, including "Lift-A-Dor" electronic device for opening overhead garage doors, thru Foster & Davies, Cleveland . . . Among other advertisers reported using or preparing to use TV: Superior Products Co., Dallas (Sil-O-Sheen glass cleaner), thru J. D. Williams Adv., Dallas; Parker Pen Co., Janesville, Wis. (pens & pencils), thru J. Walter Thompson, Chicago; Eastco Inc., White Plains, N. Y. (Scratchex flea powder), thru Ruthrauff & Ryan, N. Y.; Polaroid Corp., Cambridge, Mass. (Polaroid Land camera), thru BBDO, Boston; Waterman Pen Co., Seymour, Conn. (pens & pencils), thru Fletcher D. Richards, N. Y.; So Good Potato Chip Co., St. Louis (So Good potato chips), thru Ruthrauff & Ryan, St. Louis; Artra Cosmetics Inc., Montclair, N. J. (Imra odorless depilatory), thru Grey Adv., N. Y.; Bon Bon Ice Cream Corp., N. Y. (chocolatecovered ice cream), thru Hilton & Riggio, N. Y.; National Selected Products Inc., N. Y. (7-Minit Fluffy Frosting), thru Duane Jones Co., N. Y.: Tree Sweet Products Co., Santa Ana, Cal. (Tree Sweet juices), thru BBDO, Los Angeles; Socony-Vacuum Oil Co., N. Y. (gas & oil), thru Ted Bates Co., N. Y.; Eno-Scott & Bowne, Bloomfield, N. J. (Brylcream hair dressing), thru Atherton & Currier, N. Y.

Network Accounts: Coast-to-coast routing of Dave Garroway's highly successful Today (7-9 a.m.) on NBC-TV is scheduled to start Sept. 27, when it's extended on the line off kine (8-9 a.m.) to KNBH, Los Angeles; KRON-TV, San Francisco; KFSD-TV, San Diego . . . Speidel Co. (watch bands) buys last remaining 20 min. of Sid Caesar Show in fall on NBC-TV, Mon. 8-9 p.m., thru Sullivan, Stauffer, Colwell & Bayles; other sponsors are RCA & American Chicle Co. . . . Lucky Strike to sponsor Your Play Time, summertime drama & comedy series, on CBS-TV starting June 13, Sun. 7:30-8 p.m., thru BBDO . . . Toni to sponsor Jack Paar Show on CBS-TV starting July 17, Sat. 9:30-10 p.m., thru Leo Burnett Co. . . . Geritol (drugs) buys Two in Love, new human interest program featuring Bert Parks, on CBS-TV starting in fall, Sat. 10:30-11 p.m., thru Edward Kletter Assoc. . . . Hazel Bishop (cosmetics) buys 10 programs on NBC-TV Tue. 8-9 p.m. in fall for Martha Raye, thru Raymond Spector Co.; Buick sponsors Milton Berle on 20 programs, General Foods backs Bob Hope on 6... R. J. Reynolds Tobacco Co. (Winston cigarettes) buys 2 partic. a week for rest of year on CBS-TV Morning Show, Mon.-thru-Fri. 7-9 a.m., thru Wm. Esty . . . Campana Sales Co. (cosmetics) to be alt.day sponsor of 10-10:15 a.m. segment of Arthur Godfrey Time simulcast on CBS starting May 31, Mon.-thru-Fri. 10-11:30 a.m., thru Morey, Humm & Johnstone . . . Lemon Products Advisory Board, Los Angeles, buys 10 min. of Saturday Night Revue on NBC-TV starting June 12, Sat. 9-10:30 p.m., thru McCann-Erickson; sponsors previously signed: Dow Chemical, Armour & Co. (Dial soap), American Chicle Co. (Dentyne), Griffin Mfg. Co. (shoe polish), GE (major appliances), Cudahy Packing Co. (Old Dutch cleanser).

Arthur B. Church, KMBC-TV & KMBC, Kansas City, elected pres. of Radio Pioneers at 13th annual banquet during NARTB convention.

Spot and local radio time sales appear to be holding fairly firm by and large—but network radio is slipping (see latest PIB figures, p. 16) and CBS affiliates at Chicago NARTB convention closed meetings discussed downward adjustments in night time rates and possible upping of daytime rates. Other radio networks, too, face same problem but only CBS held a formal affiliates meeting to sound out reaction; and, just as CBS led way in cutting rates 2 years ago, it won't be surprising to find it offering "revalued" time rates again soon. Meanwhile, tremendous drives are on to tell story of radio's cheaper costs and to hypo sales, with BAB urging more intensive selling effort and CBS Spot Sales out with new study titled Keeping Tabs on 14 Markets which shows that radio homes therein increased 25% between 1947-53; that home sets went up 63%; that home-auto sets combined exceeded TV receivers by 164% in those markets in 1953.

Philadelphia Inquirer's WFIL (Roger Clipp, gen. mgr.), which in 1950 was one of first to change rate structure avowedly to meet TV inroads, announces "one-rate" card, effective June 1, whereby it does away with conventional time classifications. Single-rate base will be \$350 an hour in lieu of old \$315 rate for 7 a.m.-10 p.m. and \$200 for 10 p.m.-7 a.m. There's differential, however, in discount structure, which cuts 7-10 p.m. by \$140 an hour and after 10 p.m. by \$175—so that in effect new rate card ups day rates, lowers night.

Changes in transcription rules, both radio and TV, will be sought by NARTB in petition to be filed with FCC. Objectives are relaxation and clarification. Also to be filed is petition asking permission to operate AM directional antennas by remote control.

IIGHEST RATE now for any TV station is that of NBC's New York key WNBT, which charges \$6200 for Class AA hour (10:30-11 p.m. daily, 6-7:30 p.m. Sun.) in Rate Card No. 14 effective June 1. This is up from \$5500, in effect since last Dec. 1. Class AA 20-sec. spot is \$1575, up from \$1095; 10-sec., \$815, up from \$565. Class A hour rate (7-7:30 p.m. Mon.-thru-Sat.) is raised to \$4500 from \$4250; 30-sec., to \$1095 from \$750; 10-sec., to \$565 from \$350. There are other changes in new rate card, which follows close upon WCBS-TV's No. 14, effective May 15, which has hour rate of \$6000 for certain Class A time (7:30-10 p.m. Mon.-Sat.; 6-11 p.m. Sun.), having raised from \$4800 (Vol. 10:18). Following is a digest of the new WNBT rates:

DIGEST OF RATE CARD NO. 14 - (June 1, 1954) Hour 30 Min. 15 Min. 10 Min. 5
Class AA—10:30-11 p.m., daily; 6-7:30 p.m.
\$6200.00 \$3720.00 \$2480.00 \$2170.00 \$1
Class A—7-7:30 p.m., Mon.-Sat.
4500.00 2700.00 1800.00 1555.00 1
Class B—6-7 p.m., Mon.-Sat.
3150.00 1290.00 1260.00 1102.50
Class C—11-midplicht 5 Min. 20 Sec.\* 10 Sec.\* \$1550.00 \$1575.00 \$815.00 1125.00 1095.00 565.00 3150.00 Class C 787.50 650.00 295.00 -11-midnight, Mon.-Sat.: 11-11:15 1590.00 1060.00 927.50 Sun. p.m., 662.50 2650.00 00 1590.00 D—All other times. 350.00 150.00 647.50 462.50 300.00 80.00

° Class AA—7:30-10:30 p.m., Mon.-Sat.: 6:59-10:30 p.m., Sun. Class A—7-7:30 p.m., Mon.-Sat.: 10:30-11 p.m., daily; 6:29-6:59 p.m., Sun. Class B—5:59-7 p.m., Mon.-Sat.: 11-11:15 p.m., daily; 5:59-6:29 p.m., Sun.: Class C—3-3:59 p.m., Mon.-Sat.: sign-on-5:59 p.m., Sun.: 11.15-sign-off, daily. Class D—sign-on-3 p.m., Mon.-Sat.

Final draft of standardized TV film contract is now ready to be submitted to film distributors for comments, and standard contract form should be ready by fall. Development of contract has been first big project of NARTB's TV film committee as described by chairman Harold See, KRON-TV, San Francisco at May 25 TV Film Workshop at NARTB Chicago convention.

OUNDTABLE discussion by 6 FCC commissioners (Webster absent) at NARTB convention covered great variety of subjects in addition to the hottest one—uhf situation (pp. 1-3)—gave insight to individual commissioners' philosophies. Among topics covered and reactions presented:

- (1) Why are hearing decisions so long in coming? Comr. Doerfer pointed out that length of hearing record frequently determines time required. He said situation can be helped by new procedures—stipulations, pre-hearing conferences, agreements on points of reliance, etc. More help is expected from further changes, now in the works. He also noted that examiners are independent, can't consult with FCC, and he looked for chief examiner, recently appointed, to assist in cutting down delays.
- (2) Boosters and satellites. Comr. Sterling said FCC hopes to have answers before long, getting help from experimental operators such as Ben Adler, RCA and Sylvania. Among policy questions Commission must decide, he said, are whether to use the repeaters to fill holes or extend service to areas outside normal contours and whether they should be permitted in communities that already have conventional stations. Comr. Hennock would permit only uhf operators to employ satellites, saying that vhf stations could "control entire states" with them. Comr. Doerfer observed: "The ultimate objective is to get service to the public, not who in the industry gets hurt."
- (3) Subscription TV. Asked if decision on subject is up to Federal courts, Comr. Hyde said he didn't believe courts are involved. Commission is studying the subject, he said, and is "giving it consideration consistent with our

Spectrum utilization is "shockingly low," FCC broadcast bureau chief Curtis Plummer told NARTB engineering conference, and he suggested great variety of means for improvement. In TV, he commended work that produced improvement through offset carrier and, in color, through introduction of subcarrier. He indicated that boosters and satellites offer promise of increased channel efficiency, which is now only about 20%. For AM, he seemed particularly hopeful about "wired wireless," the technique used in "campus radio"—induction of signal on RF cables, electrical power lines & telephone lines. Suggesting the system for stations otherwise limited by interference, he said: "Here would appear to be a means of serving a large number of people with a rather small expenditure of power, and, most importantly, with a comparatively minor potential for interference to other sta-

Remote control of TV stations, including boosters and satellites, was visualized by Thomas W. Forget, plant mgr. of Rust Industrial Co., in talk during NARTB engineering conference. "It scarcely requires a prophet," he said, "to predict that mountain-top stations, operated by remote control, will be a reality in the not too distant future. Many rural areas may find that their only hope of receiving good TV coverage will be through booster or satellite stations, possibly affiliated with some larger TV stations. The constant improvements in transmitting plant equipment is making it obvious that the time is approaching when remote control can take over the boring and unrewarding job of standing mountain-top TV transmitter watches."

