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## SUMMARY-INDEX OF THE WEEK'S NEWS - June 1, 1957

- "WEAVER NETWORK" picks up steam, announcing 14 hours weekly—but plans are even bigger than talk, with night shows & full day schedule blueprinted (p. 1).
- OPPOSITION TO CRAVEN PLAN appears stronger than expected, includes AMST & JCET. Networks appear lukewarm, favor objectives, doubt practicality (p. 2).
- TALL-TOWER CRITERIA agreement imminent, opponents of new standards arguing that they would ban all towers over 1000 ft. except in antenna farms (p. 2).
- FCC PAY-TV ACTION provoking differing reactions. Rep. Harris seems satisfied with Commission's doubts. Rep. Celler wants pay-TV prohibited—now (p. 3).
- U. S.-CUBA MICROWAVE grants made by FCC to AT&T and Florida Micro Communications, both planning TV service in summer or fall at \$500-\$750 an hour (p. 4).

- AVERAGE TV FACTORY PRICE dropped to \$121 in April from \$127.50 year earlier, as portables' share of market increased from 10% to 35% (p. 9).
- STATION BOX SCORE stands at 500 as Paducah vhf starts, Sacramento uhf stops. Canadian satellite begins in Argentia, Nfld. (p. 6).
- SAFEGUARDS FOR TV and other allocated frequencies urged by FCC general counsel as Senate Committee considers airways modernization bill (p. 7).
- VIDEOTAPE MAY SOON be cheaper than 16mm film for syndicated shows & commercials unless inspection & billing procedures improve, study indicates (p. 8).
- TV NETWORK BILLINGS dip in April to \$41,206,913 but show 5.7% gain over year ago. Business this year runs at 7.8% higher rate (p. 12).

**PAT WEAVER STARTS MAKING LIKE A NETWORK:** <u>Sylvester L. Weaver's "Program Service</u>" began looking more like a network this week -- and there are strong indications that the former NBC chairman & pres. has more up his sleeve than he's talking about.

<u>Announcing Chicago Tribune's WGN-TV</u> as his first "affiliate," he disclosed a few more of his program plans -- totaling 14 hours weekly -- as a starter.

<u>Program Service's weekday schedule of live shows</u>, beginning July 1, as announced by Weaver in Chicago: 9:30-10 a.m., Mary Margaret McBride; 10-10:30, Ding Dong School (sponsored by Taylor-Reed Corp.); 10:30-11, Paul Fogarty's exercise show from WGN-TV. Some time this summer, he plans to enter early evening field with new 5:30-6 p.m. weekday "Entertainment with Information," will also network WGN-TV feature Lunchtime Little Theatre. He revealed that he'll start nighttime programming next fall with 90-min. Saturday dance party from Chicago's Aragon Ballroom.

<u>Without giving call letters</u>, Weaver has announced he'll have affiliates this summer in New York, Washington, Philadelphia, Baltimore, Cleveland, Cincinnati and St. Louis, and that in Oct. he'll add Hartford-New Haven, Indianapolis, Milwaukee, Minneapolis and Detroit. But he's shooting for greater number of outlets this fall.

<u>Though he's refusing to go very far in discussing future plans</u> -- preferring to dole out tidbits of information at strategic moments -- here are some indicators of the kind of planning currently going on in the Weaver domain:

<u>Programming</u> -- <u>By fall, he's hoping to build up</u> an almost-solid block of daytime shows from 9:30 a.m. until 3 p.m. His nighttime plans include every evening of week -- with 2 hours on Saturdays (7-9 p.m.). Though he has already announced 90min. dance party for Saturday evenings, there is still considerable speculation that at least part of the 2-hour segment will be occupied by Weaver's friend and "movie" partner, Sid Caesar. As Weaver himself said in Chicago this week:

"<u>One of the glorious things about the situation now</u> is that so many entertainers are available. Because of the follow-the-leader policy of the networks, look at how many comedians are free -- Sid Caesar, Buddy Hackett, Jack Leonard, Jack Paar, Jack Carson, Imogene Coca, to name a few."

"<u>Spectacular</u>" concept, which he pioneered, still features in his plans -with at least one "sports spectacular" planned early in the game. <u>Sponsors</u> -- <u>Though only announced advertiser is Taylor-Reed</u> (Cocoa Marsh) for Ding Dong School, there has been plenty of advertiser interest in Program Service project, with signatures on dotted line for at least 5 hours weekly -- and sponsors either signed or on the verge include an auto maker and an aluminum firm.

<u>Affiliates</u> -- <u>Though Program Service will affiliate</u> at first mainly with independent stations in 4-station markets, it's also plumping hard for agreements with some ABC affiliates along its basic cable-microwave route. The temptation Weaver is offering is daytime programming (vs. ABC-TV's begin-at-3 p.m. status) -- and there are reports he's asking options on nighttime segments in exchange.

<u>Personnel</u> -- <u>Program Service currently operates</u> with basic 4-man staff, but additions are due, including at least one more former NBC executive. -- (DL)

**CRAVEN PLAN RUNNING INTO OPPOSITION:** <u>Deadline for comments on "Craven Plan</u>," FCC's proposal to dispense with allocations table (Vol. 13:17), comes June 3 -- and support by industry shapes up as lukewarm at best, with some substantial groups quite vigorously opposed. <u>Chairman McConnaughey seems to be pushing</u> for final approval before he leaves Commission June 30 -- for he and Commission majority quickly denied the requests for more time filed last week by RETMA, this week by NARTB.

Networks indicate they don't plan any strong stand on matter. Likelihood is that they'll favor plan's objectives -- flexibility & speed in establishing stations -- but express doubt that proposal will accomplish them. Actually, like the other owners of well-situated vhf stations, they have something to lose in any plan that tends to permit encroachment on coverage of their stations -- though Craven Plan rigidly specifies that engineering standards won't be breached.

Assn. of Maximum Service Telecasters, however, doesn't take any middle ground. It will claim that allocations table is "keystone" of today's good service; that present method of channel-shifting via rule-making makes it easy for Commission to evaluate moves; that proposal is premature because TASO has just started its work on analysis of vhf-uhf coverage; that FCC itself points out fact most vhf channels are already occupied; that uhf would be weakened by vhf move-ins; that plan will produce less flexibility, rather than more; that faster rule-making procedures are better answer; that mileage separations will be hard to maintain. AMST spokesman says none of its 124 members has dissented from its position.

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<u>Another source of opposition</u> is Joint Council on Educational TV. Though "deeply gratified" by proposal to maintain educational channel reservations, JCET believes there are many dangers in plan, fears whole TV structure may be weakened.

JCET says that present procedures aren't "inflexible." In fact, it states, "If the procedural step of rule-making were to be abandoned, it appears that in many cases proposals to change or add TV facilities would be presented to the Commission on a competitive basis, so that the desirability of the change itself would have to be considered together with the choice among the applicants. Surely in many cases this would result in a much longer proceeding, and oftentimes the competitive aspects of the proceedings would be waste motion, if the changes in facilities were found intrinsically undesirable."

JCET is very fearful of hurting uhf. It says new rule may "make it generally possible to add a second vhf station in almost any area where there is a single vhf station presently in operation" and it claims that plan "would inevitably weaken the Commission's efforts to promote uhf by means of deintermixture." -- (AW)

**TALL-TOWER CRITERIA AGREEMENT READY:** <u>The 5-year-old military-aviation-TV industry</u> <u>dispute over tall TV towers</u> comes to another climax Mon. June 3 when Joint Industry-Govt. Tall Structures Committee (JIGTSC) meets to ratify new set of criteria for the guidance of regional airspace subcommittees and Washington Airspace Panel in their consideration of whether proposed tall towers represent aviation hazards.

<u>Document appears virtually to prohibit</u> all future towers over 1000 ft. unless they are built in antenna farms -- but its supporters say this isn't true, that it's sufficiently flexible to permit Airspace Panel to continue to decide on a case-bycase basis. New criteria are supported by entire NARTB board and by AFCCE, presumably will have no trouble gaining formal approval by the TV-aviation-govt. group.

<u>TV industry supporters of document</u> say it is only way to stave off action in Congress to ban all over-1000-ft. towers. Controversial section of draft involves apparent endorsement of Air Force regulation 86.3, which provides: "Objects or structures located at a distance greater than 100,000 ft. from an airfield reference point are considered obstructions to air navigation if...the top elevation is more than 1000-ft. above the ground elevation at the site." Document specifically states that Air Force rule shall be applied as "reference criteria" in cases of military and "joint-use" airports (all airports used jointly by military and civil planes).

<u>Opponents state that "joint-use" term covers most major airports</u> -- and they add that "over 100,000 ft. from an airfield reference point" could include virtually any location in the country. JIGTSC document notes these exceptions to criteria:

"<u>The above criteria are adopted with the understanding</u> that 'farm areas' will be established in every community. In the establishment of the height of towers in these 'farm areas', aviation interests will compromise their needs to the fullest extent possible in order to provide tower heights required to deliver the maximum service to the public. To meet this objective, the above-noted criteria will not apply." In preface to criteria, JIGTSC document states:

"<u>These criteria, per se, are not intended as a rigid standard</u> to be arbitrarily applied by the Airspace Panel in approving or disapproving applications for tower construction, and it is not intended that these criteria shall apply to existing antenna structures. Exceptions will be made by the Airspace Panel for the purpose of establishing or adding to antenna farm areas, as appropriate, and where existing conditions of terrain, obstructions or other circumstances would make application of these criteria inappropriate."

JIGTSC will ask FCC to change Part 17 of its rules to conform to new criteria. Commission already has rule-making pending to encourage use of antenna farms.

SPLIT REACTION to FCC's move on pay-TV last week (Vol. 13:21) is still evident—proponents still claiming they're getting somewhere, opponents satisfied they've staved off whole business for at last a year, perhaps indefinitely.

Newspaper reporters shared this schizophrenia. "If one thing is clear," wrote Jack Gould in May 29 N. Y. Times, "[it] is that pay-as-yousee video is a long way from practical realization. There are cnough problems, social, legal, technical and economic, to keep the idea of toll-TV tied up for years."

Here's how N. Y. Herald Tribune's Charles Carroll evaluated it May 26: "Box-office TV, described variously as boon or bane to the TV industry, has taken a giant step toward full-scale testing. The FCC in effect flashed the green light for testing when it decided last week that it has the power to authorize pay-TV. However, just when the controversial system will go on the air on a large scale was not clear."

Even pay-TV's foes in Congress—Rep. Harris (D-Ark.), chairman of House Commerce Committee, and Rep. Celler (D-N. Y.), chairman of House Judiciary Committee—have varying views of FCC's action. Harris indicates he's satisfied that Commission shares his doubts about its powers to give subscription TV final go-ahead, noting that Commission said it may have to come to Congress later (see Special Report, May 25). Celler isn't complacent. He wants pay-TV outlawed—period. He wants FCC to declare that toll-TV simply isn't in the public interest—and if Commission won't do it, he intends that Congress kill the matter, once and for all. He told us he'll press Harris conmittee to conduct hearings on his bill to prohibit pay systems.

Theatre owners aren't relaxing, either. Their Joint Committee on Toll TV issued statement asserting that FCC "erred" and that Congress & courts will find subscription TV "unconstitutional on more than one ground."

Meanwhile, Skiatron's Matty Fox, that wide-ranging wheeler-dealer, has west coast all stirred up with talk about financing move of N. Y. Giants to San Francisco and Brooklyn Dodgers to Los Angeles while tieing up closedcircuit pay-TV rights to their games. Fox has been rumored planning to put pay-TV across under virtually every conceivable situation and in virtually every country with TV. In San Francisco, Pacific Telephone & Telegraph Co. pres. Mark Sullivan confirmed he had consulted with Fox representative Allen Lane about supplying cable facilities. "We have been working with Skiatron to find out the initial number of lines they're going to want," he said, "I think the plan is to just have a coast circuit at first and later to work back east by hooking onto trunk coaxial lines."

Dodgers pres. Walter O'Malley pooh-poohed the Skiatron talk. "I have never received a cent from Mr. Fox at any time," he said. "Skiatron doesn't enter the picture at all. I guess this is a great day for denials, isn't it?" No one seemed able to reach Fox for comment, and plenty of reporters were trying. At any rate, newspapers were full of such quotes as: "Reports circulated that the 2 clubs might each receive \$2,000,000 a year for 10 years for the rights to paid, closed-circuit TV coverage on the west coast."

Add candidates for FCC vacancy: T. Hartley Pollock, St. Louis attorney; he's 49, member of Pollock, Ward, Klobasa & Shaw, was active in Citizens for Eisenhower, has been pres. of Bar Assn. of St. Louis (1955-56). He's being pushed for chairmanship. There's no reliable indication, meanwhile, as to who's in lead position among all those named to date (Vol. 13:21). **FIRST 'OVER-HORIZON' TV microwave grants** were made this week by FCC—to 2 competing companies proposing to link Florida and Cuba by 180-mi. tropospheric scatter relays—with indications that both would be in operation by late summer or early fall. The international TV grants were made to AT&T and Florida Micro Communications Inc.

AT&T's grant was modification of authorization made last year for over-horizon telephone communications between Florida City, Fla. & Guanabacoa, Cuba on 840 & 880 mc. FCC action permits monochrome relay to be added. Facilities at Cuban end of link will be owned and operated by Radio Corp. of Cuba (IT&T subsidiary). Although AT&T hasn't given target date for the 2-way relay operation, best guess is that operation will begin by about mid-Sept. 1957, in time for World Series.

Grant to Florida Micro Communications is for Tavernier, Fla.-Matanzas, Cuba link on 800 mc. FMC will own stations at both ends, plans only southbound service initially, adding northbound relay later. It has entered into agreement with Cuba's Telemundo network (CMAB-TV, Havana, & satellites) to bring Cuban programs to U.S. FMC, with headquarters at 1521 S.W. 13th St., Miami, is headed by Miles R. DuKet, with about a score of other stockholders, mainly from Chicago. It hopes to have monochrome-color channel in operation in 2-3 months, using composite klystron-powered transmitter.

Grant to AT&T was unanimous (Lee absent), while FMC grant was 4-1, Mack abstaining and Craven dissenting and indicating doubt whether "technical feasibility has been indicated."

Neither carrier has yet filed tariffs with FCC, but AT&T indicated in its application that it plans to charge about \$600 an hour for monochrome TV service over the relay, and FMC spokesmen have informally stated their charge would be \$500 an hour for monochrome and \$750 for color.

FCC's network study committee held another "hearing" in New York Federal Courthous this week, with chief examiner James D. Cunningham presiding. This time 3 of the 7 subpoenaed independent programmers-Entertainment Productions, Official Films and TPA-showed up. Cunningham gave them until June 14 to produce material requested by network study group under Dean Roscoe Barrow. Other 4-Screen Gems, Ziv, MCA-TV & Revue Productions-continued to fight committee's right to subpoena their financial data, and Cunningham filed request with FCC to institute proceedings in Federal Court to require recalcitrants to honor subpoenas. The 4 programmers immediately answered with new filing, stating that matter could not be referred to court while Commission was still considering their request for review of Cunningham's refusal to quash subpoenas.

FCC was brought into act featuring Mike Wallace & Mickey Cohen with filing of protest May 31 by Los Angeles police captain James Hamilton against "sensationalism" of Wallace's ABC-TV interview May 19 with exgangster Cohen. It was another repercussion from broadcast, for which ABC-TV v.p. Oliver Treyz apologized on Wallace's May 26 show. Hamilton is one of group of Los Angeles officials who were denounced by Cohen in unrehearsed interview in language which brought threats of lander suits against all involved, including sponsor Phillip Morris. FCC refused to disclose full contents of Hamilton's complaint until ABC-TV has chance to present its side of controversy.

Blast at FCC, voiced by Rep. Dingell (D-Mich.) in House speech this week, used some of strongest language applied to Commission since death of Rep. Cox (D-Ga.), whose cry was usually "Communists!" Detroit attorney Dingell said Chairman McConnaughey, who leaves Conimission June 30, is "winding up one of the most ignominious careers in the history of quasi-judicial regulatory agencies." He also blasted Comr. Doerfer as having "worked closely with Mr. McConnaughey in giving the Commission the reputation it has acquired ... [Both] have demonstrated a penchant for endearing themselves to networks and bigger telecasters-the people, in short, whom the FCC is supposed to regulate." Dingell said a Commission investigation of AT&T charges for TV transmission "has been kept under wraps, possibly because of the Chairman's ties with the people he formerly represented as an attorney." McConnaughey should be brought before the House Commerce subcommittee, he said, to explain favors he has sought from broadcasters-and also certain "decisions of the Commission in which he and 3 others (Comrs. Doerfer, Lee, Mack) of the 7-man group have voted together in shocking disregard of policies," citing grant to Boston Herald-Traveler as example. Dingell went on to say that "among attorneys who are practicing before the present FCC, it is now believed that a case is arranged rather than tried, and the winner is the party with the most political strength." Commissioners declined to react.

Allocations activity at FCC this week: (1) Finalized addition of Ch. 10 to Tampa-St. Petersburg. (2) Proposed shift of Ch. 9 from Iron Mountain, Mich. to Wausau, Wis., replacing it with Ch. 8. (3) Invited comments on conflicting proposals to add Ch. 6 to Eureka, Cal. or Brookings, Ore. (4) Received proposal from WAKR-TV, Akron (Ch. 49) for addition of Ch. 12 to Akron-Cleveland, substituting Ch. 41 for Ch. 12 in Erie, Pa., Ch. 5 for Ch. 12 in Clarksburg, W. Va., Ch. 12 for Ch. 5 in Weston, W. Va.; proposal would require Erie's WICU to shift to Ch 41, Clarksburg's WBLK-TV to Ch. 5. (5) Received proposal from prospective applicant Minnowa Bcstg. Co., Fairmont, Minn., for addition of Ch. 12 (6) Received request from WVEC-TV, Hampton-Norfolk (Ch. 15) for permission to shift to new Ch. 13.

Efforts of WJHP-TV, Jacksonville, Fla. (Ch. 36) to block grant of WFGA-TV (Ch. 12) pending FCC action on request to deintermix area were turned down by Court of Appeals this week. Court said that Commission was neither arbitrary nor capricious in its action; that Commission was reasonable in hastening service to area; that no tentative decision in favor of deintermixture had been made as in Peoria, Springfield, Hartford, New Orleans, etc. when WJHP-TV asked that WFGA-TV grant be stayed.

Experimental operation on new Ch. 12 in New Orleans, proposed by WJMR-TV (Ch. 20), drew opposition from TASO & AMST. TASO denied it had generally approved proposal and AMST told FCC that operation would be at co-channel mileage separation less than that prescribed by FCC rules. WJMR-TV proposes 40-kw ERP, 250-ft., says it would cause no more interference than 316-kw & 1000-ft. at normal separation.

CPs issued by FCC this week: Ch. 7, Hays, Kan., to KAYS; Ch. 5, Great Falls, Mont., to Cascade Bcstg. Co. (management consultant Francis N. Laird & engineer Robert R. Laird); Ch. 72 translator, Libby, Mont., to Libby Video Club; Ch. 83 translator, Santa Rosa, N. M., to Chamber of Commerce.

Probe of govt. agency "leaks" by Sen. Jackson's (D-Wash.) committee (Vol. 13:21) brings FCC and other agency representatives up for closed meetings June 4.

NARTB board's semi-annual meeting is scheduled June 18-21 at Washington's Mayflower Hotel.

Personal Noies: Ludwig W. Simmel promoted to mgr. of sales, service & traffic of NBC Radio; Wm. G. Thompson Jr. to supervisor of co-op sales . . . Michael Burke, ex-Ringling Bros. and Barnum & Bailey, named director of CBS-TV network programs in England, where he will act as talent scout . . . Frank McCall, ex-NBC, resigns as gen. mgr. of National Airlines' upcoming WPST-TV, Miami, to join Cellomatic Corp., N. Y. as v.p. in charge of sales . . . Ralph N. Harmon and Richard M. Pack, Westinghouse Bcstg. Co. v.p.'s, awarded Westinghouse Electric Corp.'s Order of Merit & Silver W for "outstanding contributions to Westinghouse leadership" in broadcasting . . . Martin L. Nierman promoted from eastern sales mgr. to v.p. & national TV div. sales mgr. of rep Edward Petry & Co.; Ernest Lee Jahncke Jr., former v.p. & asst. to pres. of ABC, joins Petry as v.p. & asst. to pres. Edward Petry; Ted Page promoted to asst. sales mgr.; Thomas E. Knode resigns as v.p. in charge of TV, Charles H. Philips as sales development mgr. . . . Dillon Anderson reelected to Westinghouse Electric board following 2-year hiatus while he served as President Eisenhower's special asst. for national security affairs; he's also 2.8% owner of KTRK-TV, Houston . . . Richard D. Buckley, gen. mgr. of DuMont's newly-acquired radio WNEW, N. Y., named DuMont v.p. in charge of all TV-radio programming & sales; John M. Grogan shifts as program mgr. from WNEW to WABD . . . Jerome P. McGranaghan, ex-GOP national speakers bureau, becomes asst. to NARTB govt. relations mgr. Vincent T. Wasilewski . . . Eugene S. Thomas, gen. mgr. of KETV, Omaha, elected v.p. of owner Herald Corp. (Omaha World-Herald) . . . Miss Alma F. Graef, ex-MBS director of commercial operations, joins NTA Film Network as director of sales services; Mrs. Lynn Cleary Christensen, ex-DuMont Network and WABD, New York, named asst. to v.p.-gen. nigr. Raymond E. Nelson; Joseph Schackner, ex-MBS, becomes asst. to station relations dir. Tony Azzato . . . Merl L. Galusha, from radio WGY, Schenectady, rejoins WRGB as mgr., WRGB sales manager Robert F. Reid becoming manager of radio WGY, succeeded at WRGB by George F. Spring . . . Waldo Abbot retires June 30 after 32 years as U of Mich. broadcasting director, will continue for year as consultant ... Roger B. Read promoted from local sales mgr. to asst. gen. mgr. & gen. sales mgr. of WKRC-TV, Cincinnati,

Private plane crash atop 9500-ft. Ferris Mt., Wvo., cost life of Dalton LeMasurier, pres.-gen. mgr. of KDAL-TV & KDAL, Duluth-Superior. Rescue party May 30 found wife, who survived 19 days of exposure without food on snow-covered peak. Mrs. LeMasurier, 45, was unable to tell rescuers how long her husband lived after engine failure sent their light plane down May 11 in flight from Pasadena toward Duluth. But she thought he died either 4 days later or week before she was found huddled near his body. With no shelter except burned wreckage of plane & no nourishment except 4 pieces of chocolate & bottle of vitamin pills, she suffered shock, frostbite, sunburn, malnutrition, but was reported in "amazingly good" condition at Rawlins, Wyo. hospital. Search for plane, missing following take-off from Salt Lake City for Rapid City, S. D., ended after foreman Jack Putnam of Buzzard Ranch at foot of mountain spotted wreckage through binoculars. Duluth stations had offered \$2500 for information leading to discovery.

J. B. Fuqua will be sole owner of WJBF, Augusta, Ga. (Ch. 6), having paid \$300,000 for 35% held by Martin Theatres of Ga. and acquired 6% held by D. M. Kelly Jr. for undisclosed sum. Martin Theatres recently became sole owners of WTVM (formerly WDAK-TV), Columbus, Ga. (Ch. 28), buying 25% from radio WDAK for \$25,000 (Vol. 13:19). succeeded by Richard F. McCarthy . . . Burton H. Ilanft elected Screen Gems v.p. in charge of business affairs; Irving Starr named supervisor of European production . . . Dick Lewis appointed Chicago sales representative, MGM-TV commercial & industrial film dept. . . Jack Berch, who has headed own producing firm, joins ATV Film Productions as partner & v.p. in charge of sales & client relations . . . James F. O'Grady named midwest sales mgr. of rep Young TV Corp., headquartering in Chicago . . . Jack Miller appointed asst. gen. mgr. of KTVR, Denver.

## Obituary

Frank Pell Lawrence, 70, retired AT&T v.p. in charge of long lines dept., died May 27 in Community Hospital, Montclair, N. J., from burns suffered 2 days earlier from flaming canvas lawn chair at home. He joined Bell System as engineer in 1912, advanced to AT&T long lines chief in 1940, retired 6 years later. Surviving are his widow, son, daughter, sister.

. 18

Realignment of NBC-TV news & special affairs set-up was announced this week by exec. v.p. Robert E. Kintner, putting new emphasis on news and sports. New creative programming unit has been established, headed by Henry Salomon, director of "Project 20" and writer-producer of *Victory at Sea*, who reports to TV network programs v.p. Manie Sacks. News dept. has been separated from public affairs dept. and will operate as independent unit under news director Wm. R. McAndrew; sports dept., also separate, continues under director Thomas S. Gallery. Davidson Taylor continues as v.p. for public affairs and in addition has been appointed general program exec. in program dept. News, public affairs & sports depts. report to Kintner.

Deadline for applications for NBC President's Award of \$4000-\$6000 for TV-radio study & training is June 30. Annual competition is open to all U. S. applicants aged 25-35 "who show unusual skill & promise in the field of broadcasting." Winner will study under major directors, producers or executives.

Hearne & Spillane is new name of John P. Hearne law firm, Lester W. Spillane, ex-FCC, advancing to partner. Offices: 405 Central Tower Bldg., San Francisco; 6363 Sunset Blvd., Los Angeles.

CBS Foundation Inc. will give 1957 grants totaling \$38,000 to 12 privately-supported schools from which 19 key CBS executives graduated. Awards of \$2000 each are "in recognition of the services of these alumni to CBS," representing "cost of education" over & above costs charged to student: George T. Bristol Jr., Amherst; Kenneth E. Raine, Berea; Frank J. Shakespeare Jr., Holy Cross; Wm. Bachman & Joseph A. W. Iglehart, Cornell; George J. Arkedis & Robert J. Dunne, Fordham; Leon R. Brooks, Philip Feldman & Lewis Gordon, Harvard; Howard A. Chinn & Robert G. Marchisio, MIT; Harold C. Lang, NYU; Wm. Ackerman & Irving Townsend, Princeton; John A. Schneider, Notre Dame; Mitchell Miller & David J. Oppenheim, U of Rochester; Henry Howard, Yale.

USIA budget of \$96,200,000—slashed from \$144,-000,000 sought by Administration—was finally voted May 29 by economy-bent Congress. Appropriation is \$6,000,000 more than Senate first granted (Vol. 13:20), but \$10,-000,000 under figure favored by House for fiscal 1958 (Vol. 13:16). USIA had \$113,000,000 budget in current fiscal year. Only Sens. Javits (R-N. Y.) & Neuberger (D-Ore.) held out for Administration in 75-2 passage by Senate of Senate-House compromise measure, which struck at USIA payrolls & overseas news service. Left intact, however, were major VOA TV-radio projects, including \$1,100,000 to start new Middle East transmitter. New and Upcoming Stations: WPSD-TV, Paducah, Ky. (Ch. 6) began May 28 as NBC-TV interconnected affiliate, becoming city's first outlet—nearest stations being WSIL-TV, Harrisburg, Ill. (Ch. 22), 45 mi.; KFVS-TV, Cape Girardeau, Mo. (Ch. 12), 53 mi. With KCCC-TV, Sacramento (Ch. 40) leaving air May 31 (Vol. 13:20-21), on-air box score remains 500, operating uhfs drop to 91. First Canadian satellite, CJOX-TV, Argentia, Nfd. (Ch. 10) began May 30 carrying programs of parent CJON-TV, St. John's (Ch. 6), bringing Canadian on-air total to 40.

WPSD-TV has 10-kw RCA transmitter, 500-ft. Ideco tower with 6-section superturnstile antenna on south edge of town. Owner *Paducah Sun-Democrat* (E. J. Paxton family) recently sold radio WKYB there to WEW, St. Louis (Vol. 13:16), also owns 25% of WFRX, West Frankfort, Ill. E. J. Paxton Jr. is v.p.-gen. mgr.; Sam Livingston, from WKYB, asst. gen. mgr; Fitz Hooton, ex-KPLC-TV, Lake Charles, program director; E J. Pell, WKYB, chief engineer. Base hour is \$400. Rep is Pearson.

CJOX-TV has 500-watt RCA transmitter with wavestack antenna 75-ft. above ground on hill adjacent to U. S. Naval & Air Base, on west coast of peninsula, 60 mi. from St. John's. Owners are Geoff Stirling, pres. & gen. mgr. of parent CJON-TV, with v.p.-program director Don Jamieson serving as station mgr. of CJOX-TV. CJON-TV is raising base hour July 1 from \$200 to \$230. Reps are Weed and All-Canada.

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

WIIC, Pittsburgh (Ch. 11) plans July 15 start with NBC-TV but hasn't set target for test patterns, reports gen. mgr. Robert A. Mortensen. It's installing 100-kw RCA transmitter, has 840-ft. Truscon tower ready except for installation of transmission lines and GE helical antenna. It will be city's 2nd commercial vhf, WENS (Ch. 16) planning to leave air when WIIC gets going. Base hour will be \$1800. Rep will be Blair.

WWL-TV, New Orleans (Ch. 4) has started construction of transmitter house at site near Gretna, La., expects to begin Aug. 15 with CBS-TV, writes gen.-mgr. W. H. (Slim) Summerville for owner Loyola U. Ideco 750-ft. tower is scheduled to arrive Aug. 1, delivery date on RCA transmitter and antenna unreported. J. D. Bloom, from WWL, will be chief engineer. Rates not set. Rep will be Katz.