"A little Empire State Bldg." in Minneapolis is Foshay tower, now supporting WCCO-TV (Ch. 4) and share-time WTCN-TV & WMIN-TV (Ch. 11) and due to get Ch. 9 when KEYD initial decision is made final (Vol. 10:21). Supervising job is WCCO-TV technical director John Sherman, who reports that 160-ft. tower atop building will have Ch. 4 at top, Ch. 11 in middle, Ch. 9 at bottom.

other duties." He said he believes main job is still to get stations going.

- (4) Community antenna systems. Comr. Doerfer said matter should be handled on local basis; it's up to local govts. to determine how they want their communities to get TV. He stated FCC intervention would be "almost akin to the Federal Govt. interfering with local educational systems." He also noted there's question whether systems are interstate or intrastate commerce; if latter they're definitely out of FCC's jurisdiction.
- (5) Educational reservations. Comr. Hennock insisted reservations must be indefinite because it takes educators so long to act. She reiterated opinion that educational stations must not be permitted to go commercial. Comrs. Hyde and Bartley noted that FCC rules, including channel reservations, are always subject to change.
- (6) Station sales. "Is FCC now more tolerant of quick purchases and sales of stations to improve one's position in the industry?" Comrs. Hyde and Doerfer expressed view that if Congress wants Commission to give prospective purchasers different scrutiny than it does original applicants it should pass law to require it. Comr. Bartley said he's concerned about investment houses entering TV-radio just for investment. The more local ownership the better, he stated. If licensees are abusing right of sale, he concluded, it's up to Congress to "take a new look." Comr. Lee said one criterion should be how long station is on air before sale. He reiterated doubts expressed in his opinion on sale of KOTV, Tulsa, to J. H. Whitney interests (Vol. 10:14-20).

RETMA committee on boosters & satellites (Vol. 10:17) reported to May 27 Chicago meeting of technical products div. under GE's W. J. Morlock that it has held organizational meeting and assigned its members different phases of the issue for study before next meeting June 23. Committee under Ben Adler, Adler Communications Laboratories, hopes to gather information and operating experience, make recommendations and supply FCC with data. Other committee members: E. E. Overmier, Sylvania; L. A. Bondin, Prodelin; Neal McNaughten, RCA; J. P. O'Neill, DuMont; C. J. Simon, GE; J. R. McKenna, Philco; E. A. Hungerford, General Precision Lab; Leonard Rooney, Raytheon; Albert G. Veldhuis, Wind Turbine Corp.; Lester C. Smith, Spencer-Kennedy Labs; Aaron Shelton, WSM-TV, Nashville.

Joshing the intent of the Bryson bill (Vol. 10:21), which would ban advertising of all alcoholic beverages in interstate media, Reps Dingell (R-Mich.) and Eberharter (D-Pa.) this week introduced identical bills similarly to ban advertising of cigarettes, cigars, smoking tobacco & chewing tobacco. Spokesman for House Commerce Committee, where bills were referred, called them "forms of subtle sarcasm" directed at Bryson measure. Latter, he said, undoubtedly will be killed in committee.

Channel shifts and power increases: KCMC-TV, Texarkana, Tex. (Ch. 6), May 27 boosted power to 100-kw ERP; WBNS-TV, Columbus (Ch. 10), May 22 went to 220-kw. WFMJ-TV, Youngstown, June 4 becomes first uhf station to shift channel when it goes from Ch. 73 to 21 (Vol. 10:19, 21); WTAR-TV, Norfolk, June 10 moves from Ch. 4 to 3; WFBM-TV, Indianapolis (Ch. 6), June 4 begins 100-kw ERP from new 1019-ft. tower.

Sen. Edwin C. Johnson (D-Colo.) will be speaker at June 16 banquet winding up 2-day convention of National Community TV Assn. at New York's Park Sheraton Hotel.

New community TV system was authorized by Scottsbluff, Neb. city council under 10-year franchise granted L. L. Hilliard, owner of local radio KOLT.

Telecasting Notes: Everybody in the motion picture industry talks about pay-as-you-look TV-but nobody, not even Paramount Pictures, which controls the Telemeter system, even hints at readiness to release feature films for the purpose. This week, MPAA pres. Eric Johnston plugged fee-TV for first time, telling Omaha Chamber of Commerce: "It can bring to home audiences for a modest fee top-quality product of movie makers, something which the economics of the advertiser-sponsored TV will not now permit" . . . Johnston denied movie industry views with alarm the progress of TV, said TV relies on Hollywood talent and skills, and "we are using TV to tell home audiences about our pictures" . . . Only major film producers not now active in telepix, Variety points out May 26 in support of thesis that nearly every major motion picture studio has at least one foot in TV door, are Universal, Paramount & Warners. Mainly, they're producing TV films via subsidiaries, or leasing studio space; in case of Paramount, it owns a TV station, controls a subscription TV system . . . Most dramatic example of TV-movie tie-in: Walt Disney's recent pact with ABC-TV (Vol. 10:14) . . . Half of Hollywood's movie technicians & craftsmen now owe their jobs to TV film industry, reports Hollywood Variety survey of unions . . . RCA Recorded Program Service enters TV feature film field, first offering being "Empire Film Package" of 18 name-star oldies . . . Guide to TV film industry, TV Who's Who & What's Where at Film Producers & Distributors, published by Broadcast Information Bureau, 535 Fifth Ave., N. Y., lists 177 film producers & distributors as "major" in TV field, 469 as "minor" and 69 "TV film service organizations" . . . KDYL-TV & KDYL, Salt Lake City, now owned by Time Inc., this week began moving into new \$250,000 home; 40,000-sq. ft. building will be ready by July to have all TV-radio facilities under same roof for first time . . . More rate increases: WFMY-TV, Greensboro, N. C., raises base hour on July 1 from \$500 to \$650, min. \$100 to \$130; KJEO, Fresno, hour from \$250 to \$350, min. \$50 to \$70; CK(O-TV, Kitchener, Ont., hour from \$200 to \$275, July 1 ... New reps named: WABT, Birmingham, Ala., to Blair; WBRC-TV, Birmingham, to Katz; KOOL-TV, Phoenix, to Hollingbery; KFBB-TV, Great Falls, Mont., and upcoming WSFA-TV, Montgomery, Ala., to Headley-Reed; WNEX-TV, Macon, Ga., to Branham; WGEM-TV, Quincy, Ill., to Avery-Knodel; WNOW-TV, York, Pa., to Forjoe . . . Katz Agency rep firm now at 477 Madison Ave., N. Y. (phone Plaza 9-4460).

Types of local sponsorships of Army-McCarthy hearings, as reported by ABC-TV: On WMAL-TV, Washington, by owner Washington Star; WXEL, Cleveland, by Chrysler Dealers Assn., Leader Appliance Store, Hippodrome Theatre, Canfield Oil Co., TV Guide; WSJV, Elkhart, Ind., First Old State Bank, Peter Eckrich & Sons retail store; WMUR-TV, Manchester, N. H., Eastern Co., Merrimackst Garage, Down Insurance Co., Ray Hackett Home Appliances Co.; WTVH-TV, Peoria, Famous Appliance Stores; WARM-TV, Scranton, Books Furs Co.; WWOR-TV, Worcester, Mass., Kennedy Sachs Opticians; WILK-TV, Wilkes-Barre, Peoples Outfitters and D&H Distributing Co.; KMMT, Austin, Minn., Minnesota Ford Dealers Assn.; WAYS-TV, Charlotte, Radiotronic Distributors and TV Equipment Co.; WTVP, Decatur, Ill., Philco dealer group. DuMont reported no new local sponsors, only St. Louis Post-Dispatch, sponsoring its coverage via WTVI.

Zenith's subscription-TV tests in New York will run May 31-June 4, using WOR-TV facilities under FCC experimental authorization. Technique employed will be all off-air, no telephone lines used, with receivers in 150-200 locations.

OTTERY RULES were amended by FCC this week to conform with last month's Supreme Court decision reversing ban on "giveaway" shows (Vol. 10:15). Effective date of the rules, originally adopted in Aug. 1949, had been postponed pending court appeal by ABC, CBS & NBC, and they now go into effect 30 days after publication in Federal Register. Wording is same as rules originally proposed, except that portions pertaining to giveaway shows have been deleted. The identical amendments to AM, FM & TV rules (Sections 3.192, 3.292 & 3.656):

AM, FM & TV rules (Sections 3.192, 3.292 & 3.656):

An application for construction permit, license, renewal of license, or any other authorization for the operation of a broadcast station will not be granted where the applicant proposes to follow or continue to follow a policy or practice of broadcasting or permitting "the broadcasting of, any advertisement of or information concerning any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or scheme, whether said list contains any part or all of such prizes."

The determination whether a particular program comes within the provisions of paragraph (a) of this section depends on the facts of each case. However, the Commission will in any event consider that a program comes within the provisions of paragraph (a) of this section if in connection with such program a prize consisting of money or thing of value is awarded to any person whose selection is dependent in whole or in part upon lot or chance, if as a condition of winning or competing for such prize, such winner or winners are required to furnish any money or thing of value or are required to have in their possession any product sold, manufactured, furnished or distributed by a sponsor of a program broadcast on the station in question. sor of a program broadcast on the station in question.