KETV, Omaha (Ch. 7) has studio-transmitter building at 27th & Douglas Sts. 85% complete, expects to have 50-kw RCA transmitter wired by July, 1957, says v.p.-gen. mgr. Eugene Thomas for grantee Herald Corp. It has 583-ft. Ideco tower with 12-section antenna ready, aims for start with ABC-TV in Sept., says test patterns will begin during "Aug. or Sept." John Quigley, ex-operations mgr. of KAKE-TV, Wichita, will be program mgr. Rates not set. Rep will be H-R Television.

WLWI, Indianapolis (Ch. 13), planning Sept. 15 start with ABC-TV, has Sept. 1 test pattern target, reports John T. Murphy, TV v.p. of grantee Crosley Bestg. Corp. Foundation forms for transmitter house are being constructed and 50-kw RCA transmitter has been ordered for Aug. 15 delivery. Ideco 1016-ft. tower is due July 12, 12-bay superturnstile antenna Aug. 1. Robert Lamb, ex-TV sales mgr. of Crosley rep firm in Chicago, will be sales mgr. Rep will be Crosley.

WAVY-TV, Portsmouth-Norfolk (Ch. 10) has Aug. 15 test pattern target, hopes to start with ABC-TV Sept. 1 Sept. 15 at latest—reports v.p.-gen. mgr. Carl J. Burkland. Studios are ready and closed-circuit programs have been conducted for special groups. It has 50-kw RCA transmitter on hand but installation awaits completion of transmitter house, due in about 7 weeks, at site near Drivers, Va. Work on 1050-ft. Ideco tower with 12-section superturnstile antenna begins June 3, with completion target June 25. Base hour will be \$700. Rep will be H-R Television.

KMOX-TV, St. Louis (Ch. 11), set back when FCC turned down CBS request to start with temporary facilities (Vol. 13:14, 18), has changed target to "close to the end of the year," reports gen. mgr. Gene Wilkey. Make of transmitter and tower to be used not reported. Rep will be CBS Spot Sales.

WINR-TV, Binghamton, N. Y. (Ch. 40) has changed test pattern target to Aug. 15, programming to Sept. 1, reports gen. mgr. Dale Taylor, ex-mgr. of radio WENY, Elmira. Owner is *Binghamton Press* (Gannett), which acquired CP along with radio WINR from group headed by Mayor Donald W. Kramer (Vol. 13:2). It has a 25-kw RCA transmitter due July 15 and construction has begun on TV addition to radio transmitter house. RCA 52-gain pylon antenna is due July 1 for installation on 299-ft, tower. Base hour not set. Rep will be Hollingbery.

KPLO-TV, Reliance, S. D. (Ch. 6) still is planning June test patterns, but hasn't set programming target for operation as semi-satellite of parent KELO-TV, Sioux Falls (Ch. 11), reports principal N. L. Bentson. RCA 10-kw transmitter has been installed in Butler steel building and 700-ft. Stainless tower is scheduled for completion by June 10, when 6-section superturnstile antenna is to be installed. Microwave connection to Sioux Falls, 146 mi. away, is under construction. KELO-TV, also operating KDLO-TV, Florence, S. D. (Ch. 3), has \$450 base hour. Rep is H-R Television.

KTVC, Ensign, Kan. (Ch. 6) expects to begin test patterns about first week in July, hasn't set programming target, reports Wendell Elliott, v.p.-gen. & sales mgr. & 5.65% owner. It has 5-kw transmitter installed, is assembling 6-bay antenna for installation on 600-ft. Liberty tower, now up. GE microwave to Stafford, Kan. will be ready shortly, to pick up ABC-TV affiliate KAKE-TV, Wichita. Base hour will be \$100. Rep not chosen.

WMVS-TV, Milwaukee (Ch. 10, educational), planning Aug. start, has 10-kw RCA transmitter on hand, but transmitter house near WITI-TV at Port Washington & Donges Bay Rds. won't be ready until mid-July, writes H. E. Barg, asst. director & business mgr. for grantee Board of Vocational & Adult Education. Alford 4-bay antenna will be side-mounted at 700-ft. level on WITI-TV tower. — (PS)

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Second translator in Truth or Consequences, N. M., K8OAC began operation May 21, repeating KGGM-TV, Albuquerque, reports city mgr. Robert B. Laursen—city being operator of K7OAE, repeating KOB-TV, Albuquerque. Redmond, Ore. translators K73AE & K83AA haven't target as yet to begin repeating KOIN-TV & KPTV, Portland, reports A. J. Sheffield, JC-TV chairman for grantee Redmond Jr. Chamber of Commerce. He hopes Adler transmitters will arrive by June 15, when K73AE antenna is due from Wenatchee, Wash.—no delivery date set yet for K83AA antenna. Kirk Patrick, Prineville, Ore. will be in charge of maintenance. Romeo, Colo. translator K82AC began program tests May 28, repeating KGGM-TV, Albuquerque, reports Jack M. Corry for San Luis Valley TV Inc.

Upcoming facility changes: WFIE, Evansville, plans to switch from Ch. 62 to Ch. 14 by end of June; KPLC-TV, Lake Charles, La. (Ch. 7) has Aug. 1 goal for increase to 316-kw ERP; WJTV, Jackson, Miss. (Ch. 12) plans 316-kw hy Sept. 1.

KSIX-TV, Corpus Christi (Ch. 10) boosted power to 214-kw May 29.

**PROTECTION OF TV channels and other fre**quencies from preemption by new aviation electronic & communications systems was urged by FCC general counsel Warren Baker in testimony on airways modernization bill (S-1856) before Senate Commerce Committee May 27. He agreed to supply language for section of bill designed to assure coordination between proposed Air Modernization Board and FCC with respect to frequencies.

Legislation arose from report by Edward P. Curtis, special asst. to President for aviation planning, which recommended—among other things—"modernization" and "flexibility" of civilian and military aviation telecommunications.

Baker pleaded for "adequate consultation" with FCC before new electronic equipment is developed so that it can be determined whether proper spectrum space is available. Using TV requirements as an example, Baker told Committee that if air communication or navigation equipment were developed which used bands presently allocated to other services, "you are faced with the question, shall you throw away the piece of equipment because it needs the space now occupied by TV, or shall members of the public who have TV equipment junk their equipment in order to make way for it?"

"We would not like to see equipment developed in a particular band because it would be slightly less costly for the aviation interests," he continued, "without taking into account that it might have to dispossess other people who have made substantial investments." He suggested frequencies above 890 mc as "virgin territory" for new developments and systems.

Referring to recent discredited rumors that military was planning to take away Ch. 2-6 (Vol. 13:15), Baker proposed coordinated over-all study of spectrum utilization, to establish a "long-range program how best to use a spectrum which there is no more of."

Sen. Potter (R-Mich.) repeated his proposal for similar study by independent group to ascertain whether military frequencies are being properly used. He added that he is "having some work done at the present time to see whether or not it would be desirable" to have such a study.

Radio station sales approved this week: KWIL, Albany, Ore. by Albany Democrat-Herald (R. R. Cronise, publisher) to Larry Gordon, gen. mgr. of KWIN, Ashland, Ore. for \$80,000 (Vol. 13:16). WKDL, Clarksdale, Miss. by Ann P. McLendon & W. L. Kent to co-equal owners Tom R. Stillwagon, gen. mgr. of WALB-TV & WALB, Albany, Ga., and WALB-TV employes John B. Craddock & Joseph G. Rachuba for \$40,000 (Vol. 13:16).

Option for 50% of CP for KPAC-TV, Port Arthur, Tex. (Ch. 4) is being exercised by Jefferson Amusement Co. (Julius M. Gordon, pres.), according to application filed this week to turn CP over to new Texas Goldcoast TV Inc. Julius M. Gordon will be KPAC-TV pres.; Carl D. Levy, of Jefferson, secy.; O. W. Collins, Port Arthur College, v.p.; Earl R. Moxon, also representing college, treas. Each group is to advance \$150,000 toward construction.

KICA-TV, Clovis, N. M. (Ch. 12) & KICA equal owners will be Mae Straus & Frank Lesley, FCC having approved their purchase of <sup>1</sup>/<sub>3</sub> for \$36,666 from Garfield C. Packard, now owner of KTRC, Santa Fe, N. M. (Vol. 13:18).

Catalog of govt. & civic agency program material is being sent to member radio stations by NART'B; directory of commercial sources is due to be distributed next month.

Radio station sales reported this week: KLUF, Galveston, sold by Mayor George Roy Clough & family for \$105,000 to local group (with minority interest in KGUL-TV) including banker R. Lee Kempner, investment mgr. Thomas H. McCray, clothier David H. Nathan, attorney Preston Shirley, KGUL attorney Ballinger Mills, furniture dealer Edward Schreiber, lumber dealer Robert T. Coleman Jr., beer distributor Thomas A. McCarthy, furniture dealer Morris Plantowsky . . . WHMA, Anniston, Ala. (250-w) by Col. Harry M. Ayers, publisher of Anniston Star, for \$75,000 to Ralph Allgood and Grove Wise, also owners of WRMA, Montgomery, Ala. . . . WSPC, Anniston, (5000-w) by W. S. Weatherly and associates for \$65,000 to Col. Ayers, who proposes to change call to WHMA, having retained WHMA-FM ... WWOC, Manitowoc, Wis. by Francis M. Kadow for \$62,300 to Joseph Clark, owner of WFOX, Milwaukee ... KORT, Grangeville, Ida. by Far West Radio Inc. (Hub Warner, pres.) for \$50,000 to Edward M. Brainard, freelance TV-radio writer currently with Civil Defense Administration, Battle Creek. Brokers: WHMA & WSPC, Blackburn & Co.

Transfer of KVEC-TV, San Luis Obispo, Cal. (Ch. 6) by John C. Cohan and Jerome Kantro (50% each) to Salinas Valley Bcstg. Corp., owner of KSBW-TV, Salinas-Monterey (Ch. 8) & KSBW, in which pres. Cohan holds 32% interest, Kantro 5%, was revealed by application filed this week with FCC. Also filed was application for transfer of radio KVEC to Cohan, who is paying Kantro \$50,000 for his 50% and will become 100% owner. In KVEC-TV transaction, Cohan & Kantro are to get \$25,000 each plus advances they have made to TV—Cohan \$27,250, Kantro \$50,200. Combined KVEC-TV & KVEC March 31 balance sheet shows \$77,390 deficit. It lists \$365,686 fixed assets, \$31,803 current assets; \$141,272 current liabilities, \$232,938 long term debt, \$105,000 advances by partners.

Sale of KCOP, Los Angeles (Ch. 13) for \$4,000,000, long anticipated (Vol. 13:15), was formally announced this week. The Copley Press property will be taken over by Bing Crosby, George L. Coleman, Joseph A. Thomas & Kenyon Brown. Formerly KLAC-TV, station was purchased in 1953 by Copley from *New York Post* publisher Mrs. Dorothy Schiff for \$1,375,000. Crosby, Coleman & Brown also own <sup>1</sup>/<sub>3</sub> each in KFEQ-TV & KFEQ, St. Joseph, Mo. (Ch. 2).

WAAM, Baltimore (Ch. 13) had surplus of \$788,696 Dec. 31, according to application filed this week to transfer station to Westinghouse for \$4,400,000 (Vol. 13:18-19). March 31 balance sheet lists \$688,234 current assets (\$216,670 cash, \$143,295 accounts receivable, \$297,500 U. S. Treasury Notes), \$344,720 fixed assets (after \$877,964 allowance for depreciation). It had \$904,992 capital & surplus, \$136,008 current liabilities, no long-tcrm.

WMTV, Madison, Wis. (Ch. 33) is being sold by Gerald A. Bartell family for \$550,000 to WMTV Inc., 50% owned by WTVJ Inc. interests (Mitchell Wolfson, pres.), owners of WTVJ, Miami (Ch. 4), also having 20% interest in upcoming WFGA-TV, Jacksonville (Ch. 12). Other WMTV Inc. owners: Lee Ruwitch, WTVJ exec. v.p.-gen. mgr. 25%; radio WMAY, Springfield, Ill. (Gordon Sherman pres.-gen. mgr. & 36% owner), 25%.

Tax-supported educational TV has been upheld by Ill. Supreme Court in case in which taxpayers challenged right of U of Ill. to spend \$25,000 a year from state funds in operating WILL-TV, Champaign-Urbana (Ch. 12). Justice Byron O. House said university can't be restricted "to specific authorizations in its proposed research & experimentation," that TV "is one of the many activities incident to the management & operation of the university."

RCA shipped 3-V color film camera May 31 to upcoming WWL-TV, New Orleans (Ch. 4).

Telecasting Noies: "Spectaculars" and "specials"-irregularly scheduled 60 & 90-min. shows-haven't diminished in popularity, though it once looked like they might die out altogether. Next season, in fact, probably will see more of them than ever. Variety totaled up NBC-TV's scheduled and planned ones for next season, found a whopping 98 on the list-including 64 of them definitely on the agenda . . . Publicity build-up is beginning already on big 2-hour (8:30-10:30 p.m.) Nov. 27 color spectacular, Annie Get Your Gun (Mary Martin, John Raitt), which network hopes will be another Peter Pan . . . ABC going in for spectaculars this year, too-announcing two 60-min. live Frank Sinatra shows, with the singer-actor also doing 13 half-hour musicals and 23 half-hour dramas on film . . . Series of 7 special 60-min. color travel films starring Lowell Thomas is subject of negotiations between CBS-TV and GM's Delco div., Pat Weaver no longer involved; Art Linkletter also scheduled to do six 60-min. travel films for CBS-TV next season . . . Screen Gems steps up its operations in the spectacular field with "multi-million dollar agreement" with Henry Jaffe to develop & produce new TV shows, including Shirley Temple series of 60-min. fairy tales, new Lindsay-Crouse comedy suspense series, children's show, religious show and possibly some combination live-film 90-min. "specs" . . . Money: ABC-TV reported signing \$7,000,000 pact with Kellogg for 5-5:30 p.m. weekday strip for kiddie film shows (re-runs & cartoons), plus alt. weeks of Circus Boy (Sun. 7-7:30 p.m.). CBS-TV reportedly rang up \$6,000,000 in gross daytime sales last week, 6 advertisers signing long-term pacts on 5 shows ... CBS-TV has bought all rights to Jackie Gleason's 39 filmed Honeymooners shows ... U. S. Military Academy at West Point reports 400% increase in mail inquiries-or about 7000 so far-concerning entrance requirements since TV film series West Point was inaugurated . . . People watch TV, Pulse found in special N. Y. area survey, which turned up fact that "only" 15% of sets which are in operation during afternoon have no viewers.

TV isn't ruining book business, according to retailers interviewed at this week's Chicago convention of American Booksellers Assn. by Kenneth Slocum for May 29 Wall Street Journal. Despite "predictions from national authorities on many subjects" that TV would turn book readers into TV viewers, sales "turned up sharply" in 1956 and are likely to go higher this year, Slocum reports. ABA pres. H. Joseph Holihan doubts that TV affects reading habits one way or another: "Book stores in non-TV areas report identical trends with those in metropolitan areas."

- 13 -

Individual market ratings will be added to Pulsc's nationwide U. S. Telepulse ratings, effective with May edition. Each monthly edition will contain ratings on network and syndicated film programs in 40 different markets—based on surveys in 23 major cities and 17 supplementary markets—with 150 individual markets covered in course of a year.

State Committee on Radio & TV has been established by Soviet Cabinet following deluge of complaints that programs were drab and dull. Committee, headed by D. I. Chesnokov, ex-editor of monthly party journal *Kommunist*, was named—according to govt. announcement—because of increasing importance of TV-radio as informational and political medium.

WWJ-TV, Detroit, celebrates 10th anniversary with closed-circuit program from Detroit to New York luncheon June 6, to Chicago luncheon June 7.

New reps: WEAT-TV, W. Palm Beach, to Venard, Rintoul & McConnell (from II-R Television); WTWV, Tupelo, Miss. to Jack Masla (from Young). VIDEOTAPE may soon be more economical than film for distribution of syndicated programs and commercials to TV stations, according to study disclosed this week by management consultant Boyce Nemec, former exec. secy. of SMPTE. His conclusions: If methods can't be found to prolong effective life of TV film prints, mass switch to tape could come much sooner than many people think.

"Equipment availability, reliable splicing techniques plus assurance of reliability may be all that stand between the principal producers of film for TV and a radical change in their production techniques," study concludes. Among its findings:

Syndicated 16mm TV films have useful life of only 5-15 presentations on air, compared with normal motion picture use experience of 200-400 projections for each release print. Difference is attributed to physical damage from rough handling by station personnel, inadequate inspection at film exchange and failure of distributors to fix responsibility and to collect for film damage.

"Black-&-white 16mm prints for TV now cost 2-4 times as much per program hour as do 35mm color films for theatres"—the former costing distributor about \$54 per hour per print, or \$3.60 per program hour when aired 15 times, or \$10.80 when damage prevents use more than 5 times, and the latter seldom costing more than \$1.75 per projection hour. At same time, "the costs of tape and head replacement as reported by Ampex are already well within the range of film costs now being sustained." Tape and head replacement are currently in the neighborhood of \$5 per operating hour—\$5 for an hour's recording and \$5 for each playback.

Barring change in TV film inspection methods and billing procedure, to make possible more use per print and lower hourly cost, Nemec says, "the alternative may be Videotape."

Rate increases: KGUL-TV, Galveston, May 15 raised base hour from \$1000 to \$1200, min. \$200 to \$250, with min. being flat rate without discounts. WDSU-TV, New Orleans, June 1 raised hour from \$900 to \$1100, min. \$225 to \$250. WJHP-TV, Jacksonville, May 1 raised hour from \$300 to \$400, min. \$60 to \$80. WMFD-TV, Wilmington, N. C. May 15 raised hour from \$250 to \$350, min. \$50 to \$70. KELP-TV, El Paso, has raised hour from \$250 to \$300, min. \$50 to \$60. WCBI-TV, Columbus, Miss. Aug. 1 raises hour from \$150 to \$180, min. \$22.50 to \$30. CFPL-TV, London, Ont. April 1 raised hour from \$450 to \$525, min. \$100 to \$140. CKSO-TV, Sudbury, Ont. July 1 raises hour from \$220 to \$240, min. \$44 to \$48. Spot increase: KGO-TV, San Francisco, May 15 raised Class AA 20 sec. from \$375 to \$450, Class A min. or 20 sec. from \$270 to \$300.

Color TV microscope permitting direct examination of fine structure of living cells exposed to ultra-violet light was demonstrated May 27 by Dr. Vladimir K. Zworykin at faculty meeting at Rockefeller Institute for Medical Research, N. Y. He said device should lead to discovery of otherwise invisible cellular details. Director of Institute's medical electronics center and honorary RCA v. p., Dr. Zworykin recently was honored as co-designer of radio "pill" for research in intestinal disorders (Vol. 13:15). He is subject of "Personality Portrait" in June 1 Saturday Review.

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Honorary degree of doctor of science was awarded to Motorola exec. v.p. Daniel E. Noble by Ariz. State College at graduation exercises. ASC pres. Dr. Grady Gammage, in conferring degree, said Noble's "complete dedication to the new field of electronics has already resulted in enduring benefits to mankind, both at home and abroad, in war and peace."

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- 8 -

## NON LIGEST with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C. . TELEPHONE STERLING 3-1755

**APRIL TV FACTORY PRICE AVERAGE DECLINES:** <u>Average price of TV sets at factory level</u> in April dropped to about \$121 from \$127.50 in April, 1956, top industry statisticians tell us. Drop reflects bigger bite lower-price portables are taking out of market -- estimated 35% in April, compared with about 10% in same month last year. And retail sales followed about same pattern -- portable sales running 35% in April.

Drop in average price is attributable not only to greater percentage of portables in production mix but to drop in delivery of 21-in. table & console models from 65% last April to 58% this April.

Drive for higher prices -- and concomitant higher profits -- evident in the higher-end emphasis in new GE & Hotpoint lines (Vol. 13:21), is expected to be rein-forced as other leading producers introduce lines in next few weeks.

<u>Steady descent of TV prices</u>, in face of mounting labor and production costs, evoked this comment recently from official of leading set maker: "This industry has produced and sold over 14,000,000 sets in last 2 years and hasn't made a nickel."

<u>Full impact of decline is pinpointed</u> by RETMA statistics on factory unit sales and total dollar volume -- with average price working out like this: 1947, \$280; 1948, \$235; 1949, \$193; 1950, \$180; 1951, \$177; 1952, \$172; 1953, \$170; 1954, \$140; 1955, \$138; 1956, \$127.

<u>Analyzing problem from another standpoint</u>, one TV industry spokesman put it this way: "What other industry has improved its product as much as TV and still cut price in half in 10 years?" To point up drop in TV prices compared with other industries, we obtained these wholesale price indices from U.S. Labor Dept. (Figures are expressed in terms of 1947-49 base period, which equals 100):

	1953	1954	1955	1956
TV Receivers	74.5	71.2	69.1	69.7
Motor Vehicles	118.9	119.3	122.9	129.8
Automatic Laundries	104.8	103.0	100.2	102.1
Refrigerators	105.6	106.4	101.5	98.0

**Slim Look:** <u>This fall seems sure to be called the "Slim Look" era</u> as TV manufacturers take a cue from thinner room air conditioners which have caught public's fancy. Emphasis on styling also sparks set makers' attempts to "return TV to the living room" (Vol. 13:20) with use of wide-angle llO-degree tube (Vol.13:21) at higher price & profit levels. GE's "Slim Silhouette" and Hotpoint's "Slender Profile" set pace with 21-in. & 24-in. sets only 15-in. deep with 1½-2-in. tube cup projection, accent on deluxe features at big-ticket prices. Comes now RCA -- with press showing June 4 at New York's Hotel New Yorker -- disclosing "first on-the-wall <u>lean-clean console TV</u>." We haven't seen set yet, but from what we hear RCA is eliminating tube cup projection -- "doghouse" -- as part of depth saved by use of 5-6in. shallower 110-degree tube.

**49-lb. Portable:** <u>Sylvania's 21-in. 110-degree portable</u> -- first reported in April (Vol. 13:16) -- made appearance this week. It weighs 49 lbs., and TV-radio gen. sales mgr. Robert L. Shaw claims it is "more than 50% lighter than 21-in. table models with 90-degree tubes." Dubbed "The Californian," king-sized portable has metal cabinet, 261-sq.-in. screen, aluminized tube, suggested list of \$200. Cabinet is 13 ll/16-in. deep, compared with 20-in. for 21-in. 90-degree table sets. RCA shows its 21-in. portable next week.

**BDSA Group Saved:** <u>Appropriation to operate</u> Commerce Dept.'s BDSA industry divisions for another year -- although on curtailed scale -- was assured this week when House-Senate conference committee approved Senate recommendation of \$2,167,000 to keep divisions going, after House had removed operating funds -- which, in effect, would have killed the industry-govt. liaison operations (Vol. 13:15-16, 19-20). Passage of final legislation probably will come June 3 or 4 in both houses. Commerce Dept. already has given dismissal notice to more than 100 employes in industry divisions in anticipation of appropriation cut -- but Electronics Div., under director Donald S. Parris, has not been affected by the personnel cuts.

**Production:** <u>TV output was 86,629 week ended May 24</u>, compared with 80,436 preceding week and 117,767 in corresponding week one year ago. It was year's 21st week and brought TV production for year to date to about 2,165,000 compared with 2,862,-177 in same period of 1956. <u>Radio production totaled 249,720</u> (93,275 auto) week ended May 24, compared with 243,270 (97,750) the preceding week and 283,306 (76,723) in corresponding week year ago. Radio output for 21 weeks totaled about 6,099,000 (2,418,000) vs. 5,585,390 (2,017,395) in same 1956 period. -- (JSC)

**Topics & Trends of TV Trade:** Shipments of TVs to dealers totaled 1,457,636 in first quarter 1957, when production was 1,474,729, according to RETMA state-by-state report. They compare with shipments of 1,702,236, production of 1,844,632, in first 3 months of 1956. New York led with 163,054; California was second, 131,733; Pennsylvania was third, 101,095. March shipments totaled 535,-310, compared with 499,251 in Feb. and 549,220 in March 1956. Here's first quarter 1957 report (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	24.294	New Jersey New Mexico New York North Carolina	52,757
Arizona	8,952	New Mexico	5,561
Arkansas	13,696	New York	163.054
California	131,733	North Carolina	29,969
	13,047	North Dakota	5,258
Colorado	24,418	Ohio	80,733
Connecticut	3.274	Oklahoma	14.908
Delaware		Oragon	
District of Columbia	16,815	Oregon Pennsylvania	101.095
Florida	56,470	Rhode Island	7.221
Georgia	30,692		13.072
Idaho	5,550	South Carolina	5.590
Illinois	83,134	South Dakota	
Indiana	35,617	Tennessee	26,874
Iowa	15,965	Texas	80,477
Kansas	16,613	Utah	0,000
Kentucky	25,832	Vermont Virginia Washington West Virginia	2,963
Louisiana	26,606	Virginia	24,284
Maine	7,132	Washington	22,431
Maryland	20,843	West Virginia	15,779
Massachusetts	43,030	Wisconsin	24,951
Michigan	53,253	Wyoming	3,320
Minnesota	22,222		
Mississippi	14,403	TI C Matal	1 450 040
Missouri	32,300	U. S. Total Alaska	1,453,940
Montana	8,843	Alaska Hawaii	1,039
Nebraska	10,802	Hawali .	2,657
Nevada			
New Hampshire		Grand Total	1,457,636
		Gianu IUtal	1,10,000
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Battery-operated TV sets will be possible by first quarter 1958, pres. Nicholas Glyptis of Multi-Tron Lab, Chicago, announced this week. Multi-Tron's version of battery set is based on application of "pure signal" picture tube which is said to operate directly from diode or transsistor output, eliminating video amplifier (Vol. 13:8, 13), uses combination of transistors and tubes. Glyptis says circuits and components can be developed in time to produce battery-operated set by early 1958.

RCA is first TV choice among 306,493 families in Cincinnati market area, according to analysis by *Cincinnati Times-Star*. Top 10 preferences by families (83.2% own one set, 15.8% own 2): RCA, 20.6%; Phileo, 15.7%; Admiral, 12.4%; Crosley, 11.6%; Motorola, 7.2%; GE, 6.7%; Zenith, 5.1%; Muntz, 4%; Westinghouse, 3.7%; Emerson, 2.7%. Of sets owned, 22.5% were bought new in 1956, 19% in 1955, 16.1% in 1954, 23.7% in 1953. (For similar survey in Portland, Me., see Vol. 13:20.)

Dr. Lee De Forest announced he has applied for patent for picture-on-wall TV set 4-in, thick with "chassis and controls located on each side and on the bottom of the screen."

Colorado color set sales in first 4 months this year were 363, compared with 751 in all 1956 and 252 in 1955, according to Rocky Mountain Electrical League. DISTRIBUTOR NOTES: National Assn. of Electrical Distributors elected George Albiez, Englewood Electrical Supply Co., Chicago, pres. at this week's 49th annual convention in Washington, succeeding Ralph J. Brown, GE Supply Co., Bridgeport, Conn. who becomes a director. J. M. Bilett, Northland Electric Supply Co., Minneapolis, was named v.p., succeeding Albiez. Reelected v.p.'s were J. P. Hamblen, Southern Electric Supply Co., Houston; S. W. Mesick, Los Angeles Wholesale Electric Co; George W. Provost Jr., Doubleday-Hill, Pittsburgh . . . Sylvania appoints George H. Lehleitner & Co., Inc., 601 S. Galvez St., New Orleans (George H. Lehleitner, pres.), ex-Crosley-Bendix . . . Graybar promotes Donald B. Peck to district appliance sales mgr. for Wash., Ore., Mont., northern Ida., Alaska . . Olympic, San Francisco, moves to larger quarters at 450 Ninth St.

Drop in consumer sales of major durable goods, despite further gains in consumer incomes, is cited by Federal Reserve Board as cause of recent production cutback and reassessment of factory and distributor inventories. Report lists sharp cut in TV-appliance production from last autumn; it notes TV rate was "reduced substantially further" in April and manufacturers TV stocks have declined. Retailers' TV and household goods stocks have "generally not been large relative to sales" in last 1½ years, board says, while sales have declined much less than production.

President Eisenhower, his Council of Economic Advisers and Federal Reserve Board have agreed direct Federal control of consumer installment credit is not needed. The President said he is not going to ask Congress for standby authority to regulate installment credit, agreeing with board that better restraint is obtained "by the use of general monetary measures and the application of sound public and private fiscal policies." President's Economic Council voiced opposition to Federal regulation of down payments and repayment terms.

Imports of radios and parts totaled \$8,491,510 in 1956, compared with \$3,350,896 in preceding year, Census Bureau reports. Bulk of the imports—with no breakdown by types—came from: West Germany, \$3,124,355 in 1956, \$1,631,716 in 1955; Japan \$2,482,424 & \$232,035; United Kingdom \$1,013,716 & \$392,486; Netherlands \$801,285 & \$584,810; Canada \$788,868 & \$367,306; France \$163,201& \$73,533; Switzerland \$48,939 & \$23,782.

Master Video Systems Inc., New York specialists in hotel & industrial TV-radio, has acquired controlling stock interest in Transvox Corp., N. Y. manufacturer of Transvox Pocket Pager. Master Video pres. Arthur J. Moxham announced that his company's general offices and labs have been moved to larger quarters at Port Washington, N. Y. and that sales & service headquarters for the combined companies have been opened at 4 E. 43rd St., N. Y. **Financial & Trade Notes:** Siegler Corp. emerges as \$75,000,000 firm, principally electronics, in merger with Hufford Corp. and Unitronics Corp.; latter is parent of Olympic Radio & TV, David Bogen Co. & Presto Recording Corp. Awaiting stockholder approval, plan calls for exchanging 1 share of Siegler common for 2 shares of Unitronics and issuing 108,000 shares of Siegler stock for outstanding Hufford shares.