Notre Dame and NCAA, perennially at odds on controlled football telecasts, clashed anew at NARTB convention session. The university's exec. v.p. Rev. Edmund P. Joyce called game-of-the-week plan "reactionary, socialistic, artificial and of doubtful legality." NCAA exec. secy. Walter Byers defended policy of controlled football telecasts on grounds research had proven that many smaller schools hed been hurt by televising nearby games; he said NCAA would be willing to listen to reasonable modification of game-of-the-week plan. N. W. Ayer's Jerry Jordan said 1953 had proven "sportcasting is not going to destroy sports," citing record attendance at fights, Kentucky Derby, World Series and other major sports events. Two baseball executives, George Trautman, pres. of minor leagues, and Frank Lane, gen. mgr. of Chicago White Sox, agreed televising of major league baseball games in minor league territory had hurt attendance at minor league games. Trautman blamed TV for decline in minor league attendance from 41,000,000 in 1949 to 22,000,000 last year.

Headliners Awards for TV-radio, announced May 29 at Atlantic City: To Edward R. Murrow and CBS-TV for "general excellence in presentation of See It Now"; WBNS-TV, Columbus, for "general excellence in coverage, commentary and editing of local events"; ABC-radio for "consistently outstanding radio network news broadcasting"; CBS-radio & CBS public affairs director Stuart Novins for outstanding public service in documentary Feature Project series; WERE, Cleveland, for outstanding reporting by radio station.

"Uhf Success Story" titles article about WAFB-TV, Baton Rouge (Ch. 28), in current issue of RCA's Broadcast News, which reports station was operating in black less than 30 days after first broadcast in April 1953. In same issue is comprehensive description of Denver's KBTV (Ch. 9) by station mgr. Joseph Herold and article on first year of WFTL-TV, Fort Lauderdale (Ch. 23), by chief engineer Richard Northey.

Commercial sponsorship of Congressional proceedings would be banned by bills S. Res. 249, introduced by Sen. Bennett (R-Utah) and HR-9152 by Rep. Celler (D-N. Y.). Rep. Meader (R-Mich.) introduced bill (H. Res. 550) to govern House committee hearings, which would give each committee authority "upon such terms and conditions as it deems advisable, to permit the broadcasting and telecasting of its proceedings ..."

HICAGO convention of NARTB, whose exhibits featured an estimated aggregate of about \$4,000,000 worth of TV-radio station equipment, heavily weighted on the side of TV and color, had practically all of the sales brass of the station equipment manufacturers tied up this week—so not much activity was reported from their home offices. Only new station order disclosed this week was GE's—for 35-kw transmitter, 6-bay antenna and studio equipment for delivery on date as yet unspecified to KCKT, Great Bend, Kan. (Ch. 2).

RCA shipped 25-kw transmitters May 25 to WGR-TV. Buffalo (Ch. 2) and on May 26 to WMTW, Poland, Me. (Ch. 8), both due on air in July—latter to transmit from Mt. Washington. RCA also shipped 50-kw power supply units this week to WHO-TV, Des Moines (Ch. 13) and KOLN-TV, Lincoln, Neb. (Ch. 12), and 50-kw amplifiers to WJAR-TV, Providence (Ch. 10) and WAAM, Baltimore (Ch. 13). DuMont shipped 25-kw visual & aural amplifier to WCSC-TV, Charleston, S. C. (Ch. 5) and 25-kw visual amplifier to KFBC-TV, Cheyenne, Wyo. (Ch. 5), enabling both to increase from 5-kw.

\* \* \* \*

In our continuing survey of upcoming new stations, these were the reports received this week:

KREM-TV, Spokane (Ch. 2), hoping to get on air early next fall, has 747-ft. Truscon tower slated for delivery within 2 weeks, reports chief engineer Ralph E. Meador for owner Louis Wasmer. Order of transmitter and other equipment was being contemplated at NARTB convention. Rep not yet chosen.

KUTV, Salt Lake City (Ch. 2), expects June delivery of 20-kw composite transmitter being custom-built in own Salt Lake City workshops, plans Aug. 1 test patterns, reports gen. mgr. Frank Carman. Blaw-Knox 200-ft. tower with RCA 3-bay antenna is to be ready by June 15; programming as ABC affiliate starts between Aug. 15 & Sept. 15. It's owned by Frank Carman & Grant Wrathall (25% each) and Salt Lake Tribune and Telegram (50%). Base hour will be \$450. Rep will be Hollingbery, who will offer it under "group market plan" along with 4 other stations with interlocking ownership—KOPR-TV, Butte, Mont. (Ch. 4), which began last Aug.; KLIX-TV, Twin Falls, Ida. (Ch. 11), due in Aug.; and KIFT, Idaho Falls (Ch. 8), and KWIK-TV, Pocatello, Ida. (Ch. 10), both due next fall.

WUSN-TV, Charleston, S. C. (Ch. 2), has ordered 25-kw RCA for July 10 delivery, plans Sept. 1 test patterns, Sept. 25 programming, reports pres. J. Drayton Hastie. Its 850-ft. Kimco tower with 6-bay superturnstile RCA antenna is scheduled to be ready by July 10. It affiliates with NBC & DuMont, will be second station there, WCSC-TV (Ch. 5) having begun last June with CBS & ABC service. H-R Television will be rep.

WJNO-TV, West Palm Beach, Fla. (Ch. 5), now installing 10-kw RCA transmitter, plans test patterns in Aug. when 366-ft. Ideco tower with 183-ft. 12-bay RCA superturnstile antenna is due for completion, writes gen. mgr. Walter L. Dennis, ex-WILS-TV, Lansing. It will be primary NBC. Theodore Granik (American Forum of the Air) owns 24%. It will be city's second station, WIRK-TV (Ch. 21) having started last Aug. 31. Rep will be Meeker.

WISH-TV, Indianapolis (Ch. 8), has 12-bay RCA antenna installed on interim 473-ft. Ideco tower, expects to meet July 1 programming target, with test patterns starting about one week before, reports v.p.-gen. mgr. Robert B. McConnell. Buildings are ready, but 50-kw RCA transmitter remains to be installed. It has signed as interconnected ABC and secondary CBS affiliate, will be first local competitor for pre-freeze WFBM-TV. Base hour will be \$800. Bolling will be rep.

WPBN-TV, Traverse City, Mich. (Ch. 7), with some RCA equipment on hand and balance awaiting completion of transmitter house, plans test patterns last week of June or first week of July, reports pres.-gen. mgr. Les Biederman. It will have 6000-sq. ft. new studio building. Foundations for Stainless tower, to be shipped in 2 weeks, are being poured. Signed as NBC affiliate, it will be only TV station of Paul Bunyan Network, operator of 5 AM locals. Hal Holman will be rep.

WSPA-TV, Spartanburg, S. C. (Ch. 7), without target because of Paris Mt. transmitter site appeals by WAIM-TV, Anderson and WGVL, Greenville (Vol. 10:10, 11, 14, 18, 20) could get on the air within 90 days as it has acquired former WFBC-FM Paris Mt. transmitting plant, complete with 400-ft. tower, reports production director Dave Steele. TV studios, being remodeled from 3 stores adjacent to radio WSPA, will be ready within 90 days, according to pres.-gen. mgr. Walter J. Brown. It will be CBS affiliate. Rep not yet chosen.

WTIK-TV, Durham, N. C. (Ch. 11), changes call letters to WTVD (Vol. 10:14), has 5-kw DuMont transmitter ordered for July 1 delivery, to be followed by 50-kw later, writes pres. Harmond L. Duncan. Test patterns are scheduled for Aug. 20, with commercial operation to begin in Sept. as ABC affiliate. Durham is 20 mi. northwest of Raleigh, where WNAO-TV (Ch. 28) began last July. Its transmitter will be 9 mi. north of Durham, where Kimco 700-ft. tower with 12-bay RCA antenna is due to be ready by July 24. Headley-Reed will be rep.

KGVO-TV, Missoula, Mont. (Ch. 13), 12-bay GE antenna on hand, plans to complete 200-ft. Ideco tower June 7, shortly after 5-kw GE transmitter is installed. June 21 tests are now contemplated by owner-gen. mgr. A. J. Mosby. Coverage of all western Montana is expected from transmitter site on mountain 1905-ft. above av. terrain, near Evaro, 10 mi. north of Missoula. KGVO-TV proposes to carry programs from all 4 networks. Hour rate will be \$200. Rep will be Gill-Perna.

WMSL-TV, Decatur, Ala. (Ch. 23) plans to begin programming June 14 after airing test patterns earlier in day, reports mgr. Bill Guy. Studios and 1-kw RCA transmitter are in downtown Mutual Savings Life Bldg., with 380-ft. RCA tower & antenna on roof. It will be first outlet in Muscle Shoals area; WDEF-TV, Chattanooga (Ch. 12) and WROM-TV, Rome, Ga. (Ch. 9) are more than 100 mi. away. Base hour has been upped from \$100 to \$150. Rep will be Walker.

Havana's CMTV (Ch. 11), known as Television del Caribe, which was constructed by the George Storer interests but quit the air in April after heavy losses during less than year's operation (Vol. 10:18), has been acquired by Telemundo S.A., operator of CMA-TV, Havana (Ch. 2), owned by El Mundo publisher Amadeo Barletta, who also is Cuban distributor for Cadillac, Oldsmobile, & Chevrolet. It's being moved now into CMA-TV quarters, using same technical & studio facilities and staff. Reported purchase price of CMTV facilities: \$200,000.

Counting on uhf booster approval by FCC, Lambda-Pacific Engineering Inc., 14757 Keswick St., Van Nuys, Cal. is offering unit to sell for \$2500-\$3500. Heart of device is travelling-wave tube, which chief engineer L. W. Mallach claims has such small time delay that problems of polarization etc. just don't arise. Booster produces about 2-watts ERP, is claimed to cover 2 mi. with beam about 45 degrees wide.

How to get into TV is subject of Your Place in TV— —a Handy Guide for Young People, by Rev. Edwin B. Broderick, director of radio & TV communications for Archdiocese of N. Y. (McKay, 142 pp., \$2.75).

Trade Report May 29, 1954

HIGH STAKES IN BIG-SCREEN COLOR BATTLE: Even as set manufacturers received letter from CBS-Hytron v.p. John Q. Adams, in effect suggesting they hold everything for unveiling of new 205-sq. in. color tube in June, RCA this week abruptly called off production of its 19-in. tube in favor of "bigger, better and cheaper" 19-in. model to come later this year.

Long-awaited 19-in. CBS "Colortron 205" gets first press showing sometime in June -- but it's believed to be in limited production now, and those who have had a sneak preview are enthusiastic. CBS-Hytron topkicks are mum about details, saying only "you'll see it in a few weeks."

<u>Like RCA's color tubes</u>, it's believed to be <u>3-gun shadow-mask type</u>, but with curved screen & mask like CBS's 15-in. developmental tube (which never really got into production) instead of flat assembly employed in RCA tubes to date. <u>DuMont's</u> enthusiastically received 19-in tube, with 185-sq. in. picture (Vol. 10:18,20), also has curved mask, is due for delivery by fall.

RCA's set-making plans remain unchanged -- at least on the surface -- with company sticking to previously announced plans to make 5000 15-in. and 5000 19-in. sets this year. Some 4000 of the 15-in. have already been delivered, and after the remaining 1000 are turned out, RCA intends to close down 15-in. production forever. The 5000 19-in. sets are to use RCA's new 19-in. tube in place of old 162-sq. in. model shown to engineers in January (Vol. 10:2) and recently in limited production.

RCA turned out a few hundred 19-in. tubes, found that the "shrinkage" -- or rejection rate -- ran as high as 3 out of every 4. And the bigger-screened CBS and DuMont tubes -- plus whatever Philos and others may soon announce -- loomed as formidable competitors in the big battle for color tube leadership.

\* \* \* \*

No. 1 project at RCA today is getting the new bigger 19-in. tube in shape, with every resource of company behind round-the-clock effort to have the super-duper kinescope ready for symposia and sampling by July, production by fall.

New 19-in. RCA tube will have larger picture, and be "brighter, simpler, less expensive," in words of Chairman David Sarnoff, who gave us this description in response to query: "It's still a 3-gun RCA shadow-mask tube, with all the improvements that we have been able to make in the course of our development. It's a natural development of our continuing work on color tubes, and doesn't mark any change in our policy." Details are still top secret.

Letter from RCA to set makers this week gave no details of new tube -- not even size -- except to inform them that "we are completing development on a new tricolor kinescope incorporating important improvements in design and picture size." It added: "With the completion of present orders on our books for the RCA developmental [19-in. tube] we will accept no additional orders for this type." It was learned that one order for 7500 units had been returned.

There still could be plenty of surprises in the fiercely competitive picture tube field, as manufacturers jockey for position in color. One thing is plain -- they're all playing their cards close to the chest.

Will someone skip 19-in. entirely, go directly to 21? Could be. Tube makers now have sample 21-in. rectangular bulbs on hand for both shadow-mask and focus-mask (Lawrence) types, and glassmakers stand ready to turn on the production of any type. Though mock-up 24-in. "color tubes" were shown at IRE convention last March, there's no reason to believe anyone is seriously considering that size now. Most tube and receiver makers agree 21-in. will be ideal size for color, as it has proved to be for monochrome. This much is sure: Color TV's 15-in. stage is over.

PLENTY OF LIFE IN TV TRADE DURING MAY: Despite month-long Philos strike and normal seasonal downturn, TV trade showed lots of ginger in May -- tapering off from high April levels but standing well above the levels of May 1953.

May factory sales are estimated at 300,000-350,000 sets, down from 440,000 in April but above the 250,000 in May 1953. <u>Distributor sales</u> are estimated at between 275,000-325,000 vs. 410,000 in April and 250,000 in May 1953. <u>Retail sales</u> likewise are expected to be somewhat lower than the 400,000 sold in April, but well above the 244,191 sold in May 1953. Retail sales estimate couldn't be obtained.

Inventory figure isn't available yet -- but advance indications are that the inventories rose little during May -- nowhere near the 200,000 jump reported at the factory level in May 1953. End-of-April inventories were 1,650,000 at all levels.

However gratifying high unit sales may have been, low profit margins on TVs weren't increased -- and many manufacturers, preparing for June distributor parleys and marts, were intensively seeking ways and means of raising prices with a minimum impact on sales. Meanwhile, they're saying nothing, and only mere trickle of information flowed from cautious set makers, large and small.

\* \* \* \*

Crosley's Leonard Cramer, exultant over what he termed "excellent showing" of 17-in. "Super V" selling at \$140-\$160 (Vol.10:13), confirmed that 21-in. version of "Super V" would be included in line to be shown in N.Y. June 7. Prices are reported to be at \$170, \$180 & \$190 in walnut, mahogany & blonde finishes. He also promised details on sales performance of "Super V" at press conference June 8.

Crosley will have full line, and it emphasizes lower-priced sets in keeping with expressed consumer preferences, Cramer said. To set makers who contend profit margins were too low, Cramer replies: "We're making a profit, which proves it can be done. Besides, the important question is not whether manufacturers can make as much profit as they would like, but what price the consumer will pay for a TV set."

Like Crosley, Raytheon will specialize in low-end models, its marketing mgr. Dick O. Klein revealing new Raytheon line of "vertical chassis" sets will heavily feature low-cost items not too far removed from its "Challenger" 17-in. table model at \$140, \$150 & \$160 and 21-in. table at \$170-\$190 (Vol. 10:18). Hallicrafters, now out with 17-in. at \$150, will bring out companion 21-in. at about \$170 in month or so. Sears-Roebuck's midsummer catalog came out this week with own "Silvertone" label 17-in. table in black leather at \$140 for mail order only, \$10 less than on floor. And last week Majestic revived 14-in. after lapse of 5 years, offering \$130 table.

Such prices admittedly leave little room for profit, emphasizing as they do the leader models, with nothing said about step-ups. H. Leslie Hoffman puts the causes of current low-profit dilemma thusly:

"Lack of adequate and effective sales effort at the retail level; the battle for position on the part of certain manufacturers trying to lay a foundation for the sale of color sets; the increased percentage of business being done by the discount houses; the increased restrictions on the part of financial institutions on retail credit, and the excessive advertising and conversation on color."

\* \* \* \*

Strike at Philco's 10 TV-radio-electronics plants remained status quo this week, entering 5th week as we went to press, with little outward evidence that the RCA agreement last week on 9-10¢ hourly wage increase would provide any basis for a settlement at Philco, as some had hoped and prophesied. Three meetings of union and management this week proved fruitless. Meanwhile, <u>IUE rejected GE offer</u> of 5¢ hour wage increase and talk of a strike there was widely reported.

Several parts makers were reported curtailing operations somewhat as result of Philco strike. Their shipments have been piling up at railroad freight warehouses because strike prevents deliveries. Big parts maker Leslie F. Muter said that if strike lasts 2 more weeks, it will be "most serious" for many parts manufacturers. Clarostat Mfg. Co., Dover, N.H., was reported to have reduced its working force as result of Philco strike. It supplies about \$1,000,000 a year in parts to Philco.

TV production totaled 97,936 week ended May 21, compared to 96,007 preceding week and 103,563 week ended May 7. All 3 weeks covered period of Philco walkout. It was year's 20th week, brought production for year to date to about 2,200,000, compared to about 3,232,000 in corresponding period of 1953.

Radio production totaled 190,275 (including 78,629 auto), down from 211,161 week ended May 14 but up from 167,445 week before. It brought 20-week production to about 3,880,000, compared to 5,615,000 in corresponding 1953 period.

Official 4-month TV figure was 1,904,718, of which 450,262 receivers were uhf-equipped, according to RETMA's revised tabulation released this week. Output in April was 457,608. Radio production was 3,326,800, including 1,427,641 auto sets. April output was 745,235, including 330,989 auto.

Topics & Trends of TV Trade: Seventeen TV-radio manufacturers will exhibit at summer markets of American Furniture Mart & Merchandise Mart in Chicago June 20-July 3, with most showing new fall lines for first time to dealers. Lineup of exhibitors at Furniture Mart: Admiral, Arvin, Bendix Radio, DuMont, Hallicrafters, Motorola, Philco, RCA, Sparton, Zenith. At Merchandise Mart: CBS-Columbia, Capehart-Farnsworth, Crosley, GE, Magnavox, Raytheon, Westinghouse.

NARDA, which usually holds midyear meeting in sceond week of marts, isn't doing so this year, having agreed at its Jan. convention to hold series of regional meetings with dealers instead.

\* \* \* \*

TV set sales by Canadian factories totaled 137,267 at average price of \$368 in first 4 months of 1954, when production was 152,256, reports Canadian RTMA. Projected production estimate is for 86,564 more sets in next 3 months. Inventory at end of April was 83,822, compared to 80,059 at start of month. Quebec led in sales with 50,176; Toronto second, 29,621; British Columbia, 13,619; other Ontario, 13,193; Ottawa & eastern Ontario, 10,334; Hamilton-Niagara, 7879; Windsor, 5242; Maritime Provinces, 4702; Prairies, 2501. In April alone, sales were 25,868, production 29,631.

New RCA manufacturing-sales divisions were set up this week at Camden—RCA Victor Television Div., headed by Henry G. Baker as v.p. & gen. mgr.; RCA Victor Radio & "Victrola" Div., headed by James M. Toney, ex-director of distribution, consumer products. Both of these product activities were previously in RCA Victor Home Instrument Div. under Joseph B. Elliott, exec. v.p., consumer products, now at parent company headquarters in N. Y.

Admiral takes on sponsorship of Admiral Weekend News, series of 5-min. newscasts on ABC Radio on weekends starting May 29, to promote 20th anniversary give-away of \$80 Apex vacuum cleaner with purchase of any Admiral product over \$195. Total of 22 newscasts will be aired each weekend on the hour for indefinite period, costing estimated \$50,000 a week.

State-by-state and county-by-county tabulations of the 984,767 radios (excluding auto scts) shipped to dealers in first 3 months of 1954 were released this week by RETMA. They compared with 1,599,327 shipped in first quarter of 1953 and 1,475,000 in 1952. March shipments this year were 418,997 vs. 291,234 in Feb.

Slanted-screen TV set, placed without legs on floor instead of table, will be introduced by GE at Chicago's Merchandise Mart in June and marketed as part of regular fall line. Spokesman said it can be viewed at approximately same angle used for reading book, wouldn't comment on size or price.

Canadian Westinghouse cuts two 17-in. & four 21-in. sets average 45%, eliminates only 24-in. receiver from line because of limited demand.