Retaining Siegler name, new firm will be centered at Siegler's Anaheim, Cal. headquarters. Siegler pres. John G. Brooks says that merged companies will continue present operations; that Hufford pres. Merrill L. Bengston will become chairman of Siegler exec. committee.

Siegler initially made space heaters, recently moved into closed-circuit TV, electronic equipment, woodworking machinery, children's specialty products.

Hufford produces equipment for guided missile and aircraft, headquarters at El Segundo, Cal. Subsidiaries include Smith-Nelson Co., Santa Barbara, Cal. and Vac-U-Lift, Salem, Ill.

\* \*

Microwave Assoc. filed registration statement May 29 with SEC (File 2-13387) for 50,000 shares of \$1 par common stock to be offered by Lehman Bros., which has option to buy up to 20,000 at \$7 per share between Nov. 24, 1957 & May 24, 1962. Proceeds will be applied to working funds and to retire \$250,000 current bank debts, but company said substantial borrowings may be necessary in next year.

Litton Industries earned \$1,271,000 (\$1.10 per share) on sales of \$20,372,000 in 9 months ended April 30 compared with \$687,000 ( $67\phi$ ) on sales of \$10,732,000 in similar period preceding fiscal year. Report notes record \$44,-000,000 order backlog, gross assets of \$15,702,000 compared with preceding period's \$9,842,000, stockholders equity of \$6,988,000 vs. \$4,185,000.

Ampex Corp. has negotiated sale of \$5,500,000 of 15year 5% debentures through Blyth & Co. to dozen eastern institutional investors. Funds will be applied to working capital for expansion.

ELECTRONICS PERSONALS: John Kinnally promoted to mgr. of Philco govt. & industrial div., Dayton, O. office . . . C. Douglas Webb elected IT&T secy., succeeding Geoffrey A. Ogilvie, retired . . . Alfred C. Lindquist named merchandising mgr., theatre & industrial products dept., RCA commercial electronic products . . . Harvey J. Finison, ex-National Pneumatic exec. v.p., appointed mgr. Raytheon semiconductor div. . . . W. Wm. Hensler elected Howard W. Sams & Co. v.p.-operations for all divs. except finance and industrial relations . . . Joseph L. Langevin named RCA Service Co. Tucson facility mgr., responsible for supervision & coordination of contract work at Army Electronic Proving Ground; he succeeds H. A. Baldwin, now administrator of atomic energy services in RCA's govt. service dept. . . . Richard H. Baker promoted to administrator of value engineering, RCA defense electronics products.

Highest Brazilian civilian award, Officer Cruzeiro do Sul, has been presented to RCA international div. v.p. and managing director Meade Brunet for "Your important contribution to the mutual understanding of our two countries."

RCA has started 200,000-sq. ft. warehouse and boiler plant at Indianapolis TV plant "to keep pace with the increased production" of color sets, completion due next April.

Reese B. Lloyd, Philco TV-radio div. operations v.p., has been named pres. of Heintz Mfg. Co., Philadelphia (metal products).

Electronics Investment Corp., San Diego, in annual report of April 30, lists these portfolio additions since Jan. 31, 1957 (Vol. 13:9): 200 Amphenol, now holds 5000; 520 Babcock & Wilcox, now 5720; 3000 Beckman Instruments, new; 2600 Dresser Industries, new; 1000 Friden Calculating Machine, now 3000; 1000 General Precision Equipment, now 4000; 5000 General Railway Signal, new; 5650 G. M. Giannini, new; 4000 Hazeltine, new; 1000 IT&T, now 9000; 4000 Leeds & Northrup, new; 300 Minnesota Mining & Manufacturing, now 3000; 2000 RCA, now 7000; 1500 Taylor Instruments, new; 14,300 Telecomputing Corp., new; 1000 Thompson Products, new; 1000 Western Union, now 8000; 1000 Westinghouse Air Brake, now 6000; 1000 Westinghouse Electric, now 3000; 1500 Eastern Industries pfd., now 5000; \$200,000 Fischer & Porter 51/4 % debentures; \$76,500 Ling Electronics 6% debentures. Sold during quarter were these total holdings: 4000 Douglas Aircraft, 6000 General Dynamics, 500 Minneapolis-Honeywell, 100 North American Aviation, 10,000 Texas Instruments. Also sold were 1000 Combustion Engineering, leaving 8000; 400 Litton Industries, leaving 5000. Common stockholding as of April 30 were valued at \$13,-326,992; preferred holdings, \$171,375; U. S. govt. bonds, \$399,500. (For previous annual report, see Vol. 12:25; for report on Television-Electronics Fund Inc., see Vol. 13:21).

Sylvania will issue \$6,000,000 in new 4%% sinking fund debentures, due 1975, for private sale to 11 institutional investors with Guaranty Trust Co., N. Y. as trustee, according to SEC authorization under Trust Indenture Act of 1939. Guarantee Trust is trustee of 2 earlier Sylvania sinking fund debenture issues, but SEC ruled no material conflict of interest is involvd in new issue.

Dividends: Clarostat,  $5\phi$  payable June 28 to stockholders of record June 14; Arvin Industries,  $50\phi$  June 29 to holders June 10; Bendix Aviation,  $60\phi$  June 29 to holders June 10; Meredith Publishing,  $45\phi$  plus  $10\phi$  extra June 12 to holders June 5; Sprague Electric,  $30\phi$  June 14 to holders May 31.

Admiral's automation story, as told by public relations director Martin Sheridan and staff to employes, distributors, dealers, is subject of case study in May 27 *Public Relations News* (815 Park Ave., N. Y.). Article says 10minute color film on Admiral automation and resultant benefits was requested by 85 TV stations. Other methods used were speaking tours, special automation section in annual report, TV commercials, newspaper & magazine advertising.

RCA will establish military airborne electronics lab in Boston area between Burlington & Bedford, Mass., senior exec. v.p. Dr. E. W. Engstrom told Greater Boston Chamber of Commerce this week. Construction of the 132,000sq. ft. building will begin in June, with completion expected in June 1958, though first of the 600 engineers, scientists and supporting personnel are due to be transferred from present airborne systems lab in Waltham late this year.

Radio shipments to dealers, excluding auto sets, totaled 1,612,044 in first 3 months of 1957, compared with 1,470,873 in corresponding 1956 period, reports RETMA in state-by-state and county-by-county tables available to members on request to RETMA. March shipments were 759,428 vs. 487,454 in Feb. and 530,349 in March 1956.

Sonora Radio & TV Corp. was formally adjudged bankrupt this week. In March, govt. agents had seized \$750,000 worth of machinery & merchandise, later sold for \$277,000, Govt. regaining \$195,000 toward 1956 excise tax debt of \$407,749 and withholding tax debt of \$23,909.

RCA confirmed this week that it is now shipping allglass color tubes in limited quantities (Vol. 13:21).

### - 12 -

## **Network Television Billings**

April 1957 and January-April 1957

(For March report see Television Digest, Vol. 13:17)

PRIL BILLINGS of TV networks were 5.7% higher A than year earlier, although they slipped to \$41,206,-913 from \$43,652,995 in March, according to Publishers Information Bureau. Network business of \$167,747,111 in first 4 months of 1957 was running 7.8% better than in corresponding 1956 period, paced by CBS with cumulative total of \$78,097,833, up 11.1%. The complete PIB report for April:

NETWORK TELEVISION					
Apr 195		% Change	JanApril 3 1957	JanApril % 1956 Change	
CBS \$19,385 NBC 15,154 ABC 6,667	1,388 15,136,59	+0.1	\$78,097,833 63,241,934 26,407,344	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	
Total \$41,206	5,913 \$38,979,40	58 +5.7 \$	167,747,111 \$	3155,657,248 + 7.8	
1957 NETWORK TELEVISION BY MONTHS					
	ABC	CBS	NBC	Total	
Jan. Feb. March	\$ 6,715,581 6,175,488 6,848,848	20,231,474 18,309,088 20,172,173	14,900,6	31 39,385,207	

March	6,848,848	20,172,173	16,631,974*	43,652,995*
April	6,667,427	19,385,098	15,154,388	41,206,913
Total	\$26,407,344	\$78,097,833	\$63,241,934	\$167,747,111

\* Revised as of May 28, 1957. Note: These figures do not represent actual revenues to the net-works, which do not divulge their actual net dollar incomes. They're compiled by Publishers Information Bureau on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Tightening of translator rules, proposed by FCC (Vol. 13:17), generally drew opposition from translator operators, who don't want to quit when regular TV stations hit their areas. Adler Electronics, manufacturer of virtually all translator equipment, reflected their arguments in comments filed this week: (1) If town getting several translator signals must lose translator service when a conventional station starts, public suffers loss of program choice. (2) Translators have inhibited growth of illegal vhf boosters. (3) Multiple service from translators actually creates more potential audience for conventional stations; Adler says statistics indicate that set saturation rarely goes above 50% in 1-station areas, 75% in 2-station Postponement of rules change for 1-2 years was urged by Adler, which reports it has put some 60 translators on air, is adding them at rate of about 3 weekly.

Three applications for new TV stations and one for a translator were filed with FCC this week, bringing total to 127 for stations (32 uhf) and 54 for translators. Applications were for Moline, Ill., Ch. 8, by group of local businessmen headed by realtor Mel Foster; for Pittsfield, Mass., Ch. 64 satellite, by WWLP, Springfield; for Lafayette, La., Ch. 3, by KVOL there. Translator application was for Hawthorne, Nev., Ch. 80, by Mt. Grant TV Booster Service Corp., operators of Ch. 70 translator there. [For dctails, see TV Addenda 24-U herewith.]

Bill requiring courts to open trials to TV-radio coverage has been pigeonholed by Cal. State Senate Judiciary Committee, which referred measure by Democratic Sen. Robert I. McCarthy to interim committee for "further study." Bill Welsh, special events director of KTTV, Los Angeles, testified in favor of measure, maintaining TV entitled to equal press rights and did not seek "sordid presentations."

"True-lease" rental plan is offered by Philco govt. & industrial div. for capital-goods financing of use of such equipment as closed-circuit TV, electronic data processing system, microwave communications system, color X-ray viewing contrastor. Leases run 1-5 years, can be optioned for renewal on year-to-year basis at reduced rentals.

Final court test of "equal time" political broadcast rule in Sec. 315 of Federal Communications Act-long opposed by NARTB-is in works. Appeal to Supreme Court to decide nettlesome issues of law is expected following dismissal May 23 by N. D. state court of \$150,000 libel suit by Farmers Union against WDAY-TV, Fargo, for carrying derogatory speech by splinter candidate A. C. Townley in 1956 Senate campaign (Vol. 13:8). Judge John Pollock ruled that station was immune from damage action because Sec. 315 creates legal privilege in "equal time" requirement. At same time, he said special state "defamation" statute (14-0209) limiting broadcasters' liability is invalid because it favors TV & radio over other media. Farmers Union promptly filed notice of appeal of decision to N. D. Supreme Court, indicating it will carry case to U.S. Supreme Court if it loses again. WDAY-TV, which had NARTB cooperation in defending suit, plans similar move if lower court is overturned. In either event, highest court probably will be asked to rule on legality of Sec. 315 itself.

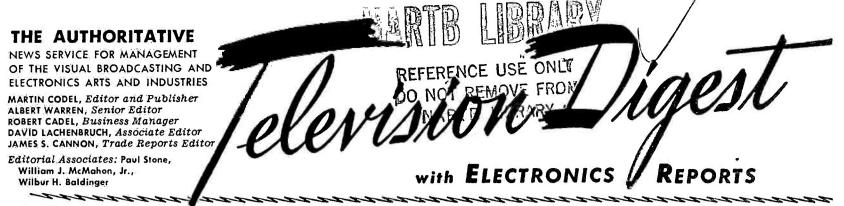
Celler anti-trust subcommittee this week approved report on TV network practices and sent it to printer, to be released within next 2 weeks. Some sections of report have been toned down from language in Celler's original draft, and separate views have been filed by some members on certain topics. Subcommittee majority is said to have disapproved report's comment on BMI, noting that legal action against organization is pending and expressing opinion that comment would be improper at this time. Last significant issue was compromised in May 29 meeting, when subcommittee voted to soften recommendation on option time, requesting that FCC study situationdeleting its original threat to initiate legislation to abolish time options if FCC doesn't outlaw the practice.

Report on Hong Kong's closed-circuit TV system (Vol. 12:22, 13:19) from NBC correspondent Jim Robinson: Rediffusion Hong Kong, subsidiary of British-owned firm, started commercial programming early last month with 1500 sets, is currently installing about 100 sets weekly. Rediffusion supplies sets for \$5 installation fee and \$10 a month rental. They're 16-in. British-made receivers "tropicalized" for humid climates. TV service offers 4 hours of programming daily-consisting of newsreel, American & English filmed shows, locally produced Chinese programs and on-the-spot public service cut-ins. Rediffusion also operates highly successful wired radio service in Hong Kong (pop. 2,270,000), grossing more than \$100,-000 monthly on rentals alone.

FCC will get breather before it undergoes new Congressional investigation by House Commerce "watchdog" subcommittee in \$250,000 probe of 17 regulatory agencies (Vol. 13:16). Subcommittee headed by Rep. Moulder (D-Mo.) plans no hearings until after 85th session adjourns-probably in Aug. Meanwhile, selection of staff is slowly under way, first being old hand at govt. regulation of industry. He is Dr. Walter M. Splawn, 77, whose appointment as consultant to subcommittee was announced May 27. Now retired, he was ICC member in Truman & Roosevelt administrations, was special counsel for 1930-33 House investigation of holding companies. Dr. Splawn once was pres. of U of Tex.

ABC-TV salutes affiliate KTVI, St. Louis (Ch. 2) with special presentation-"No More St. Louis Blues"-June 12 in Chase Hotel, St. Louis. Hosts to advertisers, agencies, press for report on network's growth will be ABC-TV v.p. Oliver Treyz and KTVI v.p.-gen. mgr. Joseph Bernard.

Add new lines: Russians will show the latest in Soviet monochrome (all red?) TV sets (largest, 17-in.) at Oklahoma Semicentennial Exposition starting June 14 in Oklahoma City.



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## SUMMARY-INDEX OF THE WEEK'S NEWS — June 8, 1957

- RATIONING OF NETWORK LINES looms as probability next fall, with demands for circuits twice as great as last year, as result of increased TV networking (p. 1).
- CBS-TV HAS WORLD BEAT in Khrushchev interview, but White House views it dimly; President refuses reply to Soviet leader's challenge to U.S. (p. 2).
- VIGOROUS CELLER REPORT frowns on option time & mustbuy practices, urging FCC & Justice Dept. study; serves notice of continued surveillance (pp. 3 & 6).
- **REP. HARRIS** not satisfied with FCC pay-TV action. Wired system "deals" involving Dodgers-Giants west-coast move still inconclusive (p. 4).
- TALL-TOWER CRITERIA approved on one-year trial basis, limiting new structures over 1000 ft. to antenna farms except in special cases (p. 7).
- CRAVEN PLAN comments cover spectrum of opinion, stations' self-interest generally apparent. Chairman McConnaughey may be key to final vote (p. 7).

- **OPTIMISM FOR FALL TV** set business is keynote among industry leaders in showings of new lines; full employment, record consumer spending cited (p. 10).
- NEW TV SET LINES: Generally higher priced; RCA & Sylvania eliminate tube-cup projection; Philco & Zenith emphasize short 90-degree tubes (pp. 10-12).
- **COLOR DRIVE** to be stepped up by RCA based on lesson learned in Milwaukee "Carnival of Color"; 5 more set makers expected to hike promotion (p. 12).
- FCC "PLAYING POLITICS" charge levied by more Congressmen. Madison and Indianapolis decisions cited. Orlando's Ch. 9 goes to WLOF (p. 8).
- CABLE THEATRE debate at NCTA convention compares Bartlesville flat monthly fee concept with pay-as-yousee coinbox technique (p. 9).
- FIRST SATELLITE IN CHAIN of translators & satellites of Springfield's WWLP begins operation in Greenfield, Mass. 501 TV stations now on air (p. 9).

AT&T MAY RATION CIRCUITS THIS FALL: <u>Network topkicks are keeping their fingers</u> <u>crossed and hoping it won't happen</u> -- but at the same time they're making advance plans for the probability that the AT&T will have to allocate its major inter-city microwave-cable routes among TV users this fall, for first time in 5 years.

<u>Spectre of allocations</u> -- throwback to TV's pioneer days -- materializes once again because of this simple fact: There is every indication that demand for live network circuits this fall will be <u>double that of last fall</u>. Nobody at the networks or at AT&T cares to go into specifics about the situation, and full facts won't be known until July 29 when requirements are weighed against available facilities, but on basis of announced plans for increased use of live video trunk circuits, it appears almost a certainty that old allocation formula will have to be dusted off for some important routes, including east-west trunk lines.

Even for spring & summer, AT&T is being kept humping to fill bigger live TV demands than ever -- as we forecast in our Jan. 5 issue (Vol. 13:1) -- despite fact that facilities are constantly being increased and improved. New daylight time schedules have given phone company some rough moments -- and one sore spot currently is southwest, where cables are already being allocated because demand is greater than facilities, and "protection channels" are being used for regular TV relay.

<u>AT&T refuses specific comment on situation</u>, except to state that it's too early to say anything, because requirements won't be firmed up for almost 2 months. But it's no secret that networks already have given AT&T the word on what they'll be needing in way of relay circuits -- because the contracts with sponsors are specifically contingent on live clearance of programs to affiliates.

The threatened serious shortage of network facilities is due to a large number of simultaneous developments in TV field, most significant being:

(1) <u>Expansion of ABC-TV program schedule</u> and number of live affiliates -- combined with possible programming increase by other networks.

(2) Large increase in coverage planned by Sports Network Inc. (Dick Bailey),

leading syndicator of live sports events. Sports Network is virtually full-fledged network so far as demand for microwave-cable is concerned, seeking regular full-time l p.m.-midnight contract with AT&T. It handles baseball, pro & college (NCAA regional) football, basketball, is adding hockey and stepping up relays of boxing next fall. At least one other sports "networker" may also join this field.

(3) <u>Pat Weaver's Program Service</u> -- if current plans jell (Vol. 13:22) -will also be a substantial user of network routes, though this week it was reported his programming won't begin July 1 as previously announced, but later in summer. Other live "networks," in talking stage, could aggravate shortage of trunk routes, if anything comes of all the talk.

(4) <u>Closed-circuit TV's demand for network loops</u> should be at least as big as last season, the 2 leaders in business-meeting field next season due to be TNT's Tele-Sessions and Teleprompter's Group Communications -- with such other firms as Closedcircuit Telecasting System (color) likely to become important later.

<u>Another complication which could add to congestion</u> of transcontinental and western regional routes would be move of N.Y. Giants & Brooklyn Dodgers to the west coast -- if it happens. This almost certainly would extend maze of professional baseball networking routes to a full coast-to-coast proposition -- whereas to date principal baseball networking has been confined to area east of Kansas City. Also, with Los Angeles and San Francisco each having a "home" team, demand for western regional network circuits should increase substantially.

\* \*

<u>Note:</u> It's scant solace for immediate future, but AT&T's Bell Labs this week announced development of new type microwave which could go far toward ending video network clearance problems. New "TH" system, based on solid-state technology, using new diodes, promises to more than triple the carrying capacity of present microwave systems -- carrying 12 TV programs and more than 2500 telephone conversations simultaneously. First "substantial installation" on major route is due in 1959.

WHITE HOUSE BRUSHES OFF KHRUSHCHEV TALK: <u>Biggest telecast news coup of year</u>, bringing Soviet boss Nikita S. Khrushchev straight from Kremlin into U.S. living rooms, was scored June 2 by CBS-TV. But unanswered at week's end was big question raised by unprecedented interview: Will it also stand as Russian propaganda beat?

<u>President Eisenhower appeared indifferent</u> to world-wide impact of hour-long, party-line TV debut by First Secretary of Communist Party of USSR on Face the Nation. He dismissed it at June 5 news conference as just case of "commercial firm in this country trying to improve" commercial standing with "unique performance."

White House spurned demands in Congress & press for "equal time" appearance by President to answer Khrushchev, despite quick offers of facilities by all 3 TV networks -- and tentative invitation from Moscow to use Russian air for reply.

"<u>Somebody in the Govt. would be glad to accept</u>" unrestricted Russian offer of TV-radio time, guaranteed against jamming, President said. But he ruled out any personal participation, designated no spokesman. CBS-TV then set up its own counter-broadcast forum, scheduling "Comment on Khrushchev" panel for June 9.

<u>Unrehearsed interview</u> with agile, articulate Khrushchev -- his first on TV anywhere -- was smash page one story in newspapers here & abroad. "Season's most extraordinary hour of broadcasting," Time Magazine called it.

It brought outpourings by editorial writers & columnists from Walter Lippmann to George Sokolsky. Orders to CBS-TV for rerun films came from many non-CBS stations and from Great Britain, Canada, Australia, Sweden, Cuba, Mexico. Even Russians saw & heard interview -- with one dialectical portion edited out for home consumption.

Editorial consensus: Khrushchev is a very clever propagandist ("Let us live in peace, let us compete"); TV performed salutary service in bringing Americans face to face with biggest Communist of them all.

Few protests against program were reported from viewers, estimated by network at 5,000,000 -- who didn't include President or Secretary of State Dulles. CBS-TV counted 81 telephone calls to N.Y. & Los Angeles headquarters in half-hour following

www.americanradiohistory.com

Face the Nation; 47 favored, 34 opposed grant of time to Khrushchev. Formal complaint was filed in advance by Catholic War Veterans commander Wm. J. Gill.

<u>CBS-TV's Kremlin scoop was 2 years in making</u>. When Moscow approval of interview finally came through, Face the Nation crew headed by producer Ted Ayers flew in last week, set up film equipment in 40-ft. office on second floor of Council of Ministers Bldg. Khrushchev was questioned by moderator Stuart Novins, Moscow CBS correspondent Daniel Schorr & B.J. Cutler of N.Y. Herald Tribune.

Interview was carried by Soviet home Service & short-wave which purported to give full text. Deleted for Russian listeners, however, was exchange between Schorr & Khrushchev on whether any "contradictions" between Marxist-Leninist principles & Soviet practice exist today. Khrushchev said there are none.

\* \* \* \*

<u>Network's purposes in producing interview</u> were summed up June 6 by pres. Frank Stanton of CBS Inc. in answers to 9 questions posed day earlier in House by Rep. Anfuso (D-N.Y.), who asked why Khrushchev got "wide forum to reach the American people" with Soviet propaganda. Replying in detail, Stanton concluded:

"We believe that the people of America, if properly informed, are entirely capable of judging & deciding for themselves, and that it is a gross disservice to all of us to withhold or suppress evidence that can in any way help us all to arrive at the truth. It was in this belief that we labored so long & so hard -- and in the end successfuly -- to get this face-to-face interview."

**VIGILANCE IS KEY TO CELLER REPORT:** <u>The celebrated Celler report on TV industry</u> -finaly released at week's end -- sniffs possible anti-trust violations in some of the networks' traditional ways of doing business, but by-&-large expresses willingness to leave these problems in hands of FCC and Justice Dept.

<u>The 7-man subcommittee</u>, which held extensive hearings on TV industry last year, made it plain, however, that it intends to watch FCC closely to see that it follows "suggestions" in the report. Group made only one proposal for legislation: Possible amendment of Robinson-Patman and Clayton anti-trust acts to bar quantity sponsorship discounts which are not geared to actual cost savings by networks.

<u>Report is a piercing one in many respects</u> -- and its effects will be felt in the future, as it takes its place alongside the Senate Commerce Committee's Plotkin Report and its forthcoming Cox Report (due in couple weeks) and presumably FCC's Barrow Report. Cumulative effect of this 5-foot reference shelf devoted to subject of "what's wrong with TV" will be difficult to ignore in terms of implications on future FCC -- and Justice Dept. -- actions.

\* \*

If networks were relieved by the report, it wasn't so much because of what was in it as because of what they once feared would be in it. Except for section dealing with ASCAP-BMI -- over which there is strenuous controversy -- the word "reckless" isn't likely to be applied to this report. Networks once had feared that Rep. Celler might insist on taking strong stand against network ownership of stations, programs and film syndicators, against multiple ownership of all kinds, against ownership of networks by theatre chains or manufacturers.

Even as recently as few weeks ago, conclusions & wording of original Cellerendorsed draft were considerably sharper than the version which was finally approved by full subcommittee (Vol. 13:19). In many cases, where specific action or goals were originally directed or demanded, subcommittee substituted more general suggestions -- preferring not to usurp powers of FCC or Justice Dept.

<u>Recommendation on option time is example</u>. Original draft had proposed "study by the FCC with a view toward abolishing time options," and threatened "in the absence of expeditious Commission action, the Committee will be constrained to...recommend appropriate amendment of anti-trust laws to accomplish the same purpose."

<u>In final report, Subcommittee Substituted conclusion</u> that "it is necessary for the Commission to consider amending the option time rule" and serving notice that "the Committee will maintain a continuing interest" in FCC's actions in this area. Even this language failed to gain support of the 3 Republicans on subcommittee -- Keating (N.Y.), McCulloch (0.) & Miller (N.Y.) -- who objected to stress on word "amendment," feeling that subcommittee shouldn't try to influence FCC.

But report itself takes dim view of option time, stating that "if network survival depends upon [such] curtailment of competition...utility-type regulation [would] be necessary in order to safeguard the public interest." Report goes on to say subcommittee would prefer to see "artificial restrictions" removed.

<u>Must-buy practices met with sharp disapproval</u> of subcommittee, which proposed that FCC "consider" ban on them and instead "permit the networks to prescribe a gross minimum time charge, leaving the advertiser free, however, to select the stations making up the network package." It specifically inserted the proviso that FCC shouldn't have authority to prescribe what the figure should be.

Section on broadcasters' activity in music field was second longest in the 150-page report, but its recommendation was shortest -- proposal for thorough Dept. of Justice investigation into all phases of music field. Text of chapter, however, can hardly be described as favorable to BMI in any way. Five of the 7 members gave "additional views," Democrats Rodino (N.J.) & Rogers (Colo.) stating that section shouldn't be construed as expressing opinion with respect to pending litigation and the 3 Republicans going further by saying that "it is impossible for us to determine [where] the truth lies," noting regretfully that record has bearing on pending songwriters' suit against BMI and expressing confidence in Justice Dept. to "continue to perform its proper functions" without prompting by subcommittee.

<u>FCC took lacing in report</u> for failing to order hearing on NBC-Westinghouse Philadelphia-Cleveland station swap, now subject of govt. civil anti-trust suit, and subcommittee called for "code of ethics" to govern conduct of Commissioners and staff. Section dealing with allocations called for more deintermixture, FCC-backed public education campaign on uhf receivers and excise tax relief for uhf sets.

<u>NBC was only network to comment on report immediately</u> -- taking notice of the subcommittee's recognition of networks' important and beneficial role in history of free broadcasting, but maintaining it would be "inappropriate" to comment on the specific issues raised in report "since they are under active study by the govt. agencies concerned or are in the process of litigation in the courts."

Report is unmistakably a vigorous one, while it largely avoids the pitfalls of threats and precipitous action. Judging from Rep. Celler's past history, it's safe bet that he will continue to scrutinize closely actions of the FCC, networks and broadcasters in fields which he feels present problems with anti-trust implications. [For digest of report's major conclusions & recommendations, see p. 6.]

**LOTS OF NOISE on the pay-TV front this week** but nothing conclusive emerged. Consider:

(1) Rep. Harris (D-Ark.), chairman of House Commerce Committee, apparently not too satisfied with FCC's compromise fact-finding action (Vol. 13:21), asked Commission to specify exactly why it thinks it has legal authority to authorize toll TV "if it finds that it would be in the public interest to do so." "This seems particularly important," he said, "in view of the Commission's statements . . . that the Commission leaves for future determination the question whether subscription TV should be classified as 'broadcasting' or some other type of service and that the Commission may desire to take up with Congress any amendments to the Communications Act which the Commission may find necessary or desirable for the purpose of regulating subscription TV in the public interest.

"These statements may lead some to the conclusion that the Commission claims in principle the general legal power to authorize subscription TV, but that having authorized subscription TV it may lack the specific powers to regulate subscription TV (as a broadcast service or as some other type of service) in such a way that the public interest is protected."

(2) Well-cultivated mystery still surrounds alleged

tieup between Brooklyn Dodgers, N. Y. Giants, Skiatron's Matty Fox and talk of moving teams to west coast. There were continued rumors of million-dollar wired pay-TV contracts—signed or unsigned—while N. Y. Mayor Wagner met with Dodgers' pres. Walter O'Malley and Giants' pres. Horace Stoneham in effort to keep teams in N. Y. Meanwhile, Skiatron added piquancy by filing application with city of Los Angeles, asking permission to wire up the town; T. M. Chubb, gen. mgr. of Public Utilities Dept., said he needed more information before he could give recommendation. Still nothing conclusive—while Skiatron stock oscillated between 6 & 7¼ during the week.

(3) Tapping this delightful publicity vein, one Max Kantor, pres. of ITV Inc., N. Y., called press conference to report he was offering \$5,000,000 for rights to carry Dodgers' & Giants' games on wired TV in N. Y. Team spokesmen said they'd never heard of Kantor or his offer.

(4) General Federation of Women's Clubs, meeting in Asheville, N. C., found virtually all other business shunted aside while Zenith and CBS tugged & pulled in effort to get resolution favoring their positions. And who, of all people, showed up there as a Zenith lobbyist? Ex-FCC Comr. Frieda Hennock. Group finally resolved to ask Govt. to take cautious approach "while insuring the maintenance of free TV service as it now exists."

Personal Noies: Wm. Seaman promoted to ABC-TV network production mgr., Thomas P. DeVito to program service mgr. . . . Theodore W. Herbert resigns as eastern sales mgr. for General Teleradio stations . . . John B. Poor, MBS pres., given doctor of laws degree by Wesleyan U, Middletown, Conn. . . . Harry Pertkin, ex-ABC-TV & DuMont, named NTA film network sales exec.; Peter Mc-Govern, ex-Byron Productions, named director of network promotion . . . James R. Hoel, ex-Katz rep Chicago office, named gen. sales mgr. of WTCN-TV, Minneapolis-St. Paul ... Gene Walz, ex-operations chief of KYW-TV, Cleveland, resigns to join WCKT, Miami, as exec. producer . . . Harold (Hack) Woolley, sales mgr. of KTVT, Salt Lake City, named pres. of Salt Lake Advertising Club ... Victor Ludington, ex-station mgr. of WOAY-TV, Oak Hill, W. Va. named gen. sales mgr. of upcoming WINR-TV, Binghamton (Ch. 40); Bill Dorn, ex-program mgr. of WDAN-TV, Danville, Ill., program director; Gino Ricciardelli, exchief engineer of WPTV, Palm Beach, technical director ... Paul Blue promoted to program mgr. of KLZ-TV, Denver . . . Robert L. Larsen promoted to program mgr. of educational WGBH-TV, Boston . . . Fred Beck, mgr. of KVEC-TV, San Luis Obispo, named operations director for KVEC-TV & KSBW-TV, Salinas-Monterey, and will headquarter in Salinas; Rowena Kimzey, KSBW-TV, named resident mgr. of KVEC-TV, which has requested change to KSBY-TV and will become satellite of KSBW-TV . . . Roger N. Cooper promoted to station relations mgr. of American Research Bureau, headquartering in Washington . . . Dick Jolliffe, from CBS Radio network sales service, named sales service mgr. of KTLA, Los Angeles . . . Reginald P. Merridew, ex-radio WGAR, Cleveland, named managing director of Storer's radio WJW there, replacing Jack Kelly, who moves to Storer's N. Y. sales office . . . Charles W. (Chad) Mason promoted to program director of WSUN-TV, St. Petersburg; Jerome Baker, ex-American Heart Assn., named sales promotion & adv. mgr. . . . Eugene J. Muriaty, former adv.-sales promotion mgr. of WBZ-TV, Boston, appointed promotion mgr. of WTIC-TV & WTIC, Hartford ... Mack Edwards promoted to public service director of WAAM, Baltimore . . . John B. Jaeger

ADVERTISING AGENCIES: Lawrence Wisser, ex-Emil Mogul, named senior v.p. & creative director of Weiss & Geller, N. Y.; Max Tendrich promoted to exec. v.p. . . . Max D. Anwyl named financial v.p. & secy. of Needham, Louis & Brorby; Howard M. Brenneman succeeds him as treas. . . . Wm. I. Hoffhine Jr., secy.-treas. of Guild, Bascom & Bonfigli, San Francisco, elected a v.p. . . . Robert LaChance, ex-Guild, Bascom & Bonfigli, joins Young & Rubicam there in TV production capacity . . , Curtis Berrien, ex-Foote, Cone & Belding, Chicago, joins Reach, McClinton, N. Y., as v.p. & copy director . . . Robert G. Holmes, ex-WWLP, Springfield, Mass., joins Houck & Co., Roanoke, Va., as TV-radio director . . . Frank Daniel, ex-Lennen & Newell, joins Ted Bates as asst. media supervisor . . . Robert J. Dunn, ex-C. L. Miller Co., joins Erwin, Wasey & Co. as merchandising director . . . Peter H. Nicholas, ex-Benton & Bowles, named research vp. of Charles W. Hoyt Co. . . . Don Trevor, ex-ATV Film Productions, joins Doyle Dane Bernbach as TV producer . . . John F. Klatt named exec. mgr. of Media/Scope, new magazine published by Standard Rate & Data Service . . . Walter A. Tibbals, ex-BBDO, named head of TV-radio dept., Anderson-McConnell Adv., Los Angeles . . . Miss Charlene Hirst appointed TV-radio media director, Mohr Assoc.

New officers of National Community TV Assn.: pres., George J. Barco, Meadville, Pa.; v.p., Glenn H. Flinn, Tyler, Tex.; secy., A. J. Malin, Rochester, N. II.; treas., Clive Runnells Jr., Williamsport, Pa.

- 12

promoted to exec. v.p. of radio WNEW, N. Y., John V. B. Sullivan to v.p. & sales mgr. . . . George A. Greenwood, exradio WNAX, Yankton, S. D., named promotion mgr. of WSAZ-TV & WSAZ, Huntington, W. Va. . . . Wm. Lewis Cooper Jr., ex-WJAR-TV, Providence, named film mgr. of WPIX, N. Y. . . . John C. Morris, ex-radio CKSL, London, Ont., named gen. sales mgr. of CHEK-TV, Victoria, B. C. .. Wm. A. Gietz promoted to local sales mgr. of WTAR-TV, Norfolk ... Paul Hill promoted to program supervisor of WWTV, Cadillac, Mich. . . . Johnny Carpenter named public relations director of KOIN-TV, Portland, Ore. . . . Gene Plotnik, ex-Billboard Magazine assoc. editor, named Screen Gems trade & consumer press editor ... A. J. Richards, ex-gen. mgr. of defunct KCCC-TV, Sacramento, named gen. sales mgr. of radio KROY there; Wm. R. Furnell, ex-program director of KCCC-TV, named Sacramento sales rep for KOVR, Stockton . . . Bette Doolittle, ex-NARTB and American Women in Radio & TV, joins Grocery Manufacturers of America as director of women's press & TV-radio relations . . . Irving Waugh, ex-commercial mgr. of WSM-TV, Nashville, named v.p.-gen. mgr. of WSIX-TV, Nashville, also acquiring minority interest from former v.p.-gen. mgr. R. D. Stanford Jr., who is selling his 1/3 to Waugh and other local residents, including niece of

principal owner Louis Draughon ... Simon Goldman, presgen. mgr. of WJTN, Jamestown, N. Y., elected to NARTB radio board, defeating Michael R. Hanna, WHCU, Ithaca, in special election for N. Y.-N. J. district ... Al Sussman promoted to AAP eastern sales mgr.... Mark Munn, asst. sales promotion supervisor, WGN Inc., Chicago, receives Ohio State U's first Ph.D. degree in mass communications.

## Obituary

Dwight D. Doty, 51, partner in Washington law firm of Haley, Doty, Wollenberg & Kenehan, died suddenly of heart attack at his home June 5. Graduate of Georgetown U Law School, he had worked in Justice Dept., served in Navy during World War II, joined FCC in 1947. He was chief of Broadcast Facilities Branch in Bureau of Law, then chief of Renewal & Transfer Div. of Broadcast Bureau, left for private practice in 1951. Surviving are his widow, 2 sons, daughter, mother.

Competence of management is most important single factor in financial success of TV-radio stations, consultant Richard P. Doherty (TV Radio Management Corp.) told Virginia State Bestrs. Assn. this week in Richmond. He enumerated these failures as "common causes of low profits or loss, and of mediocre broadcast operations": Inadequate financing, mediocre or poor staff, inadequate attention to continuity as major advertising task, lack of sales planning, poor employe morale, lack of management imagination and creativeness, inadequate sales incentive compensation plan, mediocre programming, ineffective cost control, lack of rate integrity. He predicted that increase in total TV revenue would level off to about 10% for 1957, as against average of 30% a year from 1951 to 1956, principally because of decrease in new-station starts.

First TV films of Maine House of Representatives at work in Augusta have been authorized in special permission voted by legislature for cameraman Bruce Nett of Guy Gannett's WGAN-TV, Portland. Representing Kennebec Journal of Augusta and other Gannett newspapers in state in addition to stations, Nett won approval to roam floor of legislature with camera—with stipulation that film would be silent, commentator to give narration on TV.

Highest civilian award by Army for exceptional services will be presented June 11 at Pentagon ceremonies to Edgar G. Shelton Jr., asst. to AB-PT Washington v.p. Robert II. Hinckley. Shelton was director of National Security Training Commission.

## Highlights of Celler Subcommittee's Report on TV

Major Conclusions & Recommendations of House Judiciary Anti-Trust Subcommittee's TV Investigation Report

(See story on page 3)

Option time: "The Committee concludes that it is necessary for the Commission to consider amending the option time rule. In such consideration, particular weight must be given to the anti-trust principles discussed above [restriction of competitive opportunity by non-network programmers & advertisers, concentration of program control in hands of a few, and parallel with Paramount block-booking case], together with the networks' contention that option time is indispensable to their operations. Because of the importance of this matter from an anti-trust standpoint, the Committee will maintain a continuing interest with respect to the Commission's activities in this area."

Reps. Keating (R-N. Y.) McCulloch (R-O.) & Miller (R-N. Y.), would have substituted different conclusion: "Against this background, the Committee believes that the Commission should consider the option time rule in light of the foregoing principles and the light of the networks' contention that option time is indispensable to their operation."

Must-buy policy: "The Committee, without expressing opinion as to the legality or illegality of 'must-buy' under the anti-trust laws, thinks it clear that one of its effects is to deprive the national advertiscr of untrammeled freedom of choice in selecting those stations and markets where he desircs to have his advertising message carried.

"... The Committee believes the FCC should consider issuance of a regulation prohibiting any network practice requiring an advertiser to buy designated stations as a condition to getting on the network ... To avoid any possibility of network fragmentation, the action by the Commission might well permit the network to prescribe a gross minimum time charge to the advertiser. It might further provide that the figure not be so high as to deprive the advertiser of real flexibility in station selection ... However, this is not to say that the Commission should be given authority to prescribe what the figure should be."

"First-call" practice: ". . . The FCC should consider amending its chain broadcasting regulations to limit the conditions under which the first-call privilege may be used to delay the broadcast of network TV programs. Among the factors relevant to such limitation are: (1) the nature of the program substituted for the delayed program, whether local or network; (2) the relative desirability of the time period in which the deferred program was originally scheduled and the time period in which it is later broadcast; and (3) the length of the delay . . . The Commission [should] also consider amending its rules to require a network, when its program is not broadcast by the local affiliate, to give appropriate notice of program availability so that other local stations may have opportunity to carry the program."

Network discounts: "To eliminate the competitive advantage obtained by the large network advertiser over the small advertiser solely because of the large advertiser's quantity purchasing ability, the Committee will consider possible amendment of the Robinson-Patman Act [and the Clayton Act] so as to make it applicable not only to the sale of goods but also to the sale of services by independent contractors engaged in trade and commerce."

Network programming practices: "A question not completely resolved by the record is whether the networks tic sales of network and network-owned station time to the sale of network-owned or controlled programs . . . The Dept. of Justice should continue its investigation of these practices."

Network talent contracts: "Network practices with respect to talent raise grave questions of legality under the anti-trust laws in several respects. NBC's talentdevelopment program seems little different in operation and effect from the concert & artist bureau it sold after institution of the Dept. of Justice anti-trust suit in 1941. Provisions in the talent contracts of both major networks restrict business activities of talent-using enterprises outside, as wcll as within, the domestic radio & TV industry. Accordingly, the Committee believes it necessary for the anti-trust div. thoroughly to investigate these practices of the networks and determine whether the filing of a new anti-trust suit is warranted . . . "

Multiple station ownership: "[It] appears that the multiple ownership of stations has had a recognized anticompetitive influence in the broadcasting field, which may lend itself to the abuses of concentration and tie-ins, and may produce incalculable competitive advantages for multiple owners and a degree of conflict of interest on the part of the networks. It further appears that the Commission has continued to permit this practice only because substantial interests developed in the wake of its earlier tolerance. The Committee concludes that the Commission should give these anti-trust and other factors emphatic consideration in any change in the multiple ownership rules."

Affiliation agreements: "... Continued discrimination in the compensation of network affiliates based on consideration of their financial stature will lead to increased concentration in the TV industry and will frustrate the objective of a competitively free system. The Commission should consider the advisability of making public all affiliation contracts filed with it. [It] should also make detailed study of the affiliation agreements a part of its continuing duties ... "

FCC network study group: "This group appears to be making a conscientious, energetic and objective inquiry. It is imperative that the group complete its study promptly and submit an early report and recommendations for Commission action. It is no less imperative that the Commission act upon its study group's recommendations without delay."

Inter-city relay facilities: "In light of the importance of the issues to the achievement of national objectives for broadcasting, the Committee believes that the length of time during which [FCC] proceedings [on private microwaves and investigation of AT&T charges] have been allowed to drag on is inconscionable."

FCC-Justice liaison: "... In approving the NBC-Westinghouse exchange of 1955 without a hearing, without adequate consideration of the specific anti-trust histories of the applicants and their parent corporations and without maintaining adequate liaison with the anti-trust div. of the Dept. of Justice, the FCC fell short of performance fully protecting the public interest . . . The Committee also believes it necessary that, in the future, the FCC adhere to the policy of critically examining the anti-trust background of each license applicant."

FCC practices & policies: "The evidence demonstrates that for at least the past 10 years an air of informality has surrounded cases pending before the Commission. This has permeated the Commission's administrative processes **ONE YEAR TRIAL of new tall-tower criteria** to guide Airspace Panel and subcommittees in air hazard clearances (Vol. 13:22) was approved this week by Joint Industry-Govt. Tall Structures Committee (JIGTSC), all TV industry representatives voting in favor of proposal. New criteria, which the JIGTSC document says "are not intended as a rigid standard to be arbitrarily applied," would prohibit all new towers over 1000 ft. unless they are in antenna farm areas or "where existing conditions of terrain, obstructions or other circumstances would make application . . . inappropriate."

JIGTSC voted not to disband, but to watch application of new criteria carefully during the year's trial period. At end of period, group presumably would be called into session again to determine whether further revisions are necessary.

One section of JIGTSC document was not approved, and was referred to CAA & FCC representatives on committee for further work, after which new version will be circulated for approval of all JIGTSC members. Controversial section involved CAA Order No. 18, putting broadcasters on notice that they must consider locations of existing airports when planning towers. Broadcast industry representatives wanted section amended to put shoe on other foot as well—making it necessary for airport operators to consider location of existing TV-radio towers when planning locations of new airports.

"Tallest man-made structure east of the Mississippi" is sought by WIS-TV, Columbia, S. C. (Ch. 10), which this week applied to FCC for authority to build 1518-ft. tower 13 mi. NE of Columbia and to increase ERP to 316-kw, using RCA's first vhf traveling wave antenna. Cost of improvements would be approximately \$500,000.

to a point where various members of the Commission without reluctance have, during the past decade, repeatedly discussed with one or more interested parties the merits of pending cases—even going so far as to indicate how particular Commissioners would vote. This practice [is] repugnant to fundamental principles of quasi-judicial procedure . . . The Committee believes it imperative that the Commission adopt without delay a code of ethics that would proscribe conduct of this kind by Commissioners and their staff and by attorneys and other representatives of industry alike . . . "

Allocations: "The Committee recommends that, pending the outcome of the proposed program of research & development concerning the feasibility of a major shift to uhf, the Commission vigorously press forward in its program of selective deintermixture . . . The Commission should broaden this program to include many more markets, if feasible in the public interest, and should continue to order the removal or conversion of existing stations where the public interest requires. The Committee will follow closely the pace and progress of the Commission's deintermixture program.

"[This program should be coupled] with a national educational campaign spearheaded by the agency itself. The public must be made to realize that a substantial portion of the TV system will ultimately utilize uhf and that all-channel receivers are essential equipment . . . The Committee recommends that Congress give favorable consideration to legislation that will spur the production of all-channel sets [either by exempting all-channel sets from Federal excise tax or] by increasing the tax on vhf-only sets."

ASCAP-BMI: See story, page 3.

**C**RAVEN PLAN comments filed June 3 by 100plus parties displayed great variation in reactions to concept of virtually dropping fixed allocation table. There was large group in favor, large number opposed. In addition, substantial group said, in effect: "If you do make changes, please adopt our suggestions instead."

Naturally, self-interest of each party filing was generally apparent—though there were definite exceptions. Usually, big-coverage vhf stations want status quo, many stating FCC shouldn't tamper with present plan until TASO turns up definitive technical vhf-uhf data. Some vhf operators favored plan, presumably with eye to migrating to larger cities. Uhfs split wide open. Some have little vhf competition and they want to keep it that way; thus, they oppose Craven plan. Others aren't making out, hope to glom onto a vhf channel themselves, and they frequently urged Commission to specify that new vhf channels added in their areas should be earmarked for uhf operators.

Though some parties in favor of plan skirted talk of co-channel mileage cuts, others went all the way and asserted that assignment should be made on a coverage & interference basis—as in AM.

ABC & NBC were generally leery of plan. ABC expressed doubt that plan's objective of speeding administrative procedures would actually be achieved. NBC fretted over possibility that plan would "pose threats" to present mileage separations and to uhf stations.

But CBS came out for it, said it believes that plan will provide "more efficient use of channels"; that allocation plan has served its purpose; that TASO results shouldn't be awaited—because TASO is exploring "problems of much wider scope" and its "date of completion is uncertain."

Biggest question, of course, is how Commission will finally vote. Comrs. Hyde, Bartley & Lee dissented to issuance of proposal, while Comr. Mack expressed doubts though concurring (see Special Report, April 27). If final vote comes before Chairman McConnaughey leaves June 30, it's believed plan has good chance of approval. If vote comes later, much depends on new commissioner.

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FCC's proposed translator rules change—to require cessation of translators when regular stations start in markets involved—drew approximately 70 comments at deadline this week. Comments were clearly divided: (1) Translator operators, grantees & applicants opposed proposal, don't want "death sentence" hanging over their heads. (2) Stations planning to serve translators extending their coverage areas also opposed, for obvious reasons. (3) Stations operating or planning conventional satellites favored proposal, fearing translator competition for audience; same goes for small-town regular-station operators. NBC was sole network filing; it supported proposal "with reservations," said case-to-case determination would be better than "absolute rule." It endorsed objective of promoting establishment of conventional stations.

All-out drive for equal news coverage of public proceedings by camera & microphone was urged June 6 by Howard H. Bell, asst. to NARTB pres. Harold E. Fellows, in speech to Va. Assn. of Broadcasters at Richmond. He said "full recognition & acceptance of electronic journalism" can't be won by individual broadcasters, that allindustry campaign is necessary.

Political broadcasters must identify themselves in Ohio under new law (Vol. 13:21) finally voted by state legislature. Employes of TV-radio networks & stations are exempted from ban on anonymous political material which already applied to newspapers. **O** PEN SEASON ON FCC appears to be order of the day in House of Representatives. Following violent attack by Rep. Dingell (D-Mich.) last week (Vol. 13:22), Rep. Reuss (D-Wis.) on June 3 lit into Commission for "political favoritism." Reuss backed complaint of Madison, Wis. *Capital Times* that it lost decision for Ch. 3 (WISC-TV) to Morgan Murphy interests because of politics. He sicked Moulder "watchdog" committee on Commission as "its first order of business."

Then June 4, Rep. Bray (R-Ind.) got worked up about FCC decision giving Indianapolis' Ch. 13 to Crosley, turning down locally-owned applications. He cited facts that Crosley is multiple owner; that coverage of some of its stations overlaps; that its stations are run by employes, not by owners, etc. Bray's position was seconded by Indiana GOP Reps. Harden, Harvey & Brownson. Brownson thanked colleagues for joining him in calling on FCC Chairman McConnaughey to protest grant to Crosley. Rep Bow (R-O.), however, stood up to defend McConnaughey, said fact latter is from Ohio wouldn't prejudice him toward Crosley, which headquarters in Cincinnati.

Congressional complaints didn't affect FCC, for on June 5 it announced intention of denying defeated applicants' petitions for reconsideration.

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One of the few remaining larger-city vhf decisions was wrapped up this week when Commission gave Orlando's Ch. 9 to Mid-Florida TV Corp., interlocked with radio WLOF, denying WORZ and reversing initial decision of examiner Basil P. Cooper.

With Comr. Hyde not participating, Comr. Craven abstaining, FCC denounced WORZ principals for "numerous omissions & misstatements" in application & hearings, found that they tipped scale—otherwise nearly balanced—in favor of WLOF.

Examiner had given WORZ "clean bill of health," FCC noted. But Commission found that station's controlling Murrell family group "intentionally misrepresented the nature & extent" of participation in WORZ management by Wm. O. Murrell Sr., against whom disbarment proceedings had been instituted. Examiner had held that WLOF itself was deceitful in letter calling attention to Murrell's professional status.

Principal owner of radio WLOF is Harris Thompson (52%), Washington financier who bought 37% interest in Feb. from John W. Kluge (Vol. 13:6), who retained approximately 30% in TV applicant. Loser WORZ is controlled by Mrs. Naomi T. Murrell (55.9%), wife of Wm. O. Murrell Sr., and their son, daughter, son-in-law.

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FCC is sticking to its Ch. 3 Hartford decision, it indicated this week, announcing tentative vote denying petition for reconsideration of Hartford Telecasting. Commission also adhered to plans for deintermixing Springfield, Ill., issuing decision turning down efforts of WMAY-TV to keep Ch. 2; grantee gets Ch. 36 instead.

FCC allocations actions: (1) Finalized addition of Ch. 12 to Farmington, N. M., Ch. 10 to Presque Isle, Me. (2) Finally denied shift of Ch. 5 from Ft. Smith to Fayette, Ark. (3) Proposed substitution of Ch. 15 for Ch. 41 in Florence, Ala. (4) Proposed addition of Ch. 2 to Portland, Ore.—to be considered with conflicting proposals to add it to Longview or Vancouver, Wash.

WENS, Pittsburgh (Ch. 16) filed petition seeking addition of either Ch. 9 or Ch. 6 to city. First plan would involve swap of Ch. 16 & Ch. 9 (WSTV-TV) with Steubenville. Second, involving a lot of operating stations, would require shift of Ch. 12 from Erie and Clarksburg to Akron-Cleveland and to Johnstown-Altoona, shift of Ch. 8 from Lancaster to Johnstown-Altoona and to Philadelphia-Camden-Atlantic City-Wilmington, shift of Ch. 6 from Johnstown to Pittsburgh.

Translator grants: Globe-Miami, Ariz., Ch. 77 & 80 to Community TV Project.

Note: TASO advises us it neither supports nor opposes experimental operation on New Orleans' Ch. 12 proposed by WJMR-TV (Ch. 20), correcting our report of opposition (Vol. 13:22).

**Radio Station Sales Reports:** WILD, Birmingham, by Sherwood R. Gordon for \$335,000 to Bartell Bestrs. Inc. (Gerald A. Bartell, pres.) . . . WWPF, Palatka, Fla. by L. C. McCall & J. E. Massey for \$100,000 to George W. Hall, local businessman . . . KHMO, Hannibal, Mo. by Mt. Ranier Radio & TV Bestg. Co. (Lester M. Smith, pres.) for \$97,500 to Jerrell A. Shepherd, owner of KLIK, Jefferson City and KNCM, Moberly, Mo. . . . WNAV, Annapolis, control by Capital Bestg. Co. (Albert H. MacCarthy estate and Alfred H. Smith) for \$91,000 to Washington Bestg. Co. (Henry Rau, pres. & 58% owner), operator of WOL, Washington and WDOV, Dover, Del. . . . KIHO, Sioux Falls, S. D. by Leslie P. Ware for \$65,000 to James A. Saunders, gen. mgr. of St. Paul auto agency (51%) and John W. Hazlett, sales mgr. of WDGY, Minneapolis (49%) ... KIHR, Hood River, Ore. by C. H. Fisher for \$60,000 to Clarence J. McCredie, ex-30% owner & employee of KWIE, Kennewick, Wash. . . . WSTN, St. Augustine, Fla. by James D. Sinyard for \$60,000 to Stanmark Inc., owned 25.5% each by realtors Harry C. Powell Jr. & Simpson R. Walter Jr., 49% by Lawrence R. Pincus, exmgr. of WIVY, Jacksonville. Previous sale to Carmen (Jim) Macri (Vol. 13:13) fell through when FCC raised question of overlap with his stations in Jacksonville & Palatka . . . WORM, Savannah, Tenn. by owners of WJOI, Florence, Ala. (Joe T. Van Sandt, pres.) for \$50,000 to Lexington, Tenn. attorney W. L. Barry (50.67%) and Neal B. Bunn (48.66%); latter will be gen. mgr., is mgr. & 25% owner of WDXL, Lexington, Tenn. . . . WPUV, Pulaski, Va. by Mason C. Deaver for \$50,000 to co-equal owners John A. Columbus, asst. mgr. & chief engineer; Lawrence R. Schoenfeld, sales mgr.; Carl A. Shufflebarger, business mgr.; Howard R. Imboden, drug store proprietor. Brokers: WWPF and WNAV, Blackburn & Co.

Radio station sales approved this week: KGKB, Tyler, Tex. by Mrs. Lucille Ross Lansing, principal owner of KLTV there, to Ron C. Litteral, ex-sales mgr. of WAFB-TV, Baton Rouge, for \$150,000 (Vol. 13:14). WKYB, Paducah, Ky. by E. J. Paxton family's Paducah Sun-Democrat, operator of WPSD-TV there, to radio WEW, St. Louis (Bruce Barrington, pres.) for \$150,000 (Vol. 13:16). KLFY, Lafayette, La. by owners of KLFY-TV (Paul H. DeClouet, pres.) to new Pelican Bcstg. Co. Inc. (headed by Houston businessman Howard Tellepsen, 50%) for \$140,-000 (Vol. 13:19). WEGO, Concord, N. C. by A. W. Huckle and daughter Elizabeth G., also owners of Concord Tribune, to Robert R. Hilker, pres. of WCGC, Belmont, N. C., for \$102,000 (Vol. 13:16).

. 26

CP for KSLM-TV, Salem, Ore. (Ch. 3) is being transferred to Northwest Telecasting Inc., in which radio KSLM (Glenn E. McCormick, pres.) will hold 51%, according to application filed with FCC. Other 49% will be held by Shasta Telecasting Corp. (Geo. C. Fleharty, pres.-gen. mgr.), operator of KVIP, Redding, Cal. (Ch. 7), which also is buying 50% of CP for KHUM-TV, Eureka, Cal. (Vol. 13:20). Oregon Radio Inc. (KSLM) and Shasta Telecasting are to contribute up to \$75,000 each. **"CABLE THEATRE" dominated talk** at National Community TV Assn. convention in Pittsburgh's Penn-Sheraton Hotel this week—and focal point was debate between Jerrold Electronics pres. Milton J. Shapp and International Telemeter v.p. Carl Leserman over merits of flat monthly charge vs. coinbox pay-as-you-see technique.

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After giving details of Bartlesville, Okla. setup (Vol. 13:20), Shapp argued that \$9.50 flat monthly fee is basically best because: (1) Home viewer, differing from movie patron, is no captive audience—thus is liable to contrast pay-TV fare with free TV easily available, regret having put coin in slot for inferior movie. (2) Billing monthly fee is simple, cheap—compared with coin collection. (3) Public will break scrambled codes. (4) Set servicing will be terrific headache because of decoder tie-in.

As for cable theatre potential, Shapp cited U of Okla. survey indicating movies may glean 3½ times as much in homes as in theatres. He advised CATV operators to get in touch with local exhibitors—and "lease, rent or share ownership with them, for they know their business."

Leserman, pointing to 35 years movie experience, reiterated Telemeter (Paramount Pictures) claim that public just won't buy entertainment on monthly basis; that it wants to pick and choose; that coinbox method permits producers to be paid according to value of individual pictures far more easily than with flat-fee.

Leserman claimed longer experience with cable-theatre concept by pointing to Telemeter's experiment 4 years ago at Palm Springs, Cal. Tests were "very, very successful," he said. Asked why Telemeter hadn't continued, he stated Palm Springs experiment turned up bugs, sent technicians back to labs—and everything is now ready for big move. Without giving details, he said Telemeter would soon go into a town with plans to feed 10,000 homes. Leserman hcads International Closed Circuit TV Inc., successor to Trans-Community TV Network, operator of wired systems in Cedar City, Utah; Miles City, Mont.; Needles, Cal.

Shapp again derided telecast scrambled systems, said they'd fall of their own weight if approved by FCC. Leserman said he believes in both "air link" and wired scrambled methods, plans demonstrations of latter to everyone interested, at Paramount Bldg., N. Y. next month.

During hot question-answer period, Leserman was asked what would replace popcorn & candy in cable theatre. He said that advertising could do the trick. It was also brought out by National Theatre Supply's Jack Servies that Cinemascope could be handled on TV with new GPL equipment, losing only slight portion of picture.

TV sets-in-use figures for European countries as of May 1, as reported at press conference this week by TPA foreign sales mgr. Manny Reiner, just returned from European trip: United Kingdom 7,000,000, West Germany 1,000,000, France & Italy 550,000 each, Belgium 200,000, Netherlands 100,000, Denmark 76,000, Switzerland & Sweden 25,000 each. He gave these estimates for Iron Curtain countries: USSR 1,300,000-1,500,000, East Germany 55,000, Czechoslovakia 65,000. He said TPA now has sales representatives in every foreign TV market except far east, and reported recent sales of several TPA series in Europe and Latin America. He plans to leave Aug. 1 for Hong Kong, Philippincs, Japan & Australia to arrange sales representation there.

CI' for KTRB-TV, Modesto (Ch. 14) is being sold for \$5000 by radio KTRB (Wm. H. Bates Jr., pres. & 80% owner) to J. E. O'Neill's KJEO, Fresno (Ch. 47), will be operated as satellite with some local programming, according to application filed with FCC. **New and Upcoming Stations:** Major link in unique satellite-translator chain was forged June 1 when WRLP, Greenfield, Mass. (Ch. 32) began test pattern operation. Station will repeat programs of parent WWLP, Springfield (Ch. 22), as well as originating some local shows. WWLP has plans for another satellite and 5 translators, and gen. mgr. Bill Putnam reports he expects to have first translator—W79AA, Claremont, N. H.—relaying WRLP schedule by June 18. WWLP also has applied for Ch. 64 satellite in Pittsfield, Mass., and translators in Lebanon & Newport, N. H. and Bennington & Rutland, Vt.