Tele-Census, 3259 Wilshire Blvd., Los Angeles, issues report on 11th semi-annual survey, conducted among 2500 set owners in 16 economic districts of Los Angeles by college students & instructors, revealing: (1) 17.8% own RCA sets, 11.3% Hoffman, 9% Admiral, 8.5% Packard-Bell, 6% Philco, 6% Motorola, 4.5% Zenith, 36.9% for all others. (2) 86.3% would replace set if destroyed beyond repair, 7.8% wouldn't. (3) 85.6% couldn't tune to uhf, 3.6% could, 10.8% didn't know; 81.7% would not pay \$25 to convert, 8.3% would, 10% had no answer. (4) 86.7% thought color purchase at price they could afford to be more than 2 years away, 11.7% thought next year, 1.6% this year. Among other findings, 92.5% had only one set in home; 61.7% read TV page of newspapers more often than movie page; 69.2% thought TV made national affairs clearer; 59.3% would pay \$1 per program to see top-quality movies on TV (33% wouldn't); 60.7% would prefer to pay for quality movies on home TV rather than at theatre (28.3% wouldn't pay at either place).

Arcturus Electronics Inc. and its subsidiary General Electronics Inc., tube manufacturers, May 26 filed petition under Chapter XI of Bankruptcy Act, proposing to pay creditors 20% immediately on confirmation of plan, 20% annually thereafter. Federal Judge Meaney, Newark, granted Arcturus 10 days to file schedules of assets and liabilities. Delbert E. Replogle is pres. of Arcturus.

Transvision Inc., New Rochelle, N. Y., has secured agreement from its creditors for Chapter XI settlement of 15%, payments to be guaranteed by Sightmaster Corp., whose pres. Michael Kaplan is purchasing stock of Emanuel Cohen, principal Transvision stockholder.

Stromberg-Carlson's first color sets came off assembly line this week as part of initial run of 50, to retail at \$995. Deliveries will begin in about 10 days, said TV-radio mgr. C. J. Hunt.

Distributor Notes: Crosley-Bendix Atlanta factory

branch sold to Thoben Elrod Co., which will serve as independent Crosley-Bendix distributor there . . . Hallicrafters appoints Graybar, 104 Wazee Market, Denver (H. G. Van Westenberg, sales mgr.), replacing Auto Equipment Co.; E. G. Hendrix Co., 321 S. Flores St., San Antonio (Henry Koplan, gen. mgr.), replacing Edwin Flato Co.; General Radio & Electronic Co., 396 S. Main St., Wilkes-Barre (Ben Gerstein, gen. mgr.), replacing Morris Distributing Co., Scranton . . . RCA Victor Distributing Corp., Rochester, appoints George C. Tanty sales mgr., replacing J. P. Vallely, resigned . . . Hamburg Bros., Pittsburgh (RCA) elects Lester Hamburg exec. v.p. . . . Salisbury Distributors, Spokane (Admiral) appoints Herman S. Albert gen. mgr. . . . Strong, Carlisle & Hammond

Co., Cleveland (Philco) promotes James Kintly to TV sales mgr. . . . Southern Appliances Inc., Charlotte (Ray-

theon) names James H. McClain district mgr.

Financial & Trade Moles: Television-Electronics Fund Inc., reporting total net assets of \$38,656,139 as of April 30, 1954, with 4,817,243 shares outstanding, added these stocks to its portfolio during quarter ended that date: 10,600 shares of Allis Chalmers, market value based on closing bid quotation, \$581,675; 5000 Arvin Industries, \$112,500; 5000 Bell & Gossett, \$171,250; 9500 Electro Data Corp., \$38,000; 26,000 Gary (Theodore) & Co., \$468,000; 13,100 Marchant Calculators Inc., \$245,625; 6100 Reliance Electric & Engr. Co., \$201,300; 8000 Square D Co., \$287,-000; 10,000 Union Carbide & Carbon Co., \$750,000. Eliminated were holdings in San Diego Corp., reported Jan. 30 as 2000 shares at \$21,000, and Servomechanisms Inc., reported Jan. 30 as 10,000 shares at \$72,500. Biggest items in April 30 portfolio: 20,000 Westinghouse, \$1,455,000; 48,000 RCA, \$1,356,000; 10,000 GE, \$1,232,500; 3500 IBM, \$1,176,000; 30,000 Sylvania, \$1,057,500; 30,600 Motorola, \$1,051,875; 14,000 National Cash Register Co., \$1,022,000; 14,200 Bendix Aviation, \$1,017,075.

April 30 report shows Fund increased these holdings since Jan. 30: Admiral, from 32,500 to 37,000 shares; Aerovox, 17,500 to 20,000; Aircraft Radio, 9000 to 15,000; American Phenolic, 21,000 to 23,500; George W. Borg Corp., 7000 to 8050; Borg-Warner, 500 to 4600; Carborundum Co., 15,000 to 15,500; Clevite, 30,000 to 35,000; CBS "A," 15,000 to 15,600; Cornell-Dubilier, 9000 to 9600; Douglas Aircraft, 6000 to 10,000; DuMont, 10,000 to 17,500; Eaton Mfg. Co., 5000 to 6000; Eitel-McCullough, 7500 to 10,000; Garrett Corp., 6500 to 7400; General Dynamics, 5000 to 7500; General Railway & Signal, 13,500 to 15,000; Indiana Steel Products, 13,100 to 13,300; IT&T, 20,000 to 25,000; Mallory, 4000 to 5000; Martin Co., 5000 to 18,300; Motorola, 30,000 to 30,600; Muter Co., 4120 to 4202; No. American Aviation, 5000 to 17,000; Oak Mfg. Co., 12,000 to 15,000; Sperry, 10,000 to 11,500; Technicolor Inc., 17,500 to 20,000; Tung-Sol, 16,000 to 20,000; United Aircraft, 4000 to 6300; Vitro Mfg. Co., 3030 to 5000; Western Union, 3000 to 5000; Westinghouse Air Brake, 21,000 to 21,500; Zenith, 14,000 to 15,000.

Decreased holdings during quarter: American Bosch, 15,000 to 10,000; Bendix Aviation, 14,300 to 14,200; Boeing, 12,400 to 7200; Consolidated Vultee, 18,000 to 15,000; Cutler-Hammer, 10,400 to 10,000; Eastman Kodak, 9000 to 6600; Erie Resistor, 8300 to 8200; Hazeltine, 25,000 to 24,600; Minnesota Mining, 15,000 to 12,500; Northrop Air-

Trade Personals: Bennett Archambault, 44-year-old ex-v.p. & gen. mgr. of M. W. Kellogg Co., elected pres. of Stewart-Warner Corp., succeeding James S. Knowlson, who continues as chairman; he headed wartime ETO activities of Office of Scientific Research & Development . . . John S. Mills, ex-Stromberg-Carlson & Emerson Radio, appointed Crosley TV-radio gen. sales mgr., succeeding Harry E. Mc-Cullough, now Magnavox merchandising consultant . . . Saul M. Decker resigns as CBS-Columbia chief TV engineer . . . Allen G. Williams promoted to new post of Motorola marketing administration mgr. . . . John Roper, eastern Pennsylvania sales mgr., named Magnavox director of sales training . . . H. J. Allen, Crosley refrigeration sales mgr., promoted to field sales mgr. of appliances, replacing Thoben F. Elrod, now Crosley-Bendix Atlanta distributor . . . Thomas C. Soby promoted to adv. & sales promotion mgr., Allen D. Cardwell Electronics Production Corp., Plainville, Conn. (tubes) . . . Louis G. Pacent Jr., asst. to Emerson manufacturing v.p. Sol Gross, named works mgr. of new Emerson subsidiary Quiet Heet Mfg. Corp. (air conditioners, oil burners) . . . Richard A. Averill, ex-Crosley, named CBS-Columbia southeastern district mgr. . . . Robert M. McElfresh, from Syracuse TV-radio headquarters, named GE sales mgr. for Carolinas . . .

craft, 18,000 to 15,800; Otis Elevator, 15,300 to 14,600; Owens-Illinois, 2000 to 1400; Philco, 21,400 to 20,200; RCA, 50,600 to 48,000; Sylvania, 35,500 to 30,000; Telecomputing Corp., 15,000 to 10,000; Thompson Products, 15,000 to 14,400.

Noteworthy in list is holding of 4100 Storer Broadcasting Co., with market bid quotation of \$68,675 on Jan. 30 and \$94,812.50 April 30. Full list is available from Television-Electronics Fund Inc., 138 S. LaSalle St., Chicago.

Dividends: Sylvania, 50¢ payable July 1 to stockholders of record June 10; Hoffman Radio, 25¢ June 25 to holders June 4; Stromberg-Carlson, 37½¢ June 30 to holders June 15; Bendix Aviation, 75¢ June 30 to holders June 10; WJR, The Goodwill Station Inc., 10¢ June 11 to holders June 2; Wells-Gardner, 15¢ June 10 to holders June 1; Cornell-Dubilier, 30¢ June 25 to holders June 15; Clarostat, 10¢ June 25 to holders June 4; Aerovox, 15¢ June 15 to holders June 1; Gabriel Co., 15¢ June 15 to holders June 7; General Precision Equipment Corp., 40¢ June 15 to holders June 7; Famous Players (Canada), 37½¢ June 25 to holders June 10.

' Hoffman Radio plans new \$1,500,000 TV-radio plant at El Monte, Cal. within next year, will then sell present plant at 6200 S. Avalon Blvd., Los Angeles, according to SEC registration statement proposing public sale of 130,000 shares of 50¢ par stock through underwriting group headed by Blyth & Co. and Wm. R. Staats & Co. Proceeds from stock sale will help finance construction, along with \$2,500,000 to be borrowed from Metropolitan Life. Loan will be used to retire \$2,000,000 in unsecured current bank loans, replace working capital used to retire \$194,455 worth of trust deed notes, with balance to be added to working capital.

Pyramid Electric Co., No. Bergen, N. J., maker of capacitors, offered 92,000 shares of common at \$3.25 this week, thru S. D. Fuller & Co., proposing to use new funds largely for equipment in plant it started last Feb. in Gastonia, N. C. It reported 1953 sales of \$5,768,876, net profit \$138,922; for first 4 months of 1954, sales were \$2,701,715, net profit \$204,050.