Debut of WRLP brings on-air total to 501 (92 uhf). WRLP has 12-kw RCA transmitter and 620-ft. Ideco tower at Bolton Rd., Winchester, N. H. Wallace I. Green, ex-WWLP program director, is station mgr.; Philip J. Renison, also WWLP, is sales mgr.; Burleigh M. H. Brown, program director; John A. Fergie, chief engineer; Ralph L. Jay, asst. chief engineer. WWLP base hour is being raised from \$600 to \$700. Reps are Hollingbery and Kettell-Carter (Boston).

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

KPAC-TV, Port Arthur, Tex. (Ch. 4) has RCA transmitter due Aug. 1, plans Sept. 15 programming with NBC, reports sales mgr. Mack Newberry. It will be 2nd outlet in Beaumont area, where KFDM-TV (Ch. 6) has been operating since April 1955 and KBMT (Ch. 31) quit last Aug. 1 after 27 months. Contractor has plans for studiotransmitter building; 700-ft. Ideco tower with 12-bay superturnstile antenna is to be ready Sept. 1. Julius M. Gordon, from Jefferson Amusement, will be pres.-gen. mgr.; Glenn Boatright, from KPAC, chief engineer. Rep not reported.

KGEZ-TV, Kalispell, Mont. (Ch. 9) has 5-kw RCA transmitter wired and ready at Flathead, plans June 15 test patterns, July 1 programming with CBS-TV, reports Richard V. Vick, v.p.-gen. mgr. & 2.4% owner. Also ready is 300-ft. Ideco tower with 3-bay antenna. Principal owner is Frank Reardon, who controls Montana radio stations KGEZ; KBOW, Butte; KLCB, Libby. Martin Tollberg will be program mgr. Base hour will be \$125. Rep will be Donald Cooke.

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Rate increases: KHJ-TV, Los Angeles, July 1 raises base hour from \$1500 to \$1750, min. \$300 to \$400. KTVI, St. Louis, April 15, hour \$400 to \$1000, min. \$60 to \$250. KFJZ-TV, Ft. Worth, June 1, hour \$600 to \$1000, min. \$100 to \$225. WTVT, Tampa-St. Petersburg, June 1, hour \$750 to \$850, min. \$180 to \$220. WDAU-TV, Scranton, April 1, hour \$500 to \$600, min. \$100 to \$125. WTVH, Peoria, July 1, hour \$500 to \$550, min. \$100 to \$110. KELO-TV, Sioux Falls, S. D. June 1, hour \$450 to \$510, min. \$100 to \$125. KOB-TV, Albuquerque, June 1 added Class AA hour (6:30-10 p.m. daily) at \$410, min. at \$85, Class A hour going from \$300 to \$310. KFDX-TV, Wichita Falls, April 1, hour \$300 to \$350, min. \$60 to \$70.

Catholic Broadcasters Assn. holds 10th anniversary conference June 13-16 at U of Detroit. Panel participants will include TV-radio director Rev. Timothy Flynn of N. Y. diocese, U of Detroit pres. Very Rev. Celestin J. Steiner, national CBA director Richard Walsh, production mgr. Thomas Sutton of U of Detroit's educational WTVS, gen. director W. T. Rabe of school's Titan Transcription Network.

Research report on shadow-mask multicolor storage tubes for radar & other applications with low frame rates (Long-Persistence 3-Color Indicator Cathode-Ray Electron Tube) is available for 75¢ from Office of Technical Services, Commerce Dept., Washington.

WARD with ELECTRONICS REPORTS Trade Report June 8, 1957 WYATT BUILDING WASHINGTON 5, D C. . TELEPHONE STERLING 3.1755

**OPTIMISM, BETTER PRICES, MARK NEW TV LINES:** <u>Bright prospects for TV market this</u> <u>fall, with industry sharing</u> in generally strong economy, was theme of RCA & Philco new-line showings this week. As put by Robert A. Seidel, RCA consumer products exec. v.p.: "TV should get its place in the sun this fall." And Philco pres. James M. Skinner predicted minimum of overproduction and dumping -- manufacturers having shaken down to stable group.

Estimate of fall season being "probably best country has ever known" was based by Seidel on record high employment, peaceful labor scene, consumers spending at record pace. As he put it: "There's no reason why TV shouldn't get its share of excellent business." At the same time, he said, RCA's TV sales are practically even with last year while industry sales are off 15%.

New line has been redesigned inside and out, said Seidel. And RCA Victor TV v.p.-gen. mgr. Charles P. Baxter gave the keynote: "Lean, Clean and Mirror Sharp." Line uses 110-degree tube (Vol. 13:22) in all 17-21-24-in. sets, 90-degree shortneck in 14-in. portable. Featured also are lowboy styling based on survey which spokesman said showed overwhelming consumer preference, 59-lb. 21-in. portables which are 5-in. shallower than previous 21-in. tube table models, "Custom Corner" 21-in. consoles described as "first commercially acceptable corner cabinets."

<u>All RCA sets have picture tube base completely enclosed in cabinet</u>, eliminating so-called "doghouse" and allowing sets to be placed closer to wall. In response to our question, Seidel said sets would not overheat or mark wall if about ½-in. air space was left between wall and set. (For new line, see p. 12.)

"<u>Some prices are the same as last year</u>, some are up a little and the 24-in. sets have been cut \$20," Seidel noted. Explaining prices, Baxter said "we cannot escape the fact that costs are up all along the line and that profit levels in the industry have been unsatisfactory."

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"<u>Some firming of TV prices this fall</u>" was predicted by Philco's Skinner, adding that company would show a profit in second quarter, even though gross sales may be down from the first quarter of this year.

Philco prices are about same as last year, but contain "reasonable margins for Philco, distributors and dealers," Skinner said. Prices run \$160-\$475, have average 3¼% higher distributor discount than last year; this was attributed to engineering advances and switch to automation in TV production.

Skinner said Philco TV inventories were in best shape in 3-4 years and predicted company would exceed last year's production. He declared that he had no plan to limit production of portables which "are here to stay"; that 20-25% of Philco production last year was in portables, and would go somewhat higher this year.

<u>Fall retail business should be pretty good</u>, Skinner stated, adding that there shouldn't be so much overproduction or dumping as last year. He said that most manufacturers are now financially stable; that there should be no more dropping out; that conditions generally should be better for next few years.

Philco new line uses 110-degree picture tube only in its 17-in. series called "Slender Seventeener." Consumer products exec. v.p. Larry Hardy told distributor meeting that company decided 17-in. size was proper place to take advantage of the lighter weight and narrower depth. In other models Philco uses 90-degree short-neck tube with cabinets runing 17-in. or deeper, plus 2-4-in. tube cup projection. Some question of availability of 110-degree tubes was raised by Skinner who told newsmen he thinks tubes may be "scarce to some degree for several months." (For details of Philco line, see page 12.)

Skinner predicted TV manufacturers would have a better year in 1957 than in 1956. And Hardy expressed view industry would produce 6½-7,000,000 sets this year.

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He said Philco's plant is geared to turn out 20,000 TV sets weekly on a single-shift basis, thinks it may be necessary to add a shift.

Only one other company (obviously RCA) has spent as much on color as Philco, Hardy said. Skinner declared color TV has a "great future" -- but that today's product is not good enough and price is too high. He thinks color "should be softpedaled" until a set is developed which "shows real promise for the future."

Skinner said Philco's "apple" system shows "tremendous amount of promise" but still has flaws and needs continuing research. "I don't think we have the answer today," he declared, but "we're closer to it than any others." And Hardy stated that Philco lost money last year on color and doesn't want to lose any this year. But he said Philco can produce sets with all-glass shadow-mask tube if necessary.

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Other lines coming out this week included Zenith with new "Sunshine" picture tube which spokesmen described as short, aluminized, straight-gun type, which has no ion trap magnet, delivers twice the beam current for the same modulating voltage, avoids "heat and distortion" problems of 110-degree tubes. Prices are \$140-\$575, reflecting recent \$10 price increase on current line. (See p. 12.)

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Sylvania started showing 1958 line to series of distributor meetings in Buffalo, expected to release details June 14. Meantime, we have learned line has 8 models -- 4 table, 4 console -- at slightly higher prices. Sets are called "Slimline", use 110-degree tube with tube-cup projection eliminated. Leader 21-in. table model is only 13 11/16-in. deep, weighs 50 lb. vs. similar model last year which was 19%-in. deep and weighed 101 lb.

<u>Revolutionary changes in marketing methods</u>, engineering programs and production techniques were predicted by v.p.-operations Marion E. Pettegrew in speech to Sylvania distributors meeting. He predicted annual sales of 9,300,000 TV sets by 1966, with manufacturing and distribution volume at \$4 billion.

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<u>Packard-Bell pres. Robert S. Bell</u> also cited growing optimism in TV industry and said final 6 months of the year would see higher prices and more high-end sets. New Packard-Bell line uses 110-degree tube in third of line, has 15 black=&=white 17 & 24-in. models, 2 color sets.

<u>Prediction of a "flat TV wall picture</u>" within 10 years was made to Admiral distributors convention by pres. Ross D. Siragusa. He told Miami Beach meeting that 110-degree tube is cutting cabinets to less than 16-in. deep from the 27-in. of 1951. He foresees renaissance in TV styling and in home decorating incorporating TV with "furniture-styled" cabinets. Details of line are not being disclosed until after distributors hold open house for dealers.

**Retail Sales:** <u>TV set sales at retail in year's first 4 months</u> were 2,020,876, says RETMA, down slightly from 2,036,808 sold in similar 1956 period. For April alone, sales amounted to 337,965 compared with 347,630 in April 1956. <u>Radio sales</u> at retail, excluding auto sets, totaled 2,362,068 compared with 1,984,915 sold in first 4 months of 1956. Sales in April were 543,092 vs. 471,193 in April 1956.

**Production:** <u>TV output was 72,770 week ended May 31</u>, reflecting Memorial Day holiday, compared with 86,629 preceding week and 94,578 in corresponding week one year ago. It was year's 22nd week and brought TV production for year to date to about 2,238,000 compared with 2,972,782 in same period of 1956. Also this week, RETMA placed official production of <u>year's first 4 months at 1,835,975</u> compared with 2,394,264 in similar period last year. April production was 361,246 compared with 559,842 in March and 549,632 in April 1956. <u>Radio production totaled 167,781</u> (59,041 auto) week ended May 31, compared with 249,720 (93,275) the preceding week and 208,224 (60,477) in corresponding week year ago. Radio output for 22 weeks totaled about 6,267,000 (2,477,000) vs. 5,800,145 (2,076,646) in same 1956 period. <u>First four months production</u> was placed at 5,075,180 compared with 4,525,225 in similar period last year. April production totaled 1,115,813 (380,452 auto) compared with 1,609,073 (597,532) in March and 992,982 (299,253) in April 1956. **Topics & Trends of TV Trade:** "We're going to get color TV off the ground, come hell or high water," says RCA exec. v.p.-consumer products Robert A. Seidel in recapping lessons learned in 5-week Milwaukee "Carnival of Color." And he predicted 5 major competitors—which he said he couldn't name—will be actively promoting color within 3 months; that all set makers will be on bandwagon in 9 months.

Details of Milwaukee test—which will be used to cue RCA's interim color campaign this summer and a national campaign in fall—were supplied by RCA merchandising v.p. Martin F. Bennett. Prior to May campaign, color salcs averaged 12 a week in Milwaukee County, he said, while for the 5-week drive sales averaged "106 a week, a rise of 783%." He said this "demonstrated conclusively that the public is ready to buy color now in large volume."

Bennett said summer color promotion will be held in many cities—but on smaller scale than in Milwaukee. Seidel said cities haven't beeen picked yet.

One prime lesson learned in Milwaukee test, said Bennett, is to go directly to consumer, by phone or in person, and ask him to buy color TV, and he added that surveys show 3 of 4 people have never seen color properly demonstrated; that another survey indicates 73% of those buying color sets had to ask to see color.

In Milwaukee, "we found the people wanted home demonstrations," Bennett said, "and once they saw color in their living room two-thirds of them bought sets." An RCA spokesman said about 600 home demonstrations were made in the 5-week period and resulted in about 400 sales.

Milwaukee dealer attitude toward color was described by Bennett in these words: "The dealers—far from being apathetic about color, as has sometimes been said—are actually enthusiastic in their support of it." In other sections of country some dealers who are not sold on color are a bottleneck, said Seidel, but he added that this is being corrected. He reported national color sales for year's first 5 months are twice those of similar period last year (figures undisclosed).

Other facets of Milwaukee test: (1) Timing was bad for program because May is slack month, with dealers liquidating stocks in preparation for new lines. (2) RCA dealers who promoted color also had 50% black-&-white sales increase in May over same month last year; RCA spokesman said this is true on national scale. (3) Some 70% of color sets sold were higher priced than \$495 price leader table model.

Role of *Milwaukee Journal's* WTMJ-TV in color was described by v.p.-gen. mgr. Walter J. Damm who said there were some 3300 color sets in station's service area at start of RCA campaign May 1. RCA's Bennett said station's daytime color programs (11 a.m.-3 p.m. daily) "helped immeasurably" in home demonstrations.

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Canadian TV production totaled 117,654 in first 4 months of 1957, says RETMA of Canada, compared with 208,193 in similar 1956 period. April production is listed at 22,823 vs. 36,432 in April last year. Distributor sales totaled 22,093 in April, 130,571 for year's first 4 months, with this breakdown by provinces: Ont. 9166 & 47,887; Que. 5706 & 34,427; B. C. 2318 & 11,429; Alberta 1411 & 10,091; Man. 1075 & 8736; N. S. 1061 & 6934; N. B. & P. E. I. 574 & 4374; Sask. 536 & 5187; Nfd. 246 & 1506.

Attack on \$100,000,000 tube counterfeiting racket is planned by RETMA, calling for campaign based on theme: "You never get something for nothing." Main objectives are: (1) Clarify status of legitimate tube reprocessor. (2) End counterfeiters' source of supply and market. (3) Improve identification of reprocessed tubes. (4) Encourage enforcement of laws dealing with fraudulent ads. Legal battle royal over Cascode tuner appeared to be shaping up this week as Standard Coil Products filed infringement suit in N. Y. Federal Court against GE in what Standard Coil pres. James O. Burke promised was "one of many that will be instituted." He explained that Standard had been unable to file suit earlier with regard to the 1950-51 tuner design because its application for patent had been challenged in U.S. Patent Office since 1951 by RCA, which also claimed to be first inventor of Cascode circuit. Patent office has decided in favor of Standard, according to Burke.

RCA 1958 black-&-white line includes 5 basic portables plus 24 table and console models, at \$130 to \$395. They are: 14-in. portable at \$130 & \$150 with 90-degree shortneck tube (rest of entire line has 110-degree); 17-in. portable \$170-\$190; 21-in. portable \$230; 17-in. table \$190; 21-in. tables \$200, \$210, \$220, \$230, \$240; 21-in. consoles \$240, \$270, \$290, \$300, \$310, \$330, \$350, \$360, \$370, \$380; 24-in. tablcs \$240, \$260; 24-in. consoles \$370, \$380, \$395. One new deluxe color console—"Lockhaven"—at \$695 was added, will be shipped in next few weeks. All black-&-white except 24-in. are being shipped.

Philco's new line consists of 3 portables at \$180, 4 table models at \$160-\$175 in 17-in. "Slim Seventeener" series; 21-in. table models \$180-\$240; 21-in. consoles \$240, \$250, \$280, \$330, \$340, \$370, \$380, \$390; 24-in. table model \$280, consoles at \$340, \$450 and \$475; 21-in. "Carousel Ensemble" \$250. All except low-end table models are in wood, with lighter woods running \$10 higher; 21-24-in. sets use 90-degree short-neck tube. There are no color sets. All sets are in production except "Slim Seventeeners" which will be shipped about Aug. 1.

Zenith's 1958 TV line, shown to distributors this week in Chicago, includes 60 sets priced \$140-\$575, TV-combinations to \$625. They are: 14-in. portable \$140-\$195; 17-in. portable \$160-\$230; 21-in. table \$190-\$290; 21-in. console \$250-\$335; 21-in. combinations \$425-\$460; 21-in. hi-fi console \$320-\$435; 24-in. console \$300-\$345; in "Space Command" series, 21-in. table \$270-\$300; 21-in. console \$300-\$575; 24-in. console \$450. Shipments to dealers scheduled about July 1.

RCA's new hi-fi phonograph line, introduced this week by James M. Toney, v.p. & gen. mgr., radio and "Victrola" div., is priced from \$130-\$2000. He told press preview in N. Y. that 3 new recorder-"Victrola" stereotape players will be added in late summer. Toney also showed 2 AM-FM shortwave radios, made by unidentified German manufacturer, priced at \$230 for table model, \$370 for console.

Commerce Dept. appropriation was passed by both houses of Congress this week (Vol. 13:22), carrying sufficient funds to maintain industry divisions of Business & Defense Services Administration on somewhat reduced scale.

Trial date for Zenith's \$61,000,000 triple-damage antitrust counterclaim suit against RCA, Western Electric & GE was postponed by Chicago Federal Judge Igoe to Sept. 9 from June 17.

Hoffman's 1958 TV-radio-hi-fi line will be shown at June 18 distributor convention at El Rancho Vegas Hotel, Las Vegas.

Emerson holds annual distributor convention for new TV-radio-hi-fi lincs June 25-26 at Lido Hotel, Lido Beach, N. Y.

Philco Mount Clemens, Mich. plant was sold this week to Ford Motor Co. for \$1,450,000, its 235,000-sq. ft. to be used in manufacture of upholstery.

National Radio Weck next year will be May 4-10 with same sponsors: RETMA, NARTB, NARDA, RAB.

Trade Personals: Theodore A. Smith named exec. v.p., RCA industrial electronic products, a new position, will report to pres. John L. Burns; he's succeeded as exec. v.p., defense electronic products, by Arthur L. Malcarney, v.p.gen. mgr., commercial electronic products, who will report to senior exec. v.p. Elmer W. Engstrom; name of his successor hasn't been disclosed; Orrin E. Dunlap Jr. appointed RCA v.p., institutional advertising & publications; Sidney M. Robards to press relations director-both reporting to E. C. Anderson, executive v.p., public relations . . . Don G. Mitchell, Sylvania chairman and president, received special management award from National Sales Executives Association at 22nd International Distribution Congress this week in Los Angeles . . . Joseph L. Raffel appointed Webcor exec. v.p., Adolph Wolf manufacturing & engineering v.p. . . . E. W. Seav promoted to gen. adv. mgr. of Westinghouse Electric, S. F. Johnson to apparatus & defense adv. mgr. . . . M. V. Musy, ex-Westinghouse, named Sylvania district sales mgr. for San Francisco area ... Paul Ritter MacAllister named consultant to Motorola's design dept. . . . Ken Summerfield named Dominion Electrohome Ontario sales promotion supervisor, dealer products div. ... Wm. H. Miller promoted to Jerrold sales mgr., succeeding Fred Lieberman, resigned; Leon Papernow moves up to head community antenna system operations . . . H. Edwin Dudley, former employe relations mgr., named Stromberg-Carlson wage & salary administrator; Richard S. Heckman, ex-Charles Bruning Co., named personnel mgr.

### Obituary

Col. Sosthenes Behn, 75, co-founder and retired pres. & chairman of IT&T, died of a heart ailment June 6 at New York's St. Luke's Hospital. He developed IT&T from modest Cuban-Puerto Rican telephone-telegraph operation to worldwide electronics manufacturing company and telecommunications operating system which grossed halfbillion dollars yearly. He retired in 1956, retaining title of honorary chairman. He was noted particularly for skill in handling international finance. He was born in Virgin Islands of Danish father and French mother who gave him Greek first name signifying "life strength." Surviving are his widow, 2 sons, a daughter, 5 grandchildren.

Humphreys O. Siegmund, 61, Bell Labs military development engineer, died June 5 while driving car in Livingston, N. J. He held 23 patents, had written many articles on telephonic devices since starting with Western Electric in 1919. Surviving are his widow, daughter, brother, sister.

Magnetic Recording Industry Assn. named Irving Rossman, Pentron Corp., as pres., succeeding Joseph F. Hards, Magne-Tronics Inc.; Arnold Hultgren, American Molded Products Co., v.p.; Charles L. Dwyer, Webcor, treas.; Herman Kornbrodt, Audio Devices Inc., recording secy. Hards and Victor Machin, Shure Bros. Inc., were named directors.

DISTRIBUTOR NOTES: GE Supply Co. to open Denver major appliance branch about Nov. 1, replacing B. K. Sweeney Co. . . . RCA Victor Distributing Corp. appoints Clarence A. Malin mgr. at Los Angeles; Edward Dodelin succeeds him as Chicago mgr.; A. W. Sayers, former TVradio merchandise mgr. in Chicago, succeeds Dodelin as Buffalo mgr. . . Ed Germain resigns as merchandise mgr., Philco Distributing Inc., Chicago . . . Graybar appoints Bob Gilbert, ex-Appliance Wholesalers, Portland, Ore., as appliance sales mgr. for Portland & Eugene branches . . . Radio & Appliance Corp. (Admiral), Nashville, has been purchased by Wm. L. Mitchener, pres. General Instrument Corp. earned \$505,407 ( $37\phi$  per sharc) on record sales of \$33,254,735 in fiscal year ended Feb. 28 vs. \$285,474 ( $21\phi$ ) on \$28,928,604 year earlier. Improved position reflects wider product base in TV-radio field and military & industrial electronics, chairman Martin H. Benedek said in annual report, which includes operations of Micamold Electronics Mfg. Corp. and Canadian subsidiary T. S. Farley Ltd., both acquired in 1956. He said "further progress" is expected in fiscal 1958 as result of acquisition of Radio Receptor Co. (Vol. 13:15).

N. V. Philips' Gloeilampenfabrieken, big Dutch TVradio-electrical combine, earned \$10,974,000 on first quarter sales of \$189,181,000 compared with \$8,361,000 on \$147,-373,000 in similar 1956 period. Consolidated Electronics Industries, 40% owned by Philips' subsidiary, North American Philips, reports profits of \$1,154,803 (\$1.47 per share) on sales of \$14,800,838 in 6 months ended March 31, compared with \$1,174,441 (\$1.49) on \$13,722,497 in corresponding period year earlier.

General Precision Equipment offers 194,200 shares of \$3 dividend convertible preference stock (\$9,710,000) to stockholders at \$50 per share (Vol. 13:20). Holders of record June 5 may buy one new share for each 6 of common or one for each 9 of \$1.60 preference stock. Rights in offer through syndicate headed by First Boston Corp. and Tucker, Anthony & R. L. Day expire June 24.

Dividends: Cornell-Dubilier,  $30\phi$  payable June 25 to stockholders of record June 17; Dynamics Corp.,  $10\phi$  June 30 to holders June 14; Decca Records,  $25\phi$  June 28 to holders June 17; Corning Glass,  $25\phi$  June 29 to holders June 17; Universal Pictures,  $25\phi$  June 28 to holders June 14; RCA,  $25\phi$  July 29 to holders June 21.

Erie Resistor Corp. filed registration June 5 with SEC (File 2-13406) for 100,000 shares of \$12.50 par 1957 preference stock, public offering at \$15 per share to be made through underwriting group headed by Fulton Reid & Co.

General Transistor Corp. earned \$50,225 (18¢ per share on 283,966 shares outstanding) on sales of \$510,135 in first quarter ended March 31, compared with \$41,161 (14¢) on \$153,723 year earlier.

Telecomputing Corp. earned \$125,000 (8¢ per share on 1,483,920 shares outstanding) in 4 months ended April 30 vs. \$185,000 (13¢ on 1,403,920 shares) year earlier.

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"Pulling in of credit horns is not the answer" to tight money economy, Dr. Neil Jacoby, dean of UCLA School of Business Administration, told Packard-Bell annual distributors meeting in Los Angeles this week. He predicted increased TV business—both wholesale and retail—in last 6 months of year, but said profits would not go up proportionately. Consumers' high income, record savings, low debts were reasons he gave for prediction of increased buying.

Surcease from 10% excise tax on color and all-channel sets was asked by RCA tax director John F. Costelloe this week in appearance before Senate-House Economic subcommittee on fiscal policy. He said new products, now burdened with such excise taxes, need relief while they are attempting to establish domestic markets. Ile told committee black-&-white TV escaped similar tax for several years until market developed.

New Stromberg-Carlson "Electronics Center" and ultra-modern administration building in Rochester will be formally opened June 11, marking completion of \$5,000,000 expansion program at main plant, and adding more than 250,000 sq. ft. of plant space.

Andrea ships 21-in. lowboy with sliding doors at \$400 for mahogany, \$410 blonde or ebony, \$420 walnut-fruitwood on cherrywood base.

FCC was jarred back on its heels this week by Court of Appeals in important "economic injury" case involving grant of radio WCLE, Cleveland, Tenn. over protest of WBAC (Vol. 13:12). Commission had stuck out its neck and concluded it lacks power to consider economics in making grants. Judges Edgerton & Bazelon, with Danaher dissenting, this week ordered WCLE off air pending hearing on the appeal of WBAC. In very strong language, court said: "The probabilities of success appear to lie heavily with appellant. The showing of irreparable injury here is sufficient when coupled with such probability of success to justify a stay." WCLE promptly asked Court of Appeals en banc review of the 3-judge decision; WCLE was permitted to keep going pending court decision on that angle, expected next week.

Grant of \$100,000 to Metropolitan Educational TV Assn., N. Y., by Ford Foundation's Fund for Adult Education to buy equipment for production center in Carnegie Endowment Bldg. was announced this week. META plans programs for distribution to N. Y. stations and to educational outlets throughout country, will receive additional \$50,000 from FAE if it can achieve on-air operation itself. Boston's educational WGBH-TV & WGBH also received FAE grant—\$15,000 for staff to plan in-school TV there. Meanwhile, *TV Guide* established one-year fellowship for mgr. Harold Metcalf of Kentucky edition to work in Hagerstown, Md. pilot closed-circuit TV school project, supplying students with printed information on instruction programs.

Penal legislation against "leaks" from FCC & other govt. regulatory agencies will be drafted by Senate investigating subcommittee headed by Sen. Jackson (D-Wash.), aided by agencies themselves. He said conference June 4 (Vol. 13:22) with agency heads, including FCC Chairman McConnaughey & gen. counsel Warren Baker, produced no objections to proposed law outlawing unauthorized disclosures and "improper influence or pressure" on agencies. Probe so far has centered on stockprofit "leaks" from CAB.

FCC issued "or else" order this week to the 4 TV programmers challenging Network Study Committee's power to subpoena them and their documents, upholding chief hearing examiner James D. Cunningham and directing them to appear at June 12 hearing at N. Y. Federal Court House with the items requested in subpoena. If not, said Commission, it will "forthwith institute appropriate proceedings to enforce compliance." Reluctant firms are Screen Gems, Ziv, MCA-TV & Revue Productions; 3 other companies which originally challenged subpoenas have agreed to supply data.

New one-inch diameter vidicon tube with extremely high sensitivity is being developed by RCA for monochrome & color broadcast and industrial use. RCA says tests show new tube can be operated to produce picture having good signal-to-noise ratio and fast response to moving objects with as little as one foot-candle of highlight illumination.

International TV-radio seminar sponsored by State Dept.'s International Educational Exchange Service will be held June 10-Oct. 11 at Boston U's school of public relations & communications. School will be host to 30 TV-radio experts from 25 countries.

Nobody was appointed an FCC commissioner this wcck. Couple more names "mentioned": Mary Jane Morris, FCC sccretary; Clifton Young, former Nev. congressman.

FCC will observe usual Aug. vacation procedure, holding no hearings or oral arguments during month. Only full Commission meeting will be held Aug. 1.

Licensed TV sets in Great Britain totaled 7,050,308 at end of April, increase of 84,052 during month. Paramount intends to release its 700-film library of pre-1948 features to TV before year is over, pres. Barney Balaban told stockholders meeting this week, adding that the company "intends to become an important supplier of motion pictures for TV." He devoted much of his statement to "the potential that lies in pay TV." He added: "There are many persuasive reasons for believing that the [closed-circuit] cable approach will be most effective in getting pay TV off the ground." Pay system of Paramount's 90%-owned subsidiary International Telemeter is now technically ready, he said, and has been submitted to manufacturers for bids. He also said Paramount is considering public financing for Telemeter in near future, and revealed that the movie company's investment in Telemeter totals 5-%6,000,000.

Criminal libel on TV is hard to prove in N. Y. without script, District Attorney Frank S. Hogan decided June 6, suspending grand jury investigation of statements made by ex-gambler Mickey Cohen May 19 on ABC-TV's *Mike Wallace Interviews* (Vol. 13:22). Promising to draft law to close loophole, Hogan said study of N. Y. penal code shows that TV performers apparently can say what they please without committing criminal libel—so long as they don't read from prepared script or record defamatory statements for kinescope. "Mere speech" may be cause for civil action for slander but not for criminal action in state, he said. Grand jury inquiry was started on complaint of Police Capt. James Hamilton of Los Angeles, one of persons excoriated by Cohen.

Three applications for new TV stations and 2 for translators were filed with FCC this week, bringing total to 127 for stations (33 uhf) and 54 for translators. Applications were for St. Louis, Ch. 42, by group headed by Milwaukee furniture manufacturer Bernard Heifetz; two for Weston, W. Va., Ch. 5, one by owners of WENS (Ch. 16), Pittsburgh, the other by WAJR, Morgantown, W. Va., owners of off-air WKJF-TV (Ch. 53), Pittsburgh. Translator applications were for Shelby, Mont., Ch. 72, by Shelby T. V. Club, operators of Ch. 76 translator there; for San Saba, Tex., Ch. 77, by Norman R. Phillips. [For details, see TV Addenda 24-V, herewith.]