Reflecting booming record business, Capitol Records Inc. sales went to new peak of \$17,740,985 for first 1954 quarter from \$14,687,255 same 1953 quarter. Net income was \$781,453 (\$1.62 a share) compared to \$548,929 (\$1.12).

Marshall L. Remund appointed jobber sales mgr., Jensen Industries . . . James R. Butler, ex-Raytheon, appointed Magnecord adv. & sales promotion director, replacing Richard McQueen, now National Co. adv. mgr. . . . Bernard S. Cahill, ex-Pioneer Electric, named v.p. & chief engineer, Syntronic Instruments, Addison, Ill.

Gen. Wm. H. Harrison, pres. of IT&T since 1948 and onetime AT&T v.p., takes over day-to-day operations of IT&T under an arrangement whereby Col. Sosthenes Behn, now 73, who founded IT&T in 1920, will continue as chairman but relinquish most of his routine duties. This was disclosed May 27 at directors meeting which followed annual stockholders meeting.

Charles Golenpaul, Aerovox v.p. in charge of distributor sales, elected pres. of Radio's Old Timers during recent Electronics Parts Show in Chicago. He succeeds Ray L. Triplett, who was tendered plaque celebrating his 50th anniversary as a maker of radio-electronic equipment. Sam Poncher, pres. of Newark Electric, became secy.

Sperry Corp. to lease \$600,000 plant in Gainesville, Fla. for manufacture of klystron tubes, will employ 200-300.

Color Trends & Briefs: "Color kines might be available in a few months—if the costs are right. Magnetic tape for color is about 1-2 years off." That's how Robert Shelby, NBC-TV director of color TV systems development, summed up status of color transcriptions for film session at NARTB convention. He emphasized that big question in color kines is almost solely cost, because, as he had demonstrated to joint management-engineering session, kines are now of acceptable quality—though undoubtedly below live pickups or good color film.

Among kines shown were those of Dinah Shore Show and Taming of the Shrew opera. We had seen them in original live transmission and found kine color less brilliant, and the color fidelity in skin tones, etc., less precise. It's apparent, however, that kines will be satisfactory if stations can deliver kine telecasts of a quality comparable to that shown in Chicago through movie projector.

Shelby evaluated NBC-TV's color experience to date, gave these conclusions: (1) Transition—Switchover from monochrome to color is much less difficult than move from radio to TV. (2) Maintenance—No final figures yet, but it looks as if problems are roughly proportional to number of tube sockets involved, which is a good black-&-white criterion. (2) Rehearsals—Extensive at first, constantly being reduced, with some producers now asserting that no extra time for color is required. (4) Costumes, lights, etc.—Current requirements 3 times greater than for black-&-white, but with "reductions in prospect." (5) Camera tube life—Now compares favorably with monochrome. (6) Remotes—"No important limitations."

\* \* \*

"Color TV can be a failure in the immediate years ahead," Philco's Donald Fink warned NARTB engineers in talk delivered by Hazeltine's Arthur Loughren. "Not because of inadequate standards," he said. "The standards are fully adequate. Not because of unwillingness on the part of the industry to invest in research and test facilities, manpower, production tools and an all-out selling effort. The competitive situation, spurred by the public eagerness for color TV, leaves no option. But it can fail if the TV engineers do not meet the challenge of implementing the new service with equipment of such high performance and such low cost as to command public acceptance . . . This is the challenge these same engineers have met in monochrome TV during the past 8 years. But it cannot be met in color without an even greater effort, without profound understanding of the requirements imposed by the standards, without closer study of color vision than was ever given to monochrome vision. Not without a lot more hard work."

Color TV tests of film made via 3 processes were conducted May 19 on closed-circuit at NBC studios by Screen Gems, Columbia Pictures subsidiary. M. Peter Keane, Screen Gems technical director, gave representatives of 27 ad agencies following evaluation: (1) 16mm Kodachrome advantages are lowest price for original film, excellent definition and color quality. Disadvantages are limitation of optical effects to dissolves and fades, more noticeable color loss in release prints, higher release print cost, less satisfactory sound track. (2) 35mm Eastman negatives reduced to 16mm positives have advantages of larger film, the values derived from making prints from negatives, ability to make optical effects, better resolution than most other processes. (3) 35mm Technicolor 3-strip process reduced to 16mm dye transfer permits greatest control of color saturation and optical effects, better sound track, lowest release print cost.

Microwave links capable of handling color and audio were introduced for first time at NARTB convention by Philco and Raytheon, both claiming stations were snapping them up.

Novel question of makeup for color TV was covered at NARTB convention by NBC-TV's R. R. Davis, who said makeup for color is radically different than for monochrome. "Skin tones are often the only colors in a picture that the viewing public will recognize," he said. "As most people have more red in their skins, especially in their ears, noses, and necks, than the eye detects, color makeup is used primarily to tone down red. Dark pigmentation around the eyes, the grayish tone of man's 5-o'clock shadow, freckles, and blemishes must be made to produce a normal flesh tone." Among his observations: Eye makeup is similar to monochrome, except that it should match color of eyebrows; corrective highlighting and shadowing requires great care; powders should have very little pink in them; special lipsticks must be used because normal lipsticks are too red; body makeup must be used or skin looks too red; very white or platinum hair should be darkened slightly; frequent retouching is required; outdoor makeup is different from studio.

Some 95% of TV homes will be in range of stations emanating color signals by end of this year, NBC research chief Hugh Beville told convention of Public Utilities Advertising Assn. in Boston May 13. He foresaw color TV dooming the "white" in "white goods," stating: "Just as the solid black automobile is now largely confined to the dowager's town car and the limousine, we can anticipate a future where the white kitchens may be confined to hospitals and similar institutions. The present tentative steps toward tinted ranges and refrigerators could receive vigorous stimulation from color TV."

Claims for color scanners and cameras are so confusing (see p. 4), that Telechrome Inc., manufacturer of color generators, test equipment, etc., is feeling out stations on plan whereby Telechrome would lease them any desired equipment, of any make, giving station option to purchase equipment at end of lease.

FCC's warning that stations not equipped to rebroadcast color must eliminate the color subcarrier (Vol. 10:11) has been followed up by RCA which offers filter kit and instructions at no charge to stations ordering color network equipment, \$25 to others.

"Revitalization of FM," through new multiplexing rules permitting transmission of background music, etc. simultaneously with regular programs, was visualized by FCC Comr. Sterling during FM roundtable at NARTB convention. Cost of adding single-channel multiplexing equipment to station will run \$2500-\$3500, according to Wm. S. Halstead, pres. of Multiplex Development Corp., N. Y. Multiplex adapter for good FM receiver will cost about \$100, he said, while sets with multiplexing circuitry built in originally should run about \$150.

First film about TV antennas aimed at general public is being offered to TV stations by Channel Master Corp., Ellenville, N. Y. Free 16mm prints of the non-technical 13-minute film are available from Association Films, N. Y. Channel-Master also has new booklet on antennas and antenna problems, Your TV Antenna Is Showing, written for the layman and offered in quantity for distribution by parts distributors and TV stations.

New industrial camera, employing either vidicon or image dissector tube, is now being offered at about \$2000 by Diamond Power Specialty Co., Lancaster, O., seeking to broaden market beyond present concentration on electric power companies and organizations with similar operations.

New TV film-recording system, operating at standard 24-frames-per-second recording rate, is described in Naval Research Laboratory publication, *Television Recording System* (PB 111307), available for 75¢ from Office of Technical Services, Dept. of Commerce.

# **Retwork TV-Radio Billings**

April 1954 and January-April 1954 (For March report see Television Digest, Vol. 10:18) (For preceding years, see TV Factbook No. 18, p. 369)

ETWORK TV time billings for April, as reported by Publishers Information Bureau, were marked by fact that NBC for first time since last Oct. forged slightly ahead of CBS for top place, and all 4 networks were a shade under March. But their general upswing is manifest in fact that combined April billings of \$25,528,953 compare with \$17,774,866 in April 1953 while Jan.-thru-April figure of \$99,928,035 compares with \$69,413,044 for same 1953 months. NBC is still slightly under CBS for the 4 months, with ABC a poor third and DuMont fourth.

In radio, CBS dipped slightly in April but maintained its usual top position; all others dropped, too, but NBC fell from \$4,196,009 in April 1953 to \$2,962,839 in April 1954. For year to date, all save NBC are holding close to 1953 levels—with MBS actually about \$170,000 ahead. NBC is down more than \$3,500,000, accounting for most of the Jan.-April drop to \$51,643,527 for all networks from \$55,-420,376 in 1953. The PIB report:

April

April

Jan.-Apr.

\$51,643,527

\$13,170,839

Jan.-Apr.

		19 <b>54</b>	195 <b>3</b>	1954	1953
NBC CBS ABC DuM	ont		7,770,181 1,640,597	42,980,081 10,478,129	\$29,992,228 29,215,241 6,454,967 3,750,608
	Total	\$25,528,953	\$17,774,866	\$99,928,035	\$69,413,044
NETWORK RADIO					
CBS NBC ABC MBS	32	0.000.000	4,196,009 2,637,364	13,170,839 10,457,574	\$20,731,258 16,612,248 10,648,193 7,428,677
	Total	\$12,258,214	\$14,218,350	\$51,643,527	\$55,420,376
NETWORK TELEVISION—January-April 1954					
	ABC	CBS	DuMont	NBC	Total
Jan. Feb. Mar. Apr.	\$ 2,780,574 2,502,372 2,640,699* 2,554,484	\$10,713,329 9,965,481 11,379,631 10,921,640	\$1,445,608 1,108,157 1,205,526* 1,068,374	\$10,116,937 9,496,008* 11,044,760* 10,984,455	\$25,056,448 23,072,018* 26,270,616* 25,528,953
Tot.	\$10,478,129	\$42,980,081	\$4,827,665	\$41,642,160	\$99,928,035
NETWORK RADIO-January-April 1954					
	ABC	CBS	MBS	NBC	Total
Jan. Feb. Mar. Apr.	\$ 2,830,654 2,494,737 2,764,547 2,367,636	\$ 5,166,174* 4,749,512* 5,456,351* 5,044,943	\$1,896,925 1,783,452 2,034,961* 1,882,796	\$ 3,391,873 3,176,849 3,639,278 2,962,839	\$13,285,626* 12,204,550* 13,895,137* 12,258,214

\* Revised as of May 26, 1954.