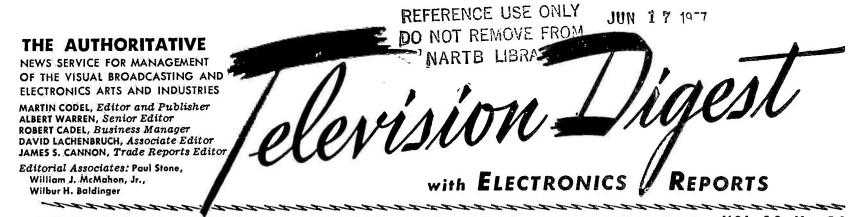
NBC is again changing format—and perhaps name of its *Tonight* show, officially confirming earlier reports. Maintaining its faith in late-evening live programming, network announced that comedian Jack Paar will star in the new show Mon.-Fri. 11:30 p.m.-1 a.m. beginning in mid-July, with format "hinged on comedy, music, guests and audience participation." Show will have tie-in with recording industry, featuring top disc stars.

Another group of 20th Century-Fox features is being offered to TV by NTA. This one is called "Big 50" package and includes 39 Class A features which will have been shown on NTA Film Network this year, plus 11 first-runon-TV films. NTA announced it had already sold the package to WCBS-TV, N. Y.—price said to be \$700,000.

First 2 movies produced by AB-PT Pictures Corp., new subsidiary of American Broadcasting-Paramount Theatres, have been booked in more than 240 theatres starting June 20. They are *Beginning of the End* and *The Unearthly*. AB-PT announced this week that its productions will be distributed in U. S. & Canada by Republic Pictures.

Advertising costs average 5% more in 1957 than 1956 for all big media, including TV, June 7 *Printers' Ink* says. Predicting continuing rise rest of year, magazine estimates advertisers spend \$143.14 now for every \$100 spent in 1950.

Commercial TV has spread to—of all places—Czechoslovakia. Advertising of products began late last month on stations in Prague & Ostrava. All advertising is handled by same agency—the Govt.



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## SUMMARY-INDEX OF THE WEEK'S NEWS — June 15, 1957

- NO FEE-TV DEAL MADE with Skiatron, AT&T pres. says. Thurmond introduces anti-subscription bill; Comr. Craven and Hollywood film unions plug for tests (p. 1).
- KHRUSHCHEV TV INTERVIEW lights fire for reciprocal program trade between U. S. & Russia, but Dulles sees little new in "Johnson Doctrine" (p. 2).
- NETWORKS WAIT & HOPE that inter-city circuit shortage will loosen before deadline date, through cut in requirements or boost in facilities (p. 3).
- SENATE REPORT on network practices due for Committee action June 18. Senate bars further funds for FCC network probe; film firms face court order (p. 6).
- FCC CLEANING UP BACKLOG, disposing of petitions for reconsideration, rarely changing mind. Adding 2 vhf's in Schenectady area under consideration (p. 7).

- GOOD INVENTORY POSITION documented, set sales paralleling 1956 rate but production kept in bounds. Year's sales prospects put at 6½-7,000,000 (p. 10).
- NARDA SURVEY shows record high costs and low profits in 1956; 28% report net loss for year. Many dealers apprehensive about 1957 prospects (p. 10).
- RCA CHARGES PHILCO with patent infringement, seeks treble damages, is joined by GE, AT&T, Western Electric & Bell Labs in denial of Philco charge (p. 11).
- 23-MARKET STUDY of brand names, conducted by newspapers, shows RCA still far in lead with 19 first places, one tie for first (p. 12).
- LAMB FINALLY VINDICATED, Commission renewing license of his WICU, Erie, by 5-1 vote—Lee dissenting, Doerfer absent—ending weird 3-year fiasco (p. 14).

NO SKIATRON DEAL MADE, AT&T CHIEF SAYS: No commitment has been made by AT&T or any of its affiliated companies for transmission of any closed-circuit scrambled-picture fee-TV programs. This is the one island of fact we have been able to locate in the floodtide of rumors, surmises and unverified reports.

The statement comes from Frederick R. Kappel, pres. of AT&T, who supplied us with answers to series of questions arising from west coast reports of proposed tieup between AT&T's Pacific Telephone & Telegraph Co. and Matty Fox's Skiatron TV for wired pay-TV transmission of games of Giants and Dodgers to California homes if the teams move to west coast (Vol. 13:22-23).

<u>Kappel's statement did not preclude such action in future</u> -- and we don't doubt that negotiations have been or are being held between telephone companies and subscription-TV entrepreneurs; but fact is, no action is yet in sight.

Our specific question to Kappel: Have AT&T or Bell companies made any commitments or signed any agreements with such pay-TV organizations as Skiatron, Zenith or International Telemeter, involving transmission of programs intended to be viewed on a per-program basis? Reply was "No" -- with exception of the experimental wired "Telemovies" operation in Bartlesville, Okla.

AT&T has no policy rule against carrying pay-TV programs on its inter-city lines, Kappel made clear -- pointing out that it has been relaying other types of closed-circuit programming for some time. As to AT&T's anticipated role in distribution of wired TV programs to subscribers' homes, he indicated that it's still too early to tell, but that it would probably be limited to supplying transmission channels. AT&T has no desire to get into the entertainment business, he emphasized.

Queried as to cost of wiring Los Angeles & San Francisco to bring pay TV to existing receivers there, he and other company officials declined to guess.

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<u>Controversy over broadcast subscription TV was kept alive</u> this week by proponents and opponents, both in and out of Govt. There was action again on Congres-

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Thurmond (D-S.C.) and identical with Rep. Celler's HR-586 in House.

Assailing pay TV as "a new tax on the people," Thurmond said in Senate speech that experimental toll-TV program would be difficult to call off, once started. He advised FCC to stick to "matters of scientific concern" and leave "matters of policy" to Congress. His bill was referred to Senate Commerce Committee -- of which he is a member -- where it faces doubtful future, inasmuch as several members are on record as favoring at least a limited public trial of subscription TV.

NARTB backed Thurmond's stand, pres. Harold Fellows urging Congress to take pay-TV issue out of hands of FCC. As to public trial of fee TV, he said nothing significant can be learned from broadcast tests that won't be demonstrated in the Bartlesville closed-circuit project.

<u>Comr. Craven, who has been plumping</u> within Commission for fee-TV tests, came out publicly for trial at week's end in strong speech to Md.-D.C. Broadcasters Assn. at Ocean City, Md. "Should broadcasters be allowed to stop subscription TV if it constitutes real progress?" he asked. "The realistic way to ascertain whether or not this new service is real progress is to give the public an opportunity to express its preference based on field demonstrations."

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<u>Public test will supply answers to most questions</u> about fee TV, he said. As a clincher, he referred to FCC's sprawling May 23 subscription-TV notice (Vol.13:21): "As you know, the Commission has already agreed that such a trial demonstration is necessary. We need only to determine the parameters of that trial."

<u>He gibed at broadcasting spokesmen</u> who endorse closed-circuit pay TV but oppose scrambled telecasting. Said he: "I question whether [telecasters] will be really as protected from the economic effects of competition by this method as they may hope. In fact, it is difficult to understand how TV broadcasters can gain much comfort in the long run from this so-called freedom from competition."

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<u>Pro & con lobbyists haven't been confining their big efforts</u> to Congress and FCC. Though they fought to a draw last week at convention of General Federation of Women's Clubs (Vol. 12:23), the fee-TV proponents won clear-cut victory this week when Hollywood AFL Film Council, representing more than 24,000 movie and TV film industry workers, unanimously approved resolution urging FCC to authorize extensive tests of subscription TV "at the earliest possible moment" -- taking stand diametrically opposed to parent AFL-CIO which twice has urged FCC to reject pay TV.

Note: Lest anyone be laboring under the delusion that Zenith, Skiatron and International Telemeter would have a monopoly -- or even an inside track -- if FCC should approve subscription TV, RCA pres. John L. Burns this week confirmed what industry observers had known all along. In answer to question at Hollywood press conference, he reiterated RCA's belief that toll TV wouldn't be successful, but added that if it did succeed "all vested interests will get into it with both feet."

**CBS-TV KHRUSHCHEV INTERVIEW REVERBERATES:** <u>Regular U.S.-Russian TV-radio exchanges</u>, bringing new turn to east-west relations, were urged by powerful voices in Washington this week as result of Nikita Khrushchev interview which won world attention -and general plaudits -- for CBS-TV's <u>Face the Nation</u> show June 2 (Vol. 13:23).

Inspired by CBS news beat and possibility of people-to-people communication it raised, Senate Majority Leader Johnson (D-Tex.) revived long-dormant proposals for Iron Curtain breakthrough via reciprocal broadcasting. Idea caught fire -- or at least smoldered -- all around Capital.

Johnson's "open curtain" plan (promptly hailed as "Johnson Doctrine" in Congress by supporters on both sides of aisle) was advanced June 8 in N.Y. speech, seconded next day by Senate Minority Leader Knowland (R-Cal.), who followed Soviet leader Khrushchev as <u>Face the Nation</u> guest. <u>Plan was welcomed -- but with restraint</u>, and not as something new -- by Secy. of State Dulles at press conference June 11. Reflecting initial White House coolness to sensation stirred by Khrushchev interview, Dulles praised "Johnson Doctrine" as "demonstration of the bi-partisan character of our foreign policy," but maintained administration had been "pressing" for it all along.

<u>Press across country was enthusiastic</u>. <u>N.Y. Times</u> pundit Arthur Krock said "Johnson speech projected definite ideas, contrasting with the lack of them in administration suggestions how to deal with the issues raised by Khrushchev." Krock thought it was "sound, shrewd program to counteract Soviet propaganda." <u>Christian</u> <u>Science Monitor</u> said it could be "exploited into a larger exchange of fusillades in this 'war of ideas.'" <u>Washington Post</u> termed it "admirable."

Encouraged by reception to plan, seeing Dulles "in such complete agreement," Johnson told Senate June 12 he would proceed "to determine methods by which Congress" can act to implement it -- with "united backing of our people."

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But doubt over chances of Soviet cooperation, despite TV pleas by Khrushchev for more east-west "cultural" exchanges, was expressed at news conference by Dulles. He pointed out that similar proposals -- including 30-min. monthly radio trade between U.S. & Soviet -- were advanced at 1955 Geneva Conference, reiterated year ago in 17-point White House statement with little response from Kremlin.

Most direct reaction by Moscow, Dulles said, had been rejection of offer at Geneva by then Foreign Minister Molotov on ground American broadcasts would subject Russians to "social scum." Dulles said U.S. nevertheless has "been pressing them since the original formulation," that it continues to be "one of the items which is on the list" at Russian desk in State Dept.

"Supercilious" is word for Dulles, Sen. Fulbright (D-Ark.) retorted June 13, deploring apparent administration effort to dampen TV-radio plan down. "Indication of weakness," Sen. Mansfield (D-Mont.) agreed. And Fulbright, member of Foreign Relations Committee, added "it is the best kept secret since the first atomic bomb was made" if administration had been pursuing reciprocal broadcast arrangement.

"Wholehearted & enthusiastic backing of Congress" was promised by Fulbright if administration grasps "this opportunity to join in a proposal for action now." No immediate move was made by Dulles, but other State Dept. officials indicated earlier that it soon may try new, formal approach to Kremlin -- perhaps in several weeks.

<u>Formal U.S. offer is all Russia is waiting for</u> -- if First Deputy Premier Mikoyan could be believed. He told western newsmen in London June 13: "If you want to make such a proposal, go ahead. We are not afraid of competition in ideas." Moreover: "It's harder to tell lies on TV because you cannot only be heard but seen." Molotov, also in London, was less vocal but said he, too, favors idea now.

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What stands out painfully in the whole picture is silence of CBS, other networks and stations, in face of presidential criticism -- demonstrating anew the traditional industry fear of antagonizing any administration -- GOP or Democratic -and the FCC it tends to control. Print media wouldn't take it.

Though a good friend of Eisenhower administration, Time Magazine took TV to task. Congratulating CBS-TV for "obviously enterprising, informative journalism" and noting tartly that the networks "constantly demand equal treatment" with print media, it stated: "Such a demonstration of eggshell caution under fire suggested that TV may be getting no worse than it deserves."

**NETWORK ROUTE SQUEEZE-WATCHFUL WAITING:** <u>There's nothing to do now but wait and</u> <u>hope</u> things aren't as bad as they look. That sums up attitude of network traffic chiefs toward threat of serious shortage of important inter-city microwave routes next fall, as revealed in Television Digest last week (Vol. 13:23).

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<u>Time-period allocation of AT&T lines among TV users</u> seems probable because of unprecedented demand for network routes by major networks, closed-circuit enterprisers, proposed new "network" operations such as Pat Weaver's Program Service and specialized live TV services like Sports Network Inc.

Officials of all networks, contacted this week, said there's nothing they can do now but wait until after July 29, when AT&T weighs availabilities against requirements. They pointed out that there was tight squeeze for spring & summer-which was relieved only through inter-network cooperation, all 3 cutting way back on original plans for daylight time zone repeats. Even so, they stated, quality of network picture in some areas this spring is "substandard," because telephone company had to throw old L-1 cable into circuit to accommodate heavy demands.

<u>They're all hoping things might loosen up</u> -- that some of the preliminary time requirements filed (by others) were inflated and will be toned down later, or that maybe AT&T has something up its sleeve and can squeeze more transcontinental and/or regional channels into the system. There were doubts, too, that Pat Weaver would actually reserve as much time as he now is seeking -- when the chips are down. There was also some speculation that Weaver may consolidate his time demands with those of another video circuit user. Weaver, as usual, was unavailable for comment.

If next fall's going to be bad, next spring will be well nigh impossible. That was another view held universally by network officials -- based on their hopes of going close to 100% "clock time" next year, relying heavily on Ampex playbacks for daylight time zones. This will require heavier use of intercity routes, and, barring near-miracle, networks will have to make heavy compromises then, too.

<u>AT&T is required by law to treat all customers alike</u> -- therefore, established networks get no special privileges for being "old customers." Under microwave-cable allocation procedures, video channels are shared by all users on basis of schedule worked out cooperatively among telephone company's TV customers who are affected.

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"The situation could be very serious," ABC traffic coordinator George Milne told us this week, "depending on which way the ball bounces." Networks can do nothing now but "guess and surmise," he added. "Allocations would take us back to where we were in the late '40s." However, he pointed out that mutual 3-network cooperation could make a bad situation much more palatable.

<u>Sit-tight attitude was also taken by CBS</u> traffic mgr. L.B. Gumbinner, who said his network's requirements for next fall are about same as last season. "We just don't know how bad it will be; the telephone company hasn't said anything about it yet." He expressed hope that CBS wouldn't have "too much trouble" in fall, but ruefully added he's already looking to next spring-summer as "the big problem."

"<u>There's no use getting excited now</u>," said NBC's John A. Hilton, asst. mgr., traffic. "There's not much to do until July 29." Perhaps, he said, AT&T will be able to turn some message (telephone) circuits over to TV use during heavy periods next season -- or maybe some early demands will be toned down before July 29.

"<u>The situation is very delicate...very grave</u>," from standpoint of pres. Dick Bailey of Sports Network Inc., which supplies live sporting events to stations and networks. "We'll probably squeeze by this summer with only a few preemptions, but the situation looks real difficult for next fall -- particularly on Sundays when we carry pro football. Of course, things will be much rougher next spring if the Giants and the Dodgers move to the west coast."

"Six-figure" salaries for top flight lecturers on closedcircuit TV were envisioned this week by RCA pres. John L. Burns in commencement address at his alma mater, Northeastern U. Receiving honorary doctor of business administration degree, Burns said use of closed circuit TV for education would: (1) Elicit highest quality of instruction by making it possible for teachers at one school to lecture on nationwide hookup. (2) Permit calling on outstanding business and govt. leaders as speakers. (3) Enable educational institutions to compete with highest salaries now paid in other fields by sharing costs.

First educational TV closed-circuit system sponsored by a state education dept. will be installed this summer by RCA in Conley Hills elementary school, Fulton County, Ga. Multi-channel installation, including 4 camera chains, 26 receivers in classrooms, will go into operation in Sept. as pilot project for state, with Mrs. Mary Grubbs as TV coordinator for Ga. school supt. Dr. M. D. Collins.

Boyce Nemec, film & TV consultant, has been retained by Video Independent Theatres for planning of studio operations and programming of "Telemovies" wired TV experiment in Bartlesville, Okla.

www.americanradiohistory.com

Personal Noies: John B. Green, ex-NBC-TV, named ABC-TV program mgr., succeeding J. English Smith, resigned . . . Ernest Fladell promoted to NBC-TV sales promotion mgr. . . . Thomas C. Harrison, ex-radio rep John Blair & Co., elected sales v.p. of ABC Radio; Stephen Labunski, from radio WDGY, Minneapolis, elected programming v.p., replacing Wm. S. Morgan Jr., who returns to radio KLIF, Dallas, as gen. mgr. . . . Lester A. Loeb, ex-radio WMGM, N. Y., named eastern sales representative of ABC Film Syndication . . . George C. Stevens, ex-radio WRCA, N. Y., named gen. sales mgr. of Transcontinent TV Corp. . . . Stanley L. Yentes promoted to sales service mgr., NBC TV Films div., California National Productions . . . Harold Graham Jr., ex-McCann-Erickson, joins CBS-TV, Hollywood, as program executive for liaison with advertisers . . . Robert J. Burton promoted to v.p. of BMI in charge of domestic performing rights administration, Robert Sour to v.p. for writer relations, Mrs. Theodora Zavin to asst. v.p. for publisher relations, Richard L. Kirk to asst. v.p. for publisher & writer relations, Hollywood . . . Charles C. Crockett named gen. sales mgr., Robert Costa local sales mgr., Sheridan (Dar) Reid program supervisor, of KGMB-TV, Honolulu, and satellites KMAU-TV, Wailuku, and KHBC-TV, Hilo ... Howard K. Smith reassigned by CBS to Washington news staff after 11 years in London; Charles Collingwood replaces him as London bureau chief; Peter Kalischer, ex-Collier's, assigned to Tokyo, replacing Bob Pierpoint, who joins Washington staff . . . C. R. Bramham promoted to commercial mgr. of WSM-TV, Nashville, succeeding Irving Waugh, now v.p.-gen. mgr. of WSIX-TV there; Tom Griscom Jr. promoted to local sales mgr. . . . Guy Tiller, ex-WLWA, Atlanta, named gen. mgr. of WTVM, Columbus, Ga. (formerly WDAK-TV), with Joe Windsor, local sales mgr., promoted to asst. gen. mgr. for network relations & national sales; John

All TV test signal proposals will be examined by special subcommittee appointed at meeting held this week by RETMA broadcast TV systems committee in New York. Subcommittee, headed by GE's Dr. Lyman Fink, consists of representatives of the 3 TV networks, subscription TV proponents Zenith, Skiatron & International Telemeter, AT&T and RETMA's receiver div. Subscription-TV organizations have expressed interest in the test signals to be transmitted in vertical blanking period (Vol. 13:12, 14-15, 17), because pay-TV systems also make use of blanking interval to transmit decoding information. Subcommittee was asked to report back to full committee in August with recommendations for FCC standards.

Upcoming WFGA-TV, Jacksonville (Ch. 12), planning to be on air by Sept., will become basic NBC-TV affiliate, succeeding WJHP-TV (Ch. 36). National Airlines' upcoming WPST-TV, Miami (Ch. 10), due on air Aug. 1, will be primary ABC-TV affiliate.

ADVERTISING AGENCIES: Thomas D'Arcy Brophy retires Sept. 30 as chairman of Kenyon & Eckhardt . . . Deane Uptegrove, exec. v.p. of H. B. Humphrey, Alley & Richards, named head of N. Y. office . . . Werner Michel, ex-Benton & Bowles, joins Reach, McClinton as TV-radio director . . . Wm. A. Sittig named gen. mgr. of Clinton E. Frank Inc., continuing as v.p. & marketing director . . . James Chapman, ex-J. B. Rundle Inc., appointed *Electronic* News sales mgr.

First "communication award" of U of Chicago has been presented to chairman Earle Ludgin of Earle Ludgin & Co. as "outstanding alumnus in the field of communication." NBC's Clifton Utley headed awards committee.

Hughes, program director, succeeds Windsor . . . Cecil L. Heftel, gen. mgr. of radio stations KLO, Ogden, Utah and KGEM, Boise, Ida., named v.p.-gen. mgr. of KLIX-TV & KLIX, Twin Falls, Ida., succeeding Frank C. McIntyre; Gordon O. Glasmann, ex-Ogden Standard-Examiner, named asst. gen. mgr., Joe Gibney, station mgr. . . . Herbert W. Holtshouser, ex-chief engineer of KUTV, Salt Lake City, named chief engineer of upcoming KUED (Ch. 7, educational) there . . . James F. O'Grady promoted to midwestern sales mgr. of rep Young TV Corp. . . . Judd A. Choler, ex-WSBT-TV & WSBT, South Bend, named promotion mgr., WFMY-TV, Greensboro, N. C.... Charles Sinclair. ex-Rogers & Cowan and Sponsor, joins Billboard as assoc. editor, replacing Gene Plotnik, now on Screen Gems publicity staff . . . Del Leeson promoted from promotion mgr. of KTVT & KDYL, Salt Lake City, to mgr. of KDYL . . . Charles A. Wilson, adv. & sales promotion mgr. of WGN-TV, Chicago, appointed to management group of WGN Inc. . . . Ted Oberfelder resigns as pres. of rep Burke-Stuart, plans undisclosed, sales v.p. Allan Kerr becoming acting pres.

Honorary degrees: David Sarnoff, RCA chairman, LL.D, U of R. I., Kingston . . . Wm. S. Paley, CBS chairman, LL.D, and Edward J. Noble, LL.D, Adelphi College, Garden City, N. Y. . . Edward Lamb, pres. of WICU, Erie, doctor of humanities, Wilberforce U, Wilberforce, O. . . . Joseph M. Bryan, pres. of WBTV, Charlotte, and WBTW, Florence, S. C., LL.D, Belmont Abbey College, Belmont, N. C.

AFA officers elected June 12 at Miami Beach convention: pres. & gen. mgr., C. James Proud, asst. to retiring pres. Elon G. Borton; chairman, Robert W. Feemster, *Wall Strect Journal*; vice chairman, James S. Fish, General Mills; treas., Ralph Winslow, Koppers Co.; secy., Loretto J. Fox, Falk Corp.

Criminal conspiracy case against Philadelphia Radio & TV Broadcasters Assn. and 9 member radio stations accused by Govt. of rate-fixing (Vol. 12:26, 31, 37) ended June 13 when Federal Judge Allan K. Grim fined organization \$5000 and stations \$1000 each. Assn. pleaded guilty, stations no-defense, to charges they agreed "to maintain rates for sale of broadcasting time in Philadelphia in violation of the Sherman Act." At same time, Judge Grim dismissed conspiracy charges against 9 executives of stations. He said there had been "no moral turpitude involved" and that: "I believe also what was done by the men involved in this case was done with what they believed to be the best interest of their employers & the public." Stations fined: WHAT, WDAS, WIP, WIBG, WFIL, WCAU, WJMJ, Westinghouse (KYW, now NBC's WRCV), WPEN. Original charges against WFLN had been dropped.

Victory for community antenna operators was completed this week when Internal Revenue Service confirmed that it planned shortly to revoke 8% excise tax in accordance with court decisions. For psychological effect, most CATV operators plan to give subscribers rebates in cash. Operators also took comfort in report this week that Cal. legislature is tabling bill proposing to permit municipalities to finance translators out of taxes.

Flamingo Films, one of oldest TV film companies, reportedly is being sold by principal owner Sy Weintraub and his partner Joe Harris, for total of around \$3,000,000. Purchaser is said to be Continental Thrift Co., west coast financing firm, which will take over Essex Universal Co., which owns Flamingo. Weintraub also owns 15.9% of KMGM-TV, Minneapolis (Ch. 9).

**T** WO MORE INVESTIGATIONS of TV were in the finishing-touch stage this week, following issuance last week of Celler subcommittee report (Vol. 13:23). Senate Commerce Committee met this week, briefly discussed Cox report on network practices—endorsed by both Chairman Magnuson (D-Wash.) & Sen. Bricker (R-O.)—and then postponed further consideration until June 18, since several Committee members hadn't read it.

Committee is expected to refer report to FCC and Justice Dept. for appropriate action. It is said to be somewhat milder than Celler report, devoting most space to option time and must-buy practices. Report is understood to conclude that option time operates to transfer some of station's program control to network—subject, however, to veto by station—and to blanket prime hours on most stations to detriment of independent programmers. As to must-buy practices, report is said to conclude that some minimum network requirement is necessary, but to recommend—as does Celler report—that minimum dollar purchase be substituted for "basic" list of stations.

Whether Dean Roscoe Barrow's FCC network study will be completed by June 30 deadline or not, Senate this week gave the word that it would appropirate no more funds for it. Appropriations Committee report on funds for independent govt. offices submitted by Magnuson as chairman of independent offices appropriations subcommittee stated that if network study runs past deadline, regular FCC funds will have to be used for "completion [or] any implementation thereof."

Dean Barrow told us this week he still doesn't know whether deadline can be met—but best guess is that study group will have rough draft ready by June 30, to be polished up over the summer by permanent FCC staffers currently assigned to study.

Network study committee's efforts to get financial information from 4 reluctant independent film programmers proceeded another step—to court—when the group

Sessions on broadcasting and TV receivers will be among the 48 at which 225 papers will be presented at WESCON-1957 Aug. 20-23 in San Francisco's Cow Pal-Broadcasting session Aug. 21 will feature sympoace. sium on Videotape recorder by Ampex's Ross Snyder & Charles Ginsburg and representatives of TV networks, and papers on traveling-wave vhf antenna by RCA's M.S.O. Siukola, artists' problem in telecasting by Wm. Wagner of San Francisco's KRON-TV, compatible single-sideband AM broadcasting by Kahn Research Labs' Leonard R. Kahn, stable precision TV demodulator by Herb Hartman of Sacramento's KCRA-TV, quadrature-fed antennas by Harry Jacobs of San Francisco's KGO-TV. Session on TV receivers & televisual devices will hear papers on "securing 110-degree sweep for the public domain" by Sylvania's E. O. Stone & Rola Co.'s C. E. Torsch, brightness-enhanced color receiver employing automatic decoding in the Chromatron by Litton Industries' R. H. Rector, 21-in. direct-view storage tube by Hughes Research Labs' N. J. Koda, N. H. Lehver & R. D. Ketchpel, TV color translating microscope by RCA's V. K. Zworykin, automatic fine-tuning for TV receivers by Westinghouse's C. W. Baugh Jr.

Construction of new studios of KFSD-TV & KFSD has started at 47th St. & Federal Freeway, San Diego. Building on 7-acre site in new Broadcast City subdivision is scheduled for completion in 7 months. again refused to produce the data at FCC hearing in New York this week. Whereupon, Commission promptly got order from N. Y. Federal Court ordering that the firms appear June 25 to show cause why they shouldn't produce the material. The 4 are Screen Gems, Revue Productions, MCA-TV & Ziv.

Comr. Craven, meanwhile, told Md.-D. C. Bestrs. Assn. this week that "certain elements of the broadcast industry itself" are largely to blame for rash of investigations and Washington interference. "After acting with what was supposed to be prudent business judgment," he said, "certain entrepreneurs discovered that their judgment just didn't pan out as they originally expected. Consequently they ran to the Govt. to bail them out. A few others who enjoyed more fortunate economic situations took advantage of every legal procedural device in the Communications Act to stop competition. Still others seek and encourage the Commission to engage in economic planning through the assignment of channels to the various markets."

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Celler subcommittee report on TV industry this week became rallying point of ASCAP-member songwriters in their battle against BMI. "Songwriters' Protective Assn.," which has been plumping for Congressional investigations of BMI, held big press conference in New York March 10, with such celebrities as W. C. Handy, Oscar Hammerstein, Helen Hayes, Paddy Chayefsky and Paul Whiteman as guests, to hail Celler report recommendation for Justice Dept. investigation of music business (Vol. 13:23). Meeting was widely covered by press, but on June 13 Authors League came out with blast at TV-radio networks for ignoring meeting. BMI spokesmen said they were satisfied with conclusions expressed in section of Celler report devoted to music business but not necessarily with full text of report. They pointed out that 5 of the 7 members of subcommittee filed "additional views" specifically mentioning pending \$150,000,000 suit against BMI and TV networks & stations by 33 ASCAP members and warning against any action which might be construed as prejudicial to court case.

Chicago's educational WTTW (Ch. 11) is paying more than half of its own way from sales of its TV recording service, station has announced. Of its current annual budget of \$723,000, some \$411,000 is expected to come from on-the-side business of producing TV announcements, closed-circuit programs and shows for distribution to other educational stations and institutions. Remaining \$312,000 will be paid by public subscription.

TV is establishing itself as international advertising medium—but it still lags far behind radio—according to survey released this week by International Advertising Assn. Of total international advertising expenditures of \$478,000,000 by 3600 U. S. companies in 1956, TV accounted for 5% or about \$24,000,000. Radio was 22% (\$105,160,000), foreign magazines & trade journals 24%, point-of-sale materials 19%, foreign newspapers 11%, direct mail 4%.

TV's "chaotic effect" on book buying has worn off as "people became more discriminating about what programs they watched," according to Chicago book seller Max Siegel. He cited U. S. book business of \$750,000,000 last year, up \$10,000,000 from 1955, said bookstores are enjoying boom despite TV.

Orradio Industries has begun construction of new \$500,000 plant at Opelika, Ala., for manufacture of magnetic recording tape for TV, instrumentation and sound recording—to employ 150-200 and increase company's capacity 400%.

MOPPING UP PROCESS is underway at FCC, with Chairman McConnaughey leaving June 30 (and no successor in sight yet). Commission gave particular attention to unraveling knotty petitions requesting reconsideration of vhf grants.

Commission's decisions are mighty hard to change. For example, Commission instructed staff to draft decisions denying petitions seeking to reverse grants to: WCKT (Ch. 7) & WPST-TV (Ch. 10), Miami, and WFGA-TV, Jacksonville (Ch. 12). It issued final order denying petition to reconsider grant of WPSD-TV, Paducah, Ky. (Ch. 6).

FCC is also sticking by its deintermixture decisions, instructing staff to come up with final documents denying petitions to reconsider deintermixture of Springfield, Ill. and Evansville, Ind.

Another litigious case was terminated when Commission finally granted Ch. 31 to WMBD, Peoria. Station had asked for Ch. 31 after it lost Ch. 8 fight to WIRL-TV; WIRL-TV, in turn, lost Ch. 8 when Peoria was deintermixed—getting Ch. 25 instead. Uncontested CP was awarded for satellite on Ch. 11, Garden City, Kan., to KCKT, Great Bend (Ch. 2). Ch. 80 translator CP was issued in Madras, Ore.

FCC is considering resolution of tough Albany-

Radio station sales approved this week: KODY, North Platte, Neb. by John Alexander, George B. Dent Jr. & Townsend E. Dent for \$210,000 to Mr. & Mrs. Hartley L. Samuels and his sister-in-law Judith S. Scofield (Vol. 13:13). Hartley, ex-WINS & WABC, N. Y., now is pres.gen. mgr. & 25% owner of WDLB, Marshfield, Wis. . . . WBMS, Boston, by Friendly Group (Jack N. Berkman, pres.)-owners of WSTV-TV, Steubenville, O. and KODE-TV, Joplin, Mo.—for \$200,000 to Gerald A. Bartell & family (Vol. 13:19). Bartells are selling WMTV, Madison (Ch. 33), also owns 4 AMs... WONN, Lakeland, Fla. by co-owners Robert S. Taylor, Duane F. McConnell & E. D. Covington Jr. for \$169,000 to Theodore P. Noyes Jr. (90%), of WMAL-TV, Washington, and Robert W. Jonscher (10%), mgr. of radio WMAL (Vol. 13:14) ... KTIX, Seattle, by W. Gordon Allen (owner of 4 other AMs) for \$180,000 to H. Scott Killgore interests, operators of 5 AMs (Vol. 13:19) ... WGGG, Gainesville, Fla. by R. M. Chamberlin and associates for \$100,000 to T. K. Cassel, who has interest in off-air WTVE, Elmira, N. Y. (Ch. 24) and in 6 eastern AMs (Vol. 13:19) . . . WKXV, Knoxville, by H. Scott Killgore interests for \$100,000 to co-equal owners attorney Henry T. Ogle and accountant Bill L. Boring (Vol. 13:20) . . . WRNY, Rochester, N. Y. by David A. Kyle and associates for \$90,000 to radio WFEC, Miami, owned by Harry Trenner & Herbert Schorr (Vol. 13:16) . . . WKTM, Mayfield, Ky. by Fred L. Thomas for \$55,000 to co-equal owners Charles W. Stratton (also 1/3 of WKOA, Hopkinsville, Ky.) and brother H. D. & Mose Bohn (Vol. 13:19).

WREX-TV, Rockford, Ill. (Ch. 13) is being acquired for approximately \$3,000,000 by Bob Hope and associates his attorney Martin Gang and his TV-radio agent James Saphier, plus Albert Zugsmith, Arthur Hogan and Ashley Robison. Hope interests control approximately 50% of KOA-TV, Denver (Ch. 4), with KOA. Zugsmith and Hogan own 25% each in KULA-TV, Honolulu (Ch. 4) & KULA and KSHO-TV, Las Vegas (Ch. 13) & KBMI, Henderson, also have interests in 4 west coast radio stations, as well as being associated with Robison in purchase of radio KBYE, Oklahoma City (Vol. 13:11). Plans are to retain gen. mgr. J. Michael Baisch and key staff members. Schenectady-Troy situation through addition of both Ch. 10 & 13, instead of deleting Ch. 10 from Vail Mills and shifting WRGB (Ch. 6) to uhf. Shift would require giving Ch. 2 to WKTV, Utica (Ch. 13), putting Ch. 13 north of Albany to meet minimum co-channel spacing with N. Y.

In other developments, Commission: (1) Told staff to draft rule-making shifting Ch. 10 from Terre Haute to Lafayette. (2) Finalized shift of Ch. 12 from Coeur d'Alene to Moscow, Ida. (3) Proposed substitution of Ch. 62 for Ch. 4 in Columbus, Ga. (4) Received petition from WICS, Springfield, Ill. (Ch. 20), seeking deletion of Ch. 3 from Champaign, shifting WCIA to uhf.

Fighting "Craven Plan" to abandon allocations table, Assn. of Maximum Service Telecasters this week asked FCC to extend from June 18 to July 18 the deadline for replies to comments filed June 3 (Vol. 13:23), but Commission denied it immediately—though Comrs. Hyde & Lee wanted to give 2-weeks grace. AMST also analyzed last week's comments, reported: (1) 40 against plan, 29 for, 8 neither. (2) 19 law firms against, 8 for, 4 neither. (3) 46 operating stations against, 32 for. (4) 6 applicants & CP-holders against, 2 for. (5) 32 TV station "interests" (each multiple owner counted as one interest and excluding networks) against, 21 for. (6) 5 networks and organizations (ABC, NBC, JCET, NAEB, AMST) against, 2 (CBS, Committee for Competitive TV) for.

Radio station sales reported this week: WLOW, Portsmouth, Va. by owners of WTQB and off-air WTOB-TV, Winston-Salem (Ch. 26) for \$250,000 to James Bcstg. Co. (John Quincy, pres.), owners being 5 Boston businessmen, ownership interlocking with Boston radio WORL (including mgr. Arthur E. Haley) . . . WMRO, Aurora, Ill. by Martin R. O'Brien for \$85,000 to equal partners Vincent G. Cofey, WMRO commercial mgr., and Benjamin A. Oswalt, sales mgr. of Batavia cosmetic firm . . . KOVE, Lander, Wyo. by Edward J. Breece for \$75,000 to Fremont Bcstg. Inc., in which he has 4% interest, son Daniel E. Breece, gen. mgr., 32%; son John L. Breece, owner of KATI, Casper, Wyo., 32%; sister-in-law Mrs. Dorothy L. Reed, sales mgr., 32% ... WKBL, Covington, Tenn. by R. William Hoffman (owner of WGFS, Covington, Ga.) and Charles K. Sparks for \$55,000 to Robert C. Whitelev Jr., chief engineer & news director of WBOP. Pensacola, Fla. Brokers: WLOW, R. C. Crisler & Co.

CP for WTLM, Laurel, Miss. (Ch. 7) will be majoritycontrolled by Mayor Wm. S. Smylie and son W. S. Smylie III under terms of transfer proposed in application filed with FCC. Mayor Smylie is acquiring 16.67% from Jack Rose for \$1750, increasing holdings to 41.67% while son retains 25%. Other stockholders, with 16.67% each, are furniture store owner D. B. Marcus and Laurel Leader-Call publisher T. M. Gibbons.

Senate approved \$8,300,000 to run FCC for fiscal 1958 this week—same amount voted by House. It was \$472,000 more than FCC received for fiscal 1957, but \$650,000 less than recommended in President's budget. Appropriation bill (HR-6070), which covers all independent offices, now goes to Senate-House conference to iron out other differences, but FCC appropriation won't be changed.

Entries for history contest sponsored by Westinghouse Bestg. Co. for local historical societies & non-affiliated TVradio stations close next Jan. 15. Prize of \$1000 in first annual competition will be split by winning society & station for best program or series "making known the historical & cultural heritage of their localities."

Radio Kynsho (JOFO, Kyusho, Japan) has ordered Philco Cinescanner TV studio system, plans to go on air early next fall. **Notes on Upcoming Stations:** Scanning reports from CP-holders, we find only about 25 more likely to make it this year—to add to the 12 that threw switch since Jan. 1. One factor slowing up rate of debuts is FCC's new requirement that grantees fulfill all requirements for full license before getting permission to start. Heretofore, CP-holder could begin transmissions with as little as low-power transmitter unit, a telephone pole tower and a dipole antenna.

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

WOWL-TV, Florence, Ala. (Ch. 41), seeking modification to Ch. 15, has ordered 1-kw GE transmitter, plans Sept. 1 test patterns, Sept. 15 programming, writes pres. & 25% owner Richard B. Biddle, also chairman of radio WGAD, Gadsden, Ala. Wing for TV studio and control room is currently being added to present radio building, with remainder of TV operation in radio building. It will use 300-ft. tower, but hasn't ordered antenna pending FCC action on Ch. 15. Base hour not set. Rep will be Rambeau.

WSUR-TV, Ponce, P. R. (Ch. 9) has Adler transmitter installed in building atop Mt. Maravilla and has changed target to end of June, reports gen. mgr. Mariano Angelet Escudero for owner Ralph Perez Perry who also owns WKVM, San Juan. Lehigh 200-ft. tower and RCA antenna are ready. Studio equipment is to be delivered by mid-June. Base hour will be \$120-\$150. Rep will be Pan American Bcstg.

WGTV, Athens, Ga. (Ch. 8, educational) has set delivery date for 25-kw RCA transmitter, still plans Nov. start, writes Gerald L. Appy, assoc. director of communication services for grantee U of Georgia. Transmitter house construction on Jacks Creed Mt. is in design stage and delivery date for 1000-ft. Stainless tower hasn't been set. Studios in \$2,500,000 Center for Continuing Education are complete—closed-circuit programming having begun April 30.

WJCT, Jacksonville, Fla. (Ch. 7, educational) has changed programming target to Sept.-Oct., reports Heywood C. Dowling, pres. of Educational TV Inc. GE 5-kw transmitter donated by WMBR-TV is scheduled for installation about July 15 in building of upcoming WFGA-TV (Ch. 12); Alford single-section antenna is to be installed within 6 weeks at 843-ft. level of WFGA-TV tower. Educators will use WMBR-TV studios; film equipment and transmitter will be located at WFGA-TV transmitter house. Dr. Wm. K. Cumming, ex-Stephens College, Columbia, Mo. will be mgr.-director.

Rate increases: WFLA-TV, Tampa-St. Petersburg, June 15 raised base hour from \$750 to \$850, min. \$180 to \$210. WITI-TV, Whitefish Bay-Milwaukee, July 1, hour \$500 to \$600, min. \$100 to \$110. KOOL-TV, Phoenix. hour \$500 to \$550, min. remains \$100. KSBW-TV, Salinas-Monterey, July 1 adds Class AA hour (7:30-9:30 p.m. daily) at \$425, min. at \$90, Class A hour going from \$350 to \$400. KGGM-TV, Albuquerque, Aug. 1 adds Class AA hour (6:30-10 p.m. Mon.-Sat., 6-10 p.m. Sun.) at \$400, min. at \$85, Class A hour remaining \$300. WTVO, Rockford, Ill. May 1 added Class AA hour (7-10 p.m. daily) at \$350, min. at \$70, Class A hour remaining \$300. KOSA-TV, Odessa, Tex. July 1, hour \$250 to \$300, min. \$50 to \$60. KIIAD-TV, Laredo, Tex. April 15 added Class AA hour (7:30-9:30 p.m. daily) at \$187.50, min. at \$37.50, Class A hour going from \$150 to \$180. KREX-TV, Grand Junction, Colo. May 1, hour \$120 to \$150, min. \$24 to \$30. Spot increase: WOOD-TV, Grand Rapids, June 1 raised base min. from \$200 to \$250. Canadian increases: CKCO- CKRN-TV, Rouyn, Que. (Ch. 4) has 35-kw Canadian GE transmitter due Aug. 1, plans Aug. 15 test patterns, Sept. 2 programming, reports pres. David A. Gourd. Construction of studio-transmitter building has begun and 660-ft. Trylon tower from Wind Turbine is due July 1, 4-bay GE antenna later that month. Licensee Northern Radio Inc. also operates radios CKRN, Rouyn; CKVD, Val d'Or; CHAD, Amos; CKLS, LaSarre. Base hour will be \$160. Reps will be Weed and Joseph Hardy & Co.

WIPR-TV, San Juan, P. R. (Ch. 6, educational), often delayed, has changed target to Oct. 1, reports R. Delgado Marquez, gen. mgr. of TV-radio for Puerto Rico Dept. of Education. RCA 25-kw transmitter is to be installed June 30 and elaborate TV-radio plant 15-mi. from San Juan is to be completed by July 15. Blaw-Knox 200-ft. tower with 6-bay antenna is ready.

GE shipped 3-bay batwing antenna May 28 to upcoming KSPR-TV, Casper, Wyo. (Ch. 6), due on air soon; 12-bay batwing to KPLC-TV, Lake Charles, La. (Ch. 7). RCA shipped 6-section superturnstile antenna June 7 to upcoming WTIC-TV, Hartford (Ch. 3) due this summer; 5-kw transmitter June 4 to upcoming KOAC-TV, Corvalis, Ore. (Ch. 7, educational), due in Oct.—6-bay antenna having gone June 3; 50-kw amplifier June 11 to KOVR, Stockton (Ch. 13); 25-kw amplifier June 10 to WLBR-TV, Lebanon, Pa. (Ch. 15); 10-kw transmitter June 12 to KNTV, San Jose (Ch. 11).

John Day, Ore. translator K72AG began equipment tests June 2, repeating KBOI-TV, Boise, it has notified FCC; grantee John Day Valley TV Inc. also has CP for K77AC, to repeat KIDO-TV, Boise. Rock Springs, Wyo. translators K78AB & K74AF expect to begin in mid-June, repeating KSL-TV & KTVT, Salt Lake City, reports John E. Wendt, secy. of Translator T.V. Bcstg. Coop. Inc.

Power & facilities changes: WHTN-TV, Huntington, W. Va. (Ch. 13) has resumed 316-kw ERP operation, from new 1000-ft. tower on Barkers Ridge. Changes planned: WJTV, Jackson, Miss. (Ch. 12), to 316-kw Sept. 1; WDSM-TV, Duluth-Superior (Ch. 6), to 804-ft. tower Aug. 1; WHEN-TV, Syracuse (Ch. 8) to 316-kw week end of June 15.

WTHS-TV, Miami (Ch. 2, educational) has notified FCC it will be off air during public schools' summer recess June 14-Aug. 26.

WTPA, Harrisburg, began operation on Ch. 27 June 2, reports gen. mgr. Donald D. Wear.

TV, Kitchener, Ont. July 1, hour \$400 to \$450, min. remains \$90. CFRN-TV, Edmonton, Alta. July 1, hour \$325 to \$400, min. \$80 to \$110. CHCT-TV, Calgary, Alta. July 1, hour \$250 to \$350, adding Class AA min. (7:30-10:30 p.m. daily) at \$90. CKCK-TV, Regina, Sask. July 1, hour \$250 to \$300, adding Class AA min. (7-10 p.m. daily) at \$75. CJBR-TV, Rimouski, Que. July 1, hour \$240 to \$260, min. \$40 to \$55. CFQC-TV, Saskatoon, Sask. July 1, hour \$230 to \$260, adding Class AA min. (7-10 p.m. daily) at \$60. CFPA-TV, Port Arthur, Ont. hour \$170 to \$225, min. \$35 to \$55.

All-Industry TV Music License Committee, organized in April to negotiate new industry-wide licensing agreement with ASCAP (Vol. 13:15), has unanimously elected its 15-man temporary negotiations subcommittee as a permanent unit, chairman Irving R. Rosenhaus, WATV, Newark, announced this week. RKO Teleradio's Elisha Goldfarb is treas. and Simon H. Rifkind has been retained as counsel. Current ASCAP TV contract expires Dec. 31.

Telecasting Notes: Precedent may be in the making in TV film field with announcement this week that 6 stations are helping finance and sharing in distribution profits of new high-budgeted Screen Gems syndicated series Casey Jones. The stations reportedly are putting up some \$500,-000 to help finance show, which already has been sold to some stations outside the "family." Participants are WPIX, N. Y.; KTTV, Los Angeles, and Westinghouse's KDKA-TV, Pittsburgh; WBZ-TV, Boston; KPIX, San Francisco, & KYW-TV, Cleveland . . . Universal's 550-feature backlog will be leased to Columbia Pictures' Screen Gems for TV on 10-year basis for some \$18,000,000, June 12 Variety reports; Universal denies any deal has been closed, but promises announcement on negotiations soon . . . MGM now preparing its 950-program short subject library for directto-stations syndication . . . Biggest single re-run package sold to TV station by Ziv's Economee TV was sealed up this week with \$500,000 order by New York's WOR-TV for multiple-showing package of 7 series, or 331 half-hours ... NBC-TV's college football schedule of 9 nationally telecast NCAA dates next fall is 75% sold out, sponsors being Bristol-Myers, Sunbeam & Zenith Radio; NBC-TV also will televise 4 eastern regional games, with Sunbeam and American Machine & Foundry each signed for onefourth sponsorship ... Magnitude of public service job done by networks is illustrated by these figures from new NBC booklet on public service announcements in 1956: Last year, NBC-TV broadcast more than 1000 one-min. TV announcements & 2600 radio announcements on behalf of more than 100 different projects. These announcements created 12 billion viewer & listener impressions and if paid for would have cost \$9,000,000 . . . Special CBS-TV series of 30 & 60-min. shows, The Twentieth Century, debuts Oct. 20 with hour devoted to Sir Winston Churchill . . . NBC-TV's excellent and successful Matinee Theatre "experiment" in daily live 60-min. nighttime-calibre dramas gets 52-week renewal order from Procter & Gamble, which will step up number of its daily partics. . . . Theatremen are sold on TV, survey by Allied Theatre Owners of N. J. indicates. Some 82% of members felt TV advertising was

ELECTRONICS PERSONALS: Dr. Myles L. Mace, Litton Industries v.p., named chairman of management committee; v.p. George Friedl Jr. succeeds him as gen. mgr. of electronics equipment div. . . . Sigurd F. Varian elected vice chairman of Varian Associates, succeeded as pres. by H. Myrl Stearns . . . Robert I. Mendels elected pres. of Electronic Devices Inc., Brooklyn . . . Joseph W. Poliseo named chief engineer of new Bendix Aviation electronics engineering dept. . . R. E. Peterson, mgr. of Westinghouse Research Labs, elected a director of American Society of Testing Materials.

High-speed facsimile equipment, easily adaptable for TV news purposes, was unveiled this week by Army Signal Corps and Times Facsimile Corp. Portable gear, suitable for mounting in jeep or helicopter, puts high-quality photo in hands of person miles away 5 min. after photographer clicks shutter. Set combines high-speed facsimile techniques with polaroid picture-in-a-minute principle, transmits  $3\frac{1}{4} \times 4\frac{1}{4}$ -in. picture in 3 minutes.

Stepped-up activity in video storage and magnetic tape & film recording of TV signals is planned by Stanford Research Institute, according to group's annual report. "It is anticipated," says report, "that new techniques of storing picture information can be improved and extended to a wide variety of applications in industrial and TV fields." helpful to pictures, but 90% thought radio advertising didn't help—and 98% called TV their No. 1 competitor ... Costs have risen 128%, on the average, for network shows which have lasted for 5 years, June 15 Sponsor reports, while number of TV homes has increased only 78% ... Loyalty: 6 waitresses at Cooky's Grill, Morro Bay, Cal., chipped in and bought a present for their boss—three 10sec. spots on KEYT, Santa Barbara.

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NTA Film Network announced 3 new 30-min. program series and "triple exposure" time sales plan whereby each of 3 advertisers can participate in all 3 shows. Under the plan, each sponsor receives a 60-sec. commercial and opening & closing billboards on each of the shows weekly. New programs being offered are *How to Marry a Millionaire*, produced by 20th Century-Fox; and *This is Alice* and *The Last Marshal*, both by Desilu. NTA is shooting for prime-time exposure on 110-station lineup. Network's *Premiere Performance* feature film show currently is being carried by 134 stations.

TV telescope developed by 2 astronomers and pres. John H. DeWitt of WSM-TV, Nashville, has received official recognition by American Astronomical Society. In paper presented at society meeting in Cambridge, Mass., Dr. Carl K. Seifert, co-developer of device, explained that it stepped up sensitivity of ordinary telescope 100 times. TV device uses commercially available camera tube and other components, compensates for "twinkle" effect of stars and planets and makes planets more easily visible by stepping up contrast.

List of top 100 national advertisers of 1956, with breakdown of dollar expenditures in network & spot TV, newspapers, magazines and outdoor advertising, is featured in June 3 Advertising Age. Analyzing table, TvB reports TV represents over half total advertising budgets of 45 of the 100.

New reps: WIBW-TV, Topeka, to Avery-Knodel June 1 (from Capper Publications); KTAG-TV, Lake Charles, La. to Raymer (from Young); KLRJ-TV, Las Vegas, to Avery-Knodel July 1 (from Pearson).

Philco govt. & industrial div. adds 5 regional sales representatives in expansion program aiming at 17 representatives covering country by year's end. As announced by gen. sales mgr. Marshall A. Williams, new reps are: Sol J. Levy, Bradley Beach, N. J., for Conn., N. Y. and central & western Pa.; Carl A. Stone Assoc. Inc., Los Angeles, for Ariz., Cal. & Nev.; Foster Electronics, Escanaba, Mich., for Wis. & Mich.; Private TV Systems, Indianapolis, for Ky. & Ind.; Exec-U-Phone Systems Inc., Boston, for Me., Mass., N. H., R. I. & Vt. Reps will be responsible for sales, installation & service of Philco's industrial TV systems and Audipage pocket paging system. Communications & broadcast equipment will continue to be handled by Philco Corp. regional offices.

New testing lab, designed to take some of work load from Govt.'s National Bureau of Standards, was dedicated this week at Clifton, N. J., by IT&T. Among lab's aids to industry will be determination of accuracy of master gauges, precise electrical & mechanical measurements, etc.

New peak in military electronics spending is seen by RETMA in reporting \$2.492 billion spending in first 9 months of current fiscal year. RETMA says full year's spending should reach \$3.5 billion if present rate continues.

One of biggest contracts ever awarded by CAA for electronics equipment—\$9,777,287 for 263 TACAN units was won June 14 by Stromberg-Carlson.

# levision Digest with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C. . TELEPHONE STERLING 3-1755

**LOW INVENTORIES BOLSTER SET SALES OUTLOOK:** Best receiver inventory position in 2 years - at factory, distributor & retail levels -- tends to support industry-wide expressions of optimism as new TV lines continue to be introduced and on eve of June 17 opening of mid-summer Chicago marts where most 1958 models will be shown.

RETMA report to members puts total TV inventories at 2,200,000 as of June 1, compared with 2,400,000 same date last year, 2,250,000 year before. As one able market researcher put it: "The industry is in a very nice spot to take off."

<u>Inventory drop is attributed to reduced production in May</u> (335,000 vs. 467,-913 in May 1956) while May sales to consumers were only slightly under same month last year (400,000 vs. 403,487).

<u>Retail sales for first 5 months</u> are estimated at only 2% less than for same 1956 period, while production this year is down about 24%. And most of the 2% sales decline, we're told, probably is in export sales.

<u>Prospects seem good for 6½-7,000,000 set sales this year</u>, based on movement of 2,020,876 during first 4 months, compared with 2,036,808 in similar 1956 period; 1956 total was 6,804,783. Industry is putting considerable faith in promotability of new "slim look" to spark spurt in latter part of year.

<u>Prices of lines we've seen</u> range from about same as last year's to somewhat higher (mostly because of new, more costly, llO-degree tube) with indications of better profit margins across the board (For this week's new lines, see p. 12). Retail stocks are in good shape, with average dealer estimated to have 8 sets

in inventory -- same level, or lower, than at any time since 1952.

Incidentally, decline of the 24-in. was documented this week when statisticians reported they comprised only 5% of first 4 months' production, compared with 8½% same 1956 period -- and percentage is still dropping.

**Retail Profits:** <u>Despite improving inventory situation</u> and generally optimistic talk, dealers showed apprehension about 1957 prospects as NARDA released its 11th annual "Costs of Doing Business Survey" to document their 1956 performance.

<u>Net operating profit ratio of TV-appliance dealers</u> dropped to 1.2% on 1956 net sales compared with 3.4% in 1955, says report compiled by Chicago consulting economist Richard E. Snyder. Cost of goods sold amounted to 67.7% in 1956 vs. 65.7% in 1955. Of dealers answering, a record 28% reported net loss for the year.

<u>Study brought this comment from NARDA pres. Ken Stucky</u>: "These findings show a serious threat to the continuance of many needed dealers in this industry as well as most of the marginal ones." He went on to say "a new high in teamwork between dealers, distributors and manufacturers is proved necessary by this business analysis and...NARDA expects to play a key part in bringing this about."

Other highlights of NARDA report: (1) Year-end inventories up 14.8% in dollar value over beginning of year. (2) Inventories were turned over only 4.2 times compared to 5.5 times in 1955. (3) Gross margin declined to 32.3% from 34.3% in preceding year. (4) Total operating costs hit 31.1% of sales compared with 30.9% in 1955. (5) Net profit declines were shown in all 5 volume groups and geographical areas. (6) TV-radio-phonos accounted for 31.7% of 1956 sales vs. 28.8% preceding year.

Dealers report main operating problems in 1956 were: Price-cutting & discount houses; "too low" factory and distributor margin allowances; "builder sales" by manufacturers and distributors. For 1957, they expect same problems to continue, plus: tight money; shortage of good salesmen; overproduction by manufacturers; unfavorable manufacturer selling practices; poor quality products.

Sales expectations for year were supplied by 79% of those reporting -- with

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41% expecting an average 14% sales increase, 24% predicting 13% drop, 35% foreseeing no change. Of dealers answering, only 59% would talk about profits: 46% of these predicting 11% average increase; 11% seeing 10% average drop; 43% no change.

**Production:** <u>TV output was 90,655 week ended June 7</u>, compared with 72,770 preceding week and 136,020 in corresponding week one year ago. It was the year's 23rd week and brought TV production for year to date to about 2,329,000 compared with 3,083,387 in same period of 1956. <u>Radio production totaled 237,106</u> (96,523 auto) week ended June 7, compared with 167,781 (59,041) the preceding week and 245,155 (70,837) in corresponding week year ago. Radio output for 23 weeks totaled about 6,504,500 (2,574,100) vs. 6,014,900 (2,135,897) in same 1956 period.

**R** CA COUNTERATTACKED this week against anti-trust suit by Philco (Vol. 13:3, 4) for \$150,000,000 treble damages against RCA, GE, AT&T and two of its subsidiaries charging "monopolistic practices" in RCA TV-radio-electronics patent pool. RCA charged Philco and subsidiary Lansdale Tube Co. had infringed on RCA patents since Jan. 1955, requested treble damages.

Denials of Philco charges in Jan. suit in U. S. District Court at Philadelphia also were filed by RCA, GE, AT&T, Western Electric and Bell Telephone Labs—all asking dismissal of suit. RCA also said it will file an additional claim for royalties on RCA patents it claims Philco used prior to Dec. 31, 1954.

RCA's reply said it has operated its "manufacturing, broadcasting, research and patent licensing activities in furtherance of competition in all aspects of the radiotelevision industry, as well as in the electronics industry generally and in no way in hinderance thereof." Reply went on to say "no industry in which there existed the restraint or attempts to restrain alleged in the [Philco] complaint could have increased and multiplied at such a dynamic pace."

Philco and Zenith are only major TV-radio manufacturers which are not RCA licensees. Philco did not renew RCA license when it expired in 1954; Zenith and RCA have been tied up in patent litigation since 1945.

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RCA earnings are running about same as at this time last year, higher costs negating 5% sales increase, pres. John L. Burns said during west coast visit this week. He added that RCA total backlog is some 5% higher than for similar period in 1956. Burns said: (1) Color TV is going "pretty well for a new product." (2) Half-dozen major TV manufacturers "are planning to get into color in a big way" by fall—but wouldn't name them. (3) West coast electronics firms increased share of industry's dollar output from 2% to 16% in last 10 years; California is 3rd largest electronics center in dollar volume.

Uhf converters are exempt from 10% manufacturers' excise tax unless manufacturer sells converter on or in connection with a TV set, Internal Revenue Service ruled this week. If converter is sold by manufacturer in connection with set, 10% tax is computed on total manufacturer's price of entire outfit. Long-awaited ruling is #57-252, on p. 21 of Internal Revenue Bulletin No. 223.

Westinghouse Appliance Sales div., 207 W. Huron St., Buffalo, is taking over western N. Y. distributorship of major appliances from Buffalo Electric Co. which will continue to distribute Westinghouse radios, lighting fixtures, lamps, fans, etc. Buffalo Electric v.p.-merchandising Charles E. Schuster will become Westinghouse district mgr. for Buffalo wholesale branch.