Tot. \$10,457,574

\$20,416,980

Uhf hearings are scheduled to resume at 10 a.m. Thu., June 3, in Room G-16, Capitol—but may be pushed up an hour earlier-Chairman Potter "commuting" between Mc-Carthy and uhf hearings. Final schedule of appearances hasn't yet been worked out, but unofficial preliminary list at week's end showed this order: June 3-George Storer, Storer Stations (vhf); Merrill Panitt, Triangle Publications (TV Guide); Hulbert Taft, WKRC-TV, Cincinnati (vhf); Gordon Brown, WSAY, Rochester (AM); Leon Green, KNUZ-TV, Houston (uhf); Philip Merryman, WICC-TV, Bridgeport, Conn. (uhf); Raymond F. Kohn, WFMZ-TV, Allentown, Pa. (uhf CP). June 4-Ernest L. Jahncke, ABC; Jack Van Volkenburg, CBS; Joseph Heffernan, NBC; attorney Joseph Brenner, Beverly Hills, Cal.; attorney Franklin C. Salisbury, Washington; engineer Raymond Wilmotte, Washington; attorney J. Howard Mc-Grath, exec. v.p., Edward Lamb Enterprises (vhf WICU, Erie & uhf CP WMAC-TV, Massillon, Ohio).

\$7,598,134

Report on FCC chairmanship, circulated at NARTB convention but unconfirmed, was that Chairman Hyde is due to be redesignated chairman for another one-year term.

George B. Storer's KGBS-TV, San Antonio (Ch. 5), along with radio KGBS (50-kw day, 10-kw night on 680 kc, CBS), both highly profitable properties, were reliably reported being offered to other prospective purchasers this week after May 20 deadline for their announced \$3,500,000 sale to San Antonio Express and News (Vol. 10:15) had passed. Though newspaper company has reported sale of its radio KTSA (5-kw on 550 kc, ABC) to O. R. Mitchell, local Dodge-Plymouth dealer, pres. Frank G. Huntress Jr. would make no comment despite repeated efforts to elicit a statement about his intentions. It's understood Storer agreed to extend deadline, but that Mr. Huntress and his father, chairman of Express Publishing Co., have been unable to come to agreement on financing the all-cash deal. Storer also declined comment. Storer Broadcasting Co. must sell one of its 5 TV stations to pave way for recent \$10,000,000 purchase of Empire Coil Co. (Vol. 10:2), which involves acquisition of another vhf in Cleveland and a uhf in Portland, Ore.; FCC now limits vhf holdings to 5 stations, proposes soon to permit 2 uhf in addition. Storer in 1950 bought KGBS-TV (then KEYL) for \$1,250,000, including debt, has spent more than \$1,000,000 on its development, last year added radio KGBS (then KABC) by buying it for \$700,000 and taking CBS affiliation away from KTSA. Until recently son George Jr., now at Miami headquarters, was gen. mgr.

In order to exercise option to own 30% of upcoming WUSN-TV, Charleston, S. C. (Ch. 2), due in Sept., Evening Post Publishing Co. (Charleston News & Courier and Post) has sold its radio WTMA (5-kw on 1250 kc, NBC) for \$153,000 to company headed by Charles E. Smith, pres., 40%, who also heads WTBO, Cumberland, Md.; George H. Clinton, v.p., 40% gen. mgr. of WPAR, Parkersburg, W. Va. and part owner of WBLK-TV, Clarksburg, W. Va.; David W. Jeffries, secy., 10%, WTBO chief engineer; Dorothy A. Marks, 10%. Newspaper firm does not participate with J. Drayton Hastie family in ownership of radio WUSN (250 watts on 1450 kc, MBS).

Latest maneuvers in Edward Lamb case (Vol. 10:20): On May 22, FCC filed opposition to Lamb's motion in District of Columbia district court to enjoin Commission from going ahead with hearing. Commission's ground is that Lamb is suffering no irreparable injury. On May 27, Commission filed motion to dismiss court case altogether, saying that Lamb hasn't yet exhausted his administrative remedies and that Court of Appeals, not district court, has jurisdiction. Argument before district court is expected about June 11.

Applications for new TV stations on file with FCC now total 237, of which 34 are for uhf. Sole application this week was for Tulsa's non-commercial Ch. 11, by State of Oklahoma, which has grant for KETA, Oklahoma City (Ch. 13). [For further details see TV Addenda 18-U herewith; for complete listings of all grants, new applications, dismissals, hearings, etc., see TV Factbook No. 18, with Addenda to date.]

Mrs. Hugh McClung has sold KYOS, Merced, Cal. (5kw on 1480 kc, MBS) to Charles O. Chatterton, owner of KWLK, Longview, Wash., in association with Glen E. Mc-Cormick. Purchase price was \$180,000. Mrs. McClung retains her KHSL-TV & KHSL, Chico, Cal., and KVCV, Redding, Cal.

TV Code now has 225 subscribers, up 22 since last report at Jan. board meeting, according to report to NARTB Chicago convention by code review chairman John E. Fetzer. Thirty NARTB members don't subscribe.

Steel for 1572-ft. tower of KWTV, Oklahoma City, world's tallest under construction (Vol. 10:15), will be shipped starting in June. Ideco engineers expect erection to take 3-4 months.

Special Report May 29, 1954

News and Opinion on the Air

# THE ROAD TO RESPONSIBILITY

Full Text of Address by William S. Paley, Chairman, Columbia Broadcasting System Inc.

Before Convention of National Assn. of Radio & Television Broadcasters, Chicago, May 25, 1954

EDITOR'S NOTE: This is a statement of principles and aims, cogently expressed and reflecting a maturity of knowledge and experience gained literally from the birth of today's great media of "audible" and "visual" journalism. It's a credo for management and a copy-book for the news & public affairs departments of TV-radio stations and networks, as well as for the schools training young newsmen for the profession. It was so intensely heeded and provoked such enthusiastic reaction at the convention, where Mr. Paley was presented the bronze plaque connoting NARTB's 1954 Keynote Award, that we commend a careful reading by everyone concerned directly or indirectly with this vital phase of broadcasting and telecasting.

N OUR TURBULENT industry today I have no lack of problems to choose for the topic of my talk this morning. Broadcasting gets broader all the time. The problems we have before us are numerous and complex and touch almost every phase of the broadcaster's world: his business and economic preoccupations; the technological developments of the medium; his relationship with government; his responsibility to the public at large. But you will permit me, I am sure, after acknowledging their very great importance, to put all but one of these categories aside and direct your attention to one significant aspect of our responsibilities to the public at large. And so, I have chosen as my topic: the broadcaster's role and responsibilities in the field of news and public affairs. This problem is neither transitory nor peculiar to any other segment of the industry. On the contrary, the proper exercise of a broadcaster's functions in this field is a responsibility which every broadcaster must face and the problems relating to it are common to each of us.

Another reason I want to discuss news and public affairs is because this part of a broadcaster's operation has long been close to my heart and uppermost in my mind; also because I believe that discussion and exchange of ideas on this topic may well lead to newer and more significant plateaus for every segment of broadcasting.

## Ideas, Issues and Controversies

It is my belief that if we know what we are doing in the world of news and public affairs, we are secure: if we do not know, we are in danger—in danger of encroachments from government, in danger of criticism, destructive and deserved from other powerful organs of opinion, in danger of criticism from the thinking and leading citizens of our Republic.

Let me say that when I talk about news and public affairs this morning, I mean more than just what we call, in this business "the hard news." I mean also all the related fields—the opinion broadcasts, the debates, the feature projects, the documentaries, the panel discussions—as well as the direct on-the-spot coverage of news and public events as these occur. So here I am concerned not just with the raw news, the current happenings, but with the ideas, issues and controversies that concern the public.

At no period in our history has the function of news and public affairs broadcasting been so critical and important to our national life. The movement of world events on both the national and international scenes takes on increasing significance each day in terms of the welfare and security of each citizen.

These events not only affect how he lives, but, in some instances, whether he will live at all. Issues have become extremely complicated giving rise to intense emotion, to a deep longing for answers, and hence demanding greater knowledge and—above all—understanding. It is part of our democratic tradition that facts and exposure to other people's views and opinions have a way of driving out emotional prejudice and of leading the way to answers which are more nearly correct.

These conditions and circumstances provide the broad-caster with an unprecedented opportunity to move ahead in this field of news and public affairs. We have today within our grasp the opportunity to provide an extraordinary public service in a troubled world and, at the same time, to increase our stature and strength as broadcasters. But I must point out that one does not receive positions of public trust and of strength on a silver tray. They must be won by resolution, courage and performance. In these areas, I think, we still have quite some distance to go.

## Difference Between Broadcaster and Publisher

Let me give you my reason for thinking so. Consider for a moment some of the significant differences between a broadcaster and the publisher of a newspaper, or, more broadly, the difference between what a radio transmitter does and a printing press does. The printing press came into being in a rudimentary, slow-moving society, in an excessively limited world. Even so, it needed several centuries of struggle to become as free as it is today and to be placed at the service of all the people, not just at the service of scholars or priests or governors or public administrators. In the vast present-day diffusion of printing we have undesirable comic books-but we also have great newspapers, an incredible world of magazines, and big books for a quarter. Editors today come from a line of men that have centuries of experience behind them in getting news printed and diffused against the pressures of persons who thought it shouldn't be. The press may not be as free as it likes, but it's plenty free. Through the years it has learned how to keep a manageable degree of freedom against the pressures of readers, advertisers, and powerful critics in government and other high places.

Now, by contrast, consider broadcasting. Against the centuries of hard-bought experience of the press, what have we? Why, we have about a quarter part of one century. Considering this pitiful little span of time, I think we've done rather well. I think it's remarkable that we have been as successful as we have—that we have learned things that have taken other people centuries to get the

hang of: the subtleties, traps and pitfalls that lie in the path of the unwary.

Another thing we had to learn in our beginnings—the hardest possible thing to have to learn fast: we had to learn what our new broadcasting medium was for. Some people thought broadcasting would be for education. Some thought merely that it would replace the phonograph. Some thought it would remake the world, which it hasn't. Some thought it would revolutionize politics, which it has. Some thought it would put newspapers and magazines out of business; instead, it joined them in an intense but friendly—well, sort of friendly—competition to carry the messages of editors and advertisers to greater areas than ever before.

But, of course, broadcasting did not limit itself to any one of these. Instead it became almost all the things that were imagined for it. And when television added broadcast sight to broadcast sound, broadcasting then became, and I am sure will always remain, the broadest means of interchanging, communicating and diffusing ideas, moods, sights, emotions, facts, images (should I say color?)—and also confusion—in the history of man. We now, in this industry, partake of the newspaper, of the magazine, of the stage, the movies, the concert hall, the lecture platform, the museum, the medical center, the university and the battlefield. To say nothing of the town meeting, the Senate committee room, the whistle stops of political campaigns and the auditoriums for great debate. Indeed, I think we can say, "Name it, and we are of it."

No wonder we are all a little confused. A grant of opportunities has been offered to us of this industry wholly unlike, in range and scope, any grant of opportunities to any other group of modern men. And it happened in a democracy! Which must make us eternally wary of abusing it.

#### "We Still Have a Lot to Learn"

Since by relative time we are newcomers to the field, we are short in tradition and we still have a lot to learn. The old-time newspaper editor, with his centuries of professional experience, was accustomed to letters saying "Dear Sir, you cur." He was accustomed to being horsewhipped by outraged ladies, and shot at, or indeed shot, by those who considered themselves libeled by some small, innocent item. He was also sued frequently, another painful form of the expression of displeasure.

I must say that I have no desire to stir up any additional public violence today. In this industry we should continue, as in the past, merely to shoot one another and not encourage the public to think that this pistol range is open to them, too.

Old-time editors used to take such threats and action in their stride, as a part of their occupation. I think we broadcasters can afford a certain amount of the same stride in the face of our letter-writing, telegraph and telephone critics. If we are fair and responsible in our decisions, we will gain the approval and the respect of the large majority of the people.

But, can we in all fairness and good conscience ask our medium to be as free of threats of boycott, as free of political pressures, as respected as the great newspapers of our country if we shirk our responsibilities in this field? We claim for ourselves, and quite properly I believe, the great historical and constitutional rights and privileges which have been maintained by the press of this country. We recognize the plain fact of our power for good or evil, through the enormous force of our media. Yet the question remains whether we enjoy in the public mind the status which is a natural corollary of our rights and privileges. I respectfully submit that we do not and that we will not until we have shown through clear performance that we have faced up to our opportunities and to our responsibilities.

But it is one thing to resolve to expend greater effort and courage in the field of news and public affairs. It is quite another—and far more difficult thing—to determine how to do it, and do it well.

For one thing, we cannot just imitate the press. With all the similarities between the press and broadcasting,

there are still powerful differences between us. And so, with all due deference to the press and its long established traditions, it can only set us on the road. We will have to do our own driving and find our own right way.

## Ground Rules: Steps That Can Be Taken

I would not be so presumptuous as to say that there is any single right way. Each broadcaster will have to find his own. But I would like to suggest certain steps which might be taken by the broadcaster who finds some truth in my words and who, having not yet done so, wants to build a responsible and respected place for himself in this field.

First and perhaps most obvious, the operation of news and public affairs in a broadcasting organization should be given great emphasis and attention by top management. Top management should adjust itself to the fact that this area of the broadcaster's operation is at least as important as any of the other areas coming under his jurisdiction and supervision.

Second, a broadcaster must build a strong news organization—not in numbers, which is not in itself controlling, but in quality. Certainly he should choose the man to head his station's news operation or his public affairs operation, or both, as carefully and as thoughtfully as he would choose the head of his most important departments. Having been selected, this person must be invested with status and the proper authority.

Third, a broadcaster who wants to exercise his responsibilities in this field cannot go into it blindly if disaster is not to overtake him. For his own protection, as well as for the protection of his listeners, he must work out in advance well defined and clearly stated general policies that will govern his operations.

I make no pleas for uniformity in the ground rules which each broadcaster establishes in this field. Only one basic tenet must be observed: There must be fairness and balance. No matter what the station owner's personal predilections—and he is bound to have them—there must be fairness and balance among all viewpoints.

#### The Policies Evolved at CBS

Beyond this fundamental principle, each station will doubtless work out its own ground rules in the exercise of its vital functions in the area of news and public affairs. The more different approaches there are—the more searching and experimentation there is—the better off all of us will be, for good new ideas will stimulate the competitive forces in this field as they do in other fields.

Reminding you, then, that ours is only one possible approach to a set of ground rules, I would like to outline the policies in this area which we at CBS have worked out over the years. I do so as an example of the thought processes that a broadcaster must go through in order to determine how to exercise the responsibilities in this area of his activities. Our policies, briefly, are these:

In news programs there is to be no opinion or slanting. The news reporting must be straight and objective.

In news analysis there is to be elucidation, illumination and explanation of the facts and situations, but without bias or editorialization.

In both news and news analysis, the goal of the news broadcaster or the news analyst must be objectivity. I think we all recognize that human nature is such that no newsman is entirely free from his own personal prejudices, experience, and opinions and that, accordingly, 100 percent objectivity may not always be possible. But the important factor is that the news broadcaster and the news analyst must have the will and the intent to be objective. That will and that intent, genuinely held and deeply instilled in him, is the best assurance of objectivity. His aim should be to make it possible for the listener to know the facts and to weigh them carefully so that he can better make up his own mind. Our policies also provide that significant viewpoints on important controversial issues are afforded the opportunity of expression—largely through time periods which are allocated free of charge to outside people and organizations representing opposite viewpoints. The programs in these periods take the form of straight talks, debates and panel discussions.

## Keep Opinion Separate from News

Opinion broadcasts must be labeled for what they are. In particular, opinion must be separated from news. The listener is entitled to know what he is receiving, news or opinion, and if it be opinion, whose opinion.

In other types of information programs, such as the feature or documentary program, produced by us, the expression of opinion might properly take place. When it does take place, it should be by the decision of management or through the delegation of authority to a member of the staff producing a particular program. Such delegation, however, must be to one who is trained and responsible and in whose intergrity and devotion to democratic principles we repose complete confidence.

When opinion is expressed in any type of information program—excluding news and news analysis where opinion is not allowed—opportunity for reply is given to the person with whom issue has been taken, or to a responsible spokesman representing an opposite viewpoint.

An advertiser who sponsors any type of information program produced by us does not thereby purchase, or in any way gain, any rights to control the contents of the program.

Programs presenting news, news analysis, discussion, debates, feature or documentary material, or on-the-spot pickups are under our direct control and supervision and we bear full responsibility for such broadcasts.

I have not as yet touched on the question of editorialization by the broadcaster—that is, opinion which he might express in his own name or in the name of the station or network.

### The Broadcaster's Right to Editorialize

The broadcaster has the same right to editorialize and the same right to independent expression as the free press. I am not urging anyone to exercise this right. It is and should be a matter of personal preference. However, I would urge that we fight to preserve this right should it ever be threatened. In this connection, I would like to say that it is not the act of editorialization which puts the bite and the backbone into a news and public affairs operation. It is rather the fact of having a rounded and vital schedule which does the trick; of having a schedule of unbiased news which covers all categories, national, regional and local; of having a fair and objective analysis of that portion of the news which calls for background and interpretation; of having a schedule of controversy in which the issues of concern to the listeners will get full and responsible airing; of having public feature programs and documentaries which put the spotlight on conditions worthy of the listener's attention.

The principle of fairness and balance is the cornerstone of our news and public affairs policy, as it should be of any broadcaster. I want to point out, however, that this principle cannot be reduced to a mathematical formula or even to a set of rigid rules which are self-executing and

will cover all the possible circumstances. In the free American broadcasting system, fairness and balance must be maintained through the exercise of fair and courageous judgment by the station or the network. And it must be recognized that there is a difference between men, ideas and institutions: some are good and some are bad, and it is up to us to know the difference—to know what will uphold democracy and what will undermine it—and then not to do the latter!

Some people may question the desirability of placing in the hands of the broadcaster this important element of control. To this point I would say that undoubtedly there may be abuses, as there are in other media. But I for one have enough faith in the vitality of the democratic process, in the intelligence of the American people and in the freshness of the competitive climate to believe that the good will and the determined intent of broadcasters to be fair, coupled with the powerful voice of the people, will provide far better protection against abuse than any other form of control. And let me remind you that those who would take this control away from the broadcaster are the ones who would put it in the hands of Government.

Here, then, are our thoughts and our ground rules, evolved through the years, on how best to exercise our responsibilities in the area of news and public affairs. You may disagree with some of them; you may have or develop better ones from which we at CBS may learn much.

### "A Free and Autonomous Institution"

I would like to say, and perhaps you will agree with me, that too often public officials, legislators and other people in public life look upon the broadcasting organization primarily as an instrument created to serve their own purposes, whatever these may be. They do not sufficiently regard the broadcaster as a free and autonomous institution exercising to the best of his ability an influence and responsibility dedicated to the interests of all the people. The fact is—our own timidity in the vital areas of public information is self-perpetuating; it breeds pressures which in turn breed further timidity. Our excursions, by and large, into the responsible exercise of our functions in the field of news and public affairs are often too spasmodic, too tentative, or too sensitive to permit us to realize our own independence and stature. This, I say, must be corrected.

The important thing, whatever the ground rules you set for yourselves, is to consider carefully whether you shouldn't increase your activities and your emphasis in the significant field of news and public affairs. If you do so—if you develop an active, responsible and eager organization—if you move vigorously into this area, you will, I am convinced, do the country and broadcasting an enormous service.

I have made these suggestions today because I am proud of broadcasting and I want to see the broadcaster seize the extra opportunities which are within his grasp and thereby raise his status among the people he serves. If he does so he will be putting himself into the stream of life which brings meaning, satisfaction and a sense of achievement which cannot be matched by any other kind of reward.