Trade Personals: Robert M. Fichter promoted to IV sales mgr., Westinghouse TV-radio div, succeeded by Jack Rindner as market planning manager . . . F. P. Rice resigns as manager of DuMont TV receiver division, plans to be disclosed later this month . . . Robert Howard appointed director of Admiral commercial electronics div.; Samuel Schwartzstein succeeds him as gen. mgr. of Admiral Distributor Inc.'s metropolitan N. Y.-N. J. div. . . . Philip E. Cunningham named RCA color market development mgr. for New England . . . Charles A. Morrison, Canadian GE v.p. who has been gen. mgr., wholesale dept., Toronto, has been assigned to marketing problems, reporting to chairman Harold M. Turner; Walter G. Ward succeeds Morrison . . . Robert F. Marlin promoted to purchasing agent, Sylvania parts div. . . . John A. Chichester, ex-DuMont Illinois, named Warwick Mfg. Corp. industrial sales mgr. . . . Herb Fletcher, ex-Admiral, N. Y., named national sales mgr., N. Pickens Import Co., Blaupunkt line (German) importer . . . Sydnel W. Morrell, ex-Ford Motor Co., named v.p.-public relations, IT&T . . . Alex McKenzie, ex-Electronics Magazine, named McGraw-Hill industrial book dept. editor . . . Edwin Cornfield, ex-DeJur-Amsco, named exec. secy. of Institute of High Fidelity Mfrs., succeeding Sanford L. Cahn who continues as director of shows. .

Dr. W. R. G. Baker, RETMA pres. and GE v.p., seriously ill since June 9, now undergoing tests at Ellis Hospital, Schenectady, to determine nature and extent of illness. At week's end, hospital reports no change in his condition.

"Advanced instruction" in TV maintenance is being offered technical school teachers in 3-week course by New York State Department of Education, New York Trade School and RETMA. Full-time course will be held July 8-26 in TV lab of N. Y. Trade School, costs \$30 for N. Y. residents, \$37.50 for others. Applications with tuition fee payable to Bureau of Accounts should be addressed to State Education Dept., Albany, N. Y. or to RETMA.

Four Zenith distributors given special awards this week for total of 75 years' affiliation: H. R. Basford Co., San Francisco; Tri-States Distributing Co., Shreveport; Morley-Murphy Co., Milwaukee; Chapin-Owen Co., Rochester, N. Y.

Striking transistor growth is emphasized by RETMA Jan.-April factory sales figures—6,899,300 units worth \$19,492,000 vs. 2,730,000 worth \$7,884,000 during similar 1956 period. April 1957 sales amounted to 1,744,000 valued at \$4,880,000 vs. 1,904,000 worth \$5,321,000 in March 1957.

Trade show questionnaire was sent by RETMA to its members this week (Vol. 13:14) following board approval. Members are asked number, cost, desirability, type of such shows—and how many they think there should be. **Topics & Trends of TV Trade:** RCA sets are overwhelming choice—with 19 first places, one tie for first in 12th annual Consolidated Consumer Analysis of 23 markets. Survey is conducted by local newspapers (Vol. 13:20, 22), with individual studies and consolidated report available from them or their national sales reps. The 130page consolidated report covers all important consumer products in addition to TV. Here's tabulation of top 3 TV choices (study goes as far as 18th choice), with percentage of brands owned in each market in parentheses:

City	First	Second	Third
Chicago	Admiral (18.5)	RCA (16.8)	Motorola (11.2)
Cincinnati	RCA (20.6)	Philco (15.7)	Admiral (12.4)
Columbus	RCA (23.3)	Philco (12.9)	Admiral (11.1)
Denver			Admiral (8.5)
	(9.5 each)		
Duluth-Superior	RCA (15.1)	GE (11.3)	Admiral (8.2)
Fresno	RCA (13.0)	Philco (10.2)	Hoffman (9.0)
Honolulu	RCA (14.9)	Zenith (10.8)	Silvertooe (10.0)
Indianapolis	RCA (15.2)	Admiral (11.9)	Philco (8.8)
Long Beach	RCA (15.7)	Packard-Bell (9.7)	Hoffman (8.9)
Milwaukee		Admiral (15.1)	Motorola (8.0)
Modesto	Hoffman (14.3)	Philco (11.6)	RCA (10.9)
Newark	RCA (26.6)	Admiral (11.3)	DuMont (8.7)
Omaha	RCA (19.4)	Philco (13.5)	Motorola (10.2)
Phoenix	RCA (10.6)	Admiral (10.2)	Emerson (7.3)
Portland, Me	RCA (16.9)	GE (13.1)	Zenith (12.1)
Portland, Ore	RCA (11.9)	Zenith (9.5)	Admiral (9.4)
Sacramento	RCA (15.4)	Philco (9.8)	Packard Bell (9.0)
Salt Lake City	RCA (14.9)	Admiral (11.4)	Motorola (8.7)
San Jose	RCA (11.0)	Packard-Bell (9.1)	Philco (8.9)
Seattle	RCA (16.6)	Packard-Bell (8.1)	Motorola (7.0)
St. Paul	RCA (17.4)	Admiral (11.8)	GE (11.5)
Washington	RCA (23.6)	Admiral (14.7)	Philco (10.3)
Wichita	Admiral (12.6)	RCA (11.7)	Zenith (8.7)
	* *	* *	

Westinghouse 1958 models, priced about 10% higher than last year, include 12 basic receivers priced from \$130 to \$380 (individual prices to be announced later). Shallower 110-degree tube is used in several consoles and table models, 17-in. portable. Custom series has 2 table models, 1 horizontal, 2 vertical consoles. Deluxe series has 1 table, 3 consoles. Three portables are shown—17-in. 110degree model, 14-&-17-in. models with 90-degree tubes. Features include automatic tuning, remote control, wood cabinets in table & consoles, 2-tone enamel or vinyl in portables.

Admiral's new TV line, featuring slimmer cabinets, flush to wall (15-in. deep for 21-in.), 110-degree tube, 8-watt amplifier, runs \$10-\$30 higher than last year. New models introduced this week are 21-in. only, the 14-17-in. portables having been shown previously (Vol. 13:21). New tables run \$180-\$220, consoles \$230-\$380—with \$10 increments. Line also includes 9 combinations, some of them lowboy models, no suggested lists. New ultrasonic remote control is optional on some models. Spokesman says Admiral wrote more orders at last week's Miami distributor convention than at any convention in last 7 years.

Packard-Bell's new line includes 13 black-&-white models at \$170 to \$425, 2 color sets at \$595 to \$725, no portables (although 17-in. set will be introduced later in year). Black-&-white are: "Special" series with 110-degree tubes, 17-in. table \$170-\$220, 21-in. table \$200-\$220, "Custom Decorator" series with 110-degree tubes, 21-in. consoles \$290-\$370, 24-in. console \$350-\$390; "De Luxe" series with 90-degree tubes, 21-in. table \$220-\$240, 21-in. combination \$400-\$425, 21-in. consoles \$240-\$290, 24-in. table \$240-\$260, 24-in. console \$280-\$300.

Philco International's Mexico City subsidiary plans to double TV-radio production after July 15 move to 250,000sq. ft. plant—the first there to use moving belt system. Plant also will produce receivers for Westinghouse subsidiary I. E. M. in exchange for refrigerator production.

American TV manufacturers exhibiting at Poznan, Poland International Fair, June 9-23, include Admiral, Emerson, RCA, Sylvania, Westinghouse, Zenith—Commerce Dept. reports. Picture tube sales in first 4 months of 1957 totaled 2,952,318 valued at \$52,974,193, compared with 3,469,405 at \$65,008,912 in first 4 months of 1956, reports RETMA. Receiving tube sales totaled 153,011,000 worth \$130,192,000 in first 4 months vs. 155,604,000 at \$125,535,000 in same period year ago. RETMA's monthly breakdown:

Pictu	re Tubes	Receiving Tubes		
Units	Value	Units	Value	
760,860	\$13,594,442	37,571,000	\$31,170,000	
728,363	13,134,778	44,460,000	36,631,000	
833,088	14,850,847	43.010.000	37.007.000	
629,838	11,394,043	27,970,000	25,384,000	
2,952,318	\$52,974,193	153,011,000	\$130,192,000	
	Units 760,860 728,363 833,088 629,838	760,860 \$13,594,442   728,363 13,134,778   833,088 14,850,847   629,838 11,394,043	Units Value Units   760,860 \$13,594,442 37,571,000   728,363 13,134,778 44,460,000   833,088 14,850,847 43,010,000   629,838 11,394,043 27,970,000	

Glum view of color was expressed by DuMont chairman Dr. Allen B. DuMont at N. Y. press preview of 1958 DuMont line. Saving DuMont would not make color sets this year, he stated that black-&-white sets now provide superior picture, use shallower cabinets with short CR tube, give public better buy. DuMont declared eventual color developments would bring set to mass market, but at cost of a color console now "a person can purchase [a] 21-in. console black-&-white receiver; a matching hi-fi phonograph with AM/FM radio; a portable black-&-white receiver" and portable transistor radio. DuMont is continuing development work on color, he said. New black-&white line uses 110-degree 17-in.-21-in. tubes in low-end Playboy series (price not set), 90-degree short neck in others, includes 17 TV models at \$170-\$500, 2 combinations at \$1200. Remote control unit with 25-ft. wire ribbon connection, uhf are optional.

Scare over picture-tube voltage booster was debunked by Jack Gould in June 14 New York Times column following news story quoting warning from Dr. James B. Kelley, industrial consultant to N. Y. State Commerce Dept., on X-ray hazards from tubes using boosters. Gould quoted new State Labor Dept. manual saying that face plate absorbs voltage, that glass over face of tube is further protection. Story said Dr. Kelley "appeared to back down substantially from original warning," conceding he "was not aware of the technical sense in which the word 'boosters' currently is employed by TV set owners, service men and the trade," apparently was referring to "rare" replacement of set's high voltage power supply. Gould added that bigger danger to set owner is quality of TV programming.

Sylvania "Slimline" for 1958, using 110-degree tubes, has 4 table, 4 console basic models, previously announced 21-in. portable (Vol. 13:16,22), one "prestige" console with no suggested list price. Some sets have Halolight, some Halolight "nightlite" which can be left on when set is off. Sets ranging in depth from 13 11/16 in. to 16 9/16 in. are: Portable \$200; tables \$180, \$200, \$230, \$250; consoles \$200, \$230, \$260, \$290.

Sylvania "Slim Jim" 110-degree portable, transistorized portable radio & portable phono are displayed in Monsanto House of the Future which opened June 12 in Disneyland Park, Anaheim, Cal.

Olympic's 1958 TV line, to be shown June 17-20 at Congress Hotel, Chicago, consists of 26 models in 3 chassis series, all with 90-degree short-neck tubes. They are: 14-in. & 17-in. portables, no suggested price; 17-in. table, no suggested price; 21-in. tables \$170-\$230; 21-in. consoles \$190-\$310; 24-in. consoles \$230-\$260; 21-in. combinations \$310-\$450; 24-in. combinations \$380-\$490.

Wrapup of TV industry production problems, promotional projects, advertising plans is contained in June 14 Wall Street Journal.

NARDA holds June 22 board meeting at St. Louis' Chase Hotel, mid-year get-together June 23 (Sunday).

Financial & Trade Notes: Officers-&-directors stock transactions reported to SEC for April: Admiral-Edmond I. Eger bought 500, holds 500. American Bosch Arma-John H. Flashkamper bought 100, holds 100; F. Wm. Harder sold 375, holds 7500; Sidney E. Miller exercised option to buy 100, holds 940; Kenneth H. Rockey sold 100, holds 4110. American Electronics-Ray H. Cripps sold 20,000, holds 70,500; Arthur E. Lamel sold 20,000, holds 70,500; Clifton W. Reed sold 100, holds 4200; Phillip W. Zonne sold 20,000, holds 66,300. American Machine & Foundry-Morehead Patterson sold 800, holds 35,753. Avco -George E. Allen bought 600, holds 1500; Matthew A. McLaughlin bought 500, holds 675. Consolidated Electrodynamics-Harold W. Washburn sold 200, holds 7390. DuMont Labs-Armand G. Erpf bought 300, holds 3700; David T. Schultz bought 400, holds 1400; Donovan H. Tyson bought 400, holds 400. Emerson Radio-Benjamin Abrams bought 2000, holds 233,445 personally, 29,139 in trusts, 63,801 in foundations. Friden Calculating-L. B. Taylor sold 700, holds 6950. GE-Neil McElroy bought 200, holds 600; J. S. Parker bought 240, holds 937; Warde B. Stringham sold 1500, holds 3247. General Precision Equipment-Walter E. Green sold 500, holds 500; Wladimir A. Reichel sold 5600, holds 11,844. Globe-Union-C. O. Wanvig Jr. bought 900, holds 10,100 personally, 14,900 in trust. Hoffman-J. S. McGee exercised option to buy 250, holds 250. Indiana Steel Products-Anthony J. Astrologes bought 200, holds 470. International Resistance-Harry A. Ehle sold 600, holds 14,600. Litton Industries-Roy L. Ash sold 820 in partnership, holds 47,415 personally, 18,755 in partnership; Lewis W. Howard sold 1000, holds 4762 personally, 900 in trusts: H. W. Jamieson bought 5000, sold 820 in partnership, holds 53,090 personally, 18,755 in partnership; Charles B. Thornton exercised option to buy 11,000, sold 1803 in partnership, holds 124,348 personally, 41,262 in partnership. Magnavox-Richard A. O'Connor sold 456, holds 57.943. Minneapolis-Honeywell-Richard P. Brown sold 500, donated 1000, holds 64,234; Wm. W. Gilmore sold 200, holds 1100; P. H. Wernicke sold 600, holds 1825. Norden-Ketay-Robert M. Adams Jr. sold 1000, holds none. Philco-Gaylord P. Harnwell bought 100, holds 200. RCA-Robert L. Werner bought 100, holds 787. Sperry Rand-Theodore F. Allen sold 2000, holds 2726; Harry Landsiedel sold 1000, holds 13,904 personally, 29,960 in joint account. Texas Instruments-W. D. Coursey sold 1000, holds 5254; C. J. Thomsen sold 600, holds 14,897. Westinghouse Electric-A. W. Robertson bought 500, holds 1000.

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Olympic reports record sales in first 4 months of 1957, up 33% from similar period last year, and covering all categories—TV-radio-hi-fi. Sales v.p. Morton M. Schwartz notes that April dollar volume was 42% higher than April 1956 and preliminary figures show continuing rise in May. He said the fall season should "round out the biggest year in Olympic's history."

Allied Artists will have loss before tax credits of "somewhere between \$2,000,000 & \$2,500,000" in fiscal year ended June 29 vs. net income of \$371,875 year earlier, according to pres. Steve Broidy. He predicted that production cost-cutting and box office returns from new films will help make next fiscal period "our best year for profits."

P. R. Mallory consolidated income was \$1,119,000 on sales of \$26,145,000 in first 4 months this year vs. \$632,000 on \$14,238,000 in corresponding 1956 period, which was affected by 6-week strike. Earnings & sales include those of subsidiary General Dry Batteries Inc., acquired April 26, 1956. Its radio KFWB, Los Angeles, according to annual report to stockholders this week. Loss from *Collier's & Woman's Home Companion*, suspended in Dec., was \$7,990,376. But net income from non-magazine business, including radio, record club, book publishing, was \$5,168,426 on sales & revenue of \$26,405,712. Consolidated loss before special items of \$1,605,993 was \$2,821,950.

National Telefilm Assoc. filed registration June 12 with SEC (File 2-13423) for \$5,000,000 of 6% sinking fund subordinated notes due June 15, 1962, with purchase warrants attached giving rights to purchase 50 common stock shares for each \$500 of notes after Sept. 2, 1957. Also offered are 350,000 shares of common stock. Issues underwritten by Cruttenden, Podesta & Co., Chicago; Cantor, Fitzgerald & Co., Beverly Hills, and Westheimer & Co., Cincinnati, would be used largely for debt incurred by film acquisitions.

National Telefilm Assoc. earnings were more than quadrupled in 9 months ended April 30 over corresponding fiscal period year earlier, with net of \$818,592 (\$1.23 per share) vs. \$191,397 ( $29\phi$ ). Third-quarter earnings in fiscal year, which ends July 31, were \$309,961 ( $47\phi$ ) vs. \$55,584 ( $8\phi$ ) year ago. Film exhibition contracts in 9 months totaled \$12,346,081, up from \$3,580,898 in previous 3 quarters.

IT&T reports net income of \$5,900,448 ( $82\phi$  per share) on first quarter net sales of \$142,002,231 and total income of \$156,584,455 compared with net of \$5,514,548 ( $77\phi$ ) on sales of \$108,749,136 and total income of \$121,575,938 in similar 1956 period. U. S. volume amounted to \$60,824,787vs. \$41,935,325; foreign sales were \$81,177,444 vs. \$66,-813,811 in 1956 first quarter. Unfilled orders totaled \$194,000,000 in this country, \$292,000,000 abroad.

Texas Instruments earnings this year will be closer to \$1.10 per share than \$1 predicted earlier (Vol. 13:9), compared with 72e in 1956 (Vol. 13:12), pres. J. Erik Jonsson told Houston Society of Financial Analysts this week. He said 1957 sales would reach record \$65,000,000-\$70,000,000 vs. \$45,699,358 last year.

Standard Coil stock option plan, authorizing directors to award up to 10% of 1,470,000 shares outstanding to employees, has been approved by stockholders. Pres. James O. Burke told annual meeting second-quarter profit should be higher than first quarter's  $3\phi$  per share.

Dividends: AB-PT, 25¢ payable July 20 to stockholders of record June 28; IT&T, 45¢ July 15 to holders June 21; Collins Radio 'A' & 'B', 35¢ July 31 to holders July 16; Admiral directors took no action.

Sperry Rand earned \$49,612,352 (\$1.83 per share on 26,887,722 shares outstanding) on sales of \$871,047,239 in fiscal year ended March 31 vs. \$46,348,878 (\$1.81 on 25,322,841 shares) on \$710,696,087 year earlier.

Cornell-Dubilier earned \$414,804 (76¢ per share) on sales of \$16,892,701 in 6 months ended March 31 vs. \$529,849 (98¢) on \$17,480,107 year earlier.

Columbia Pictures earned \$1,504,000 (\$1.18 per share) in 39 weeks ended March 30, compared with \$1,855,000 (\$1.49) in 40 weeks year earlier.

Philco closes Dallas regional office, splitting territory between Kansas City and Atlanta offices; mgr. Guy Hagerty will be given another post.

Electronic Parts Distributors Show for 1958 will be held week of May 19 in Chicago's Conrad Hilton Hotel.

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www.americanradiohistory.com

E DWARD LAMB'S license for WICU, Erie, Pa. was renewed by FCC June 13—just 3 years, 3 months and 2 days after Commission raised doubts about his qualifications and touched off one of most bizarre episodes in its history. Commission's vote for renewal was 5-1, as we predicted last Jan. (Vol. 13:3), Comr. Lee being the dissenter, but issuing no statement. Comr. Doerfer, who sparked case originally and later said he'd abstain from voting, was listed as absent.

FCC's 58-page final decision was more direct and to the point—and less colorful—than examiner Herbert Sharfman's 140-page initial decision which recommended renewal 1½ years ago and was credited with taking Commission off the hook in what was widely regarded as an ill-advised sortie into red-hunting. Basic points in FCC's conclusions:

On issue of whether Lamb lied in denying Communist associations and sympathies, evidence generally is lacking to prove beyond question that he actually "associated" with groups and individuals he knew were communistic. In the case of his writings, it's impossible to say that they actually advocated Communism "in the classical sense." It ruled against Lamb on Issue No. 2—his charge that FCC investigators sought to solicit false testimony—but held that absolution of Lamb on the misrepresentation charge overshadowed its adverse finding on the other.

Commission criticized Lamb's "evasiveness and lack of candor" during the 64 days of hearings, but stated that these characteristics by themselves are not sufficient to warrant adverse finding in view of lack of proof of the basic and paramount issues of case.

Lamb issued statement expressing gratitude at his "belated vindication," terming the hearing "a trial of my ideas and activities." The hearings showed, he said, "that an agency of our Govt. placed on the witness stand a score of professional witnesses, persons coached and paid to bear false witness against a private American citizen," and he hailed decision as "reassurance of the integrity of our courts and administrative agencies."

"We must raise standards and improve quality. The business ethics of our industry are slipping." That's exhortation to fellow NARTB members by former MBS pres. Edgar Kobak, now business consultant, in current trade publication ad. He submits 22 suggestions for NARTB, including: separate associations and conventions for TV & radio, establishment of strong program depts., relocation of main office outside of Washington, etc. — plus review of virtually all current NARTB functions.

TV is top user of music, according to report of pres. James C. Petrillo to AFM Denver convention. During 1956, he said, TV industry paid \$10,552,531 for music of all kinds. Radio was second at \$9,835,327. Theatrical employment to musicians totaled \$6,028,893, major Hollywood inovie studios \$2,782,533, independent producers \$718,500.

Comr. Doerfer was embroiled in dispute with movie industry this week, revolving generally around the question: Whose program code is best, TV's or Hollywood's? It started with recent INS interview-based in turn on May 5 speech to Catholic Institute of the Press in New York-in which Doerfer was quoted as saying TV industry is "cleaning up" Hollywood movies by editing out offensive portions of theatrical films before showing them on TV. He also praised TV industry for "voluntarily banning snide references to minority groups . . . in sharp contrast to the movies of 10 or 20 years ago." This resulted in sharp letter from Motion Picture Assn. pres. Eric Johnston, charging commissioner with "complete distortion of current facts" and "unfounded slurs" on picture industry. Johnston defended MPAA code, calling its enforcement machinery superior to TV code and stating that "as a practical matter it is a rare TV licensee who exercises any control over program content of filmed material he broadcasts." Doerfer replied that many of complaints about TV crime & violence were based on old movie film shows, that many old films have been rejected for TV broadcasting, that TV film producers are now following TV code, reiterated that "some old movie films do not measure up" to TV code. Another letter by Johnston noted with "gratification" Doerfer's statement that he had "no intention to disparage the American movie industry."

Scope of NBC's world-wide plans was hinted this week with establishment of new wholly owned subsidiary, NBC International Ltd., with headquarters in Montreal, to conduct "all of the NBC station management services, station investments and program sales outside of the U.S. and Canada." Its program sales will include both those of NBC-TV network and film subsidiary CNP Inc. NBC international operations director Alfred R. Stern has been elected chairman of NBC International Ltd.; NBC director of European operations Romney Wheeler is pres., with headquarters in London. Secy.-treas., assigned to Montreal headquarters, which opens in July, will be elected soon. New subsidiary plans to open 2 other offices-in Mexico City to conduct Latin American business by end of this year, and in Far East next year. Promising that NBC will take important part in international TV operations, pres. Robert W. Sarnoff said that by end of this year NBC International "will have completed on-the-scene surveys of TV in every country on the globe where the medium now exists or will soon exist."

Big one that got away: Huge on-again-off-again purchase of Sun. 7:30-9 p.m. on ABC-TV by Kaiser Aluminum —reportedly involving more than \$5,000,000 for year, which would have been that network's biggest single time sale (Vol. 13:21)—is off again, this time probably for good. Kaiser wanted to use time segment for group of top Hollywood movies, mostly post-1948. One reason for sponsor's change of heart was said to be unavailability of suitable quality movies. Kaiser's still shopping for top network show for next season, has been negotiating with Sylvester L. (Pat) Weaver's Program Service network, among others.

Advertisers shouldn't boast about how much they spend for TV stars, chairman Robert M. Granger of D'Arcy Adv. told 53rd annual AFA convention June 11 in Miami Beach. He said much of "blowing the trumpets" is (1) "downright bragging," (2) "poor taste," (3) "gross exaggeration." He asked: "How many times have you read about a \$5,000,000 or \$10,000,000 contract for a hot TV star, when we all know there is a slight little thing called '13-week cancellation clause' that always seems to be overlooked?"

Seven applications for new TV stations and one for translator were filed with FCC this week, bringing total to 132 for stations (35 uhf) and 54 for translators. Applications were for Mobile, Ch. 48, by Wistenn Inc. (Milwaukee furniture mfr. Bernard D. Heifetz pres.); for Indianapolis, Ch. 39, by Butler U; for Des Moines, Ch. 23, by Wistenn Inc.; for Lafayette, La., Ch. 3, by Acadian TV Corp. (physician Paul Kurzweg Jr. pres.); for New Orleans, Ch. 12, by principals of KTBS-TV, Shreveport; for Hay Springs, Neb., Ch. 4, by principals of KOTA-TV, Rapid City, S. D.; for Charleston, S. C., Ch. 4, by WTMA. Translator application was for Ch. 70, Pinedale, Wyo., by Town of Pinedale. [For details, see TV Addenda 24-W, herewith.]



## SUMMARY-INDEX OF THE WEEK'S NEWS — June 22, 1957

- WWLP IS FIRST STATION to test translator commercially; Springfield uhf is so sure of results it plans 9-link satellite-booster chain (p. 1).
- RATE CARDS & ANTI-TRUST: Rate integrity desirable, but Phila. decision outlaws rate integrity agreements. Celler bill bans rate "discrimination" (p. 2).
- CELLER BLASTS FCC actions and ethics. Cox report postponed for at least a week, Barrow study until Sept. 30. FCC files in anti-trust case (p. 2).
- TV COVERAGE OF HOUSE hearings raises Congressional storm; Rayburn's authority to ban cameras is flouted by Walter in San Francisco inquiry (p. 3).
- FCC REAFFIRMS MIAMI GRANT to WCKT after adverse court decision, refuses to reconsider grants to Crosley in Indianapolis and Travelers in Hartford (p. 5).

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- SETMAKERS CONFIDENT as they show 110-degree "Slim Look" at Chicago mid-summer mart. New automatic tuning, remote control units featured (p. 9).
- TV SHIPMENTS to dealers through April total 1,787,346, drop of 270,000 from similar 1956 period. April slightly below April, 1956 (p. 11).
- DELAY IN FEE-TV consideration probable as NARTB & JCTT ask time to reply to "test" comments after July 8; NARTB sets up 3-man anti-toll TV board (p. 6).
- STUDY OF GOVT. USE of frequencies proposed by Sen. Potter in bill setting up commission to determine whether any can be relinquished for TV-radio (p. 8).
- INTERCITY TV CIRCUITS to triple in 10 years, AT&T predicts at FCC hearing, forecasting "substantial number of telephones" equipped for TV in 15-20 years (p. 12).

**TRANSLATORS**—ECONOMICAL AID TO UHF OUTLETS: First use of translators by telecaster -- WWLP, Springfield, Mass. (Ch. 22) -- hasn't started yet, but station thinks potentials for extended uhf coverage are so good that already it's planning to add at least 4 more to 5 definitely scheduled now, one of them ready to go on air.

"We think this is a damned good idea," treas.-gen. mgr. Wm. L. Putnam of WWLP enthused to us this week. He was all set for operation within another week of the nation's first station-owned translator (W79AA) at Claremont, N.H. for pickup (Vol. 13:23) from new satellite WRLP, Greenfield, Mass. (Ch. 32).

"We'll have more so long as we keep it under \$1 a head for audience," Putnam said -- and he figured that \$5000 station investment for Claremont installation will add 20,000 viewers to WWLP's Springfield audience of around 750,000.

In FCC works now for expected quick approval are WWLP applications for translators in Lebanon, N.H. (20,000 estimated new viewers), Newport, N.H. (7000), Rutland, Vt. (17,000), Bennington, Vt. (12,000).

Likely spots for future extension of WWLP's satellite-translator chain are Woodstock & St. Johnsbury, Vt. and Woodsville & Berlin, N.H. All locations are in foothills of White Mountains & Berkshires where 1500-ft. elevations are common.

"<u>One thing I am certain of</u> is that this is a means of providing city grade service for a lot of people who otherwise wouldn't get it," Putnam told us. "And advertisers will get a lot more whether they like it or not." Station's base hour is being raised to \$700 from \$600; he indicated other rate changes are in prospect.

<u>Simplicity of translator operation</u> also impresses Putnam: "You put up a collapsible tower, anchor it to a couple of rocks and use a pre-fab house. Then you're in business, and there's no maintenance to speak of."

Other telecasters are beginning to negotiate for translators, according to pres. Ben Adler of Adler Electronics Inc., New Rochelle, sole manufacturer of equipment whose use by chambers of commerce & other non-profit groups -- particularly in mountain states & west -- has grown steadily.

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<u>Springfield experience is being watched</u> by other uhf operators in U.S. and Adler, whose payroll has gone from 100 to 340 in the past year, has inquiries from Canada, Cuba, Mexico, South America. His price for 10-watt station is \$2750.

"We have more orders than equipment to make gear," Adler told us. He is shipping from second production run of 100, planning third run of 100. Nine months ago translator CP score stood at one on air at Hawthorne, Nev. (Vol. 12:36), 2 more applications granted by FCC, 18 pending. Now 40 are on air, 27 additional CPs have been granted, 53 applications are pending.

TV-RADIO RATE CARDS AND ANTI-TRUST: <u>Significance of last week's Federal anti-trust</u> conviction of 9 Philadelphia AM stations and local broadcasters assn. (Vol. 13:24):

While maintenance of card rates is recognized as a laudable practice, any agreement among stations to stick to card rates violates the Sherman Act.

<u>Case was precedental in that it struck at a practice</u> never before attempted in the industry, to our knowledge, but one which Justice Dept. feared might have spread if unchecked. The stations weighed the risks, chose not to put up fight -because, being subject to FCC regulation, they feared the consequences of a possible "moral turpitude" anti-trust conviction. However, those involved felt there was no "price-fixing," since any station could have changed its rate card at any time.

<u>Fact remains that industry has been put on notice</u> that inter-station agreements to maintain integrity of rates are subject to prosecution. As one anti-trust expert put it: "You can't even agree with your competitor not to be a chiseler."

<u>Note</u>: While judge ruled the 9 Philadelphia stations technically guilty of criminal anti-trust violations not involving moral turpitude, civil anti-trust suit against same defendants (except Westinghouse) is still pending, seeking injunction barring them from any future participation in similar agreements.

<u>An anti-trust push in the opposite direction</u> -- aimed principally at network discount structure but with definite implications for station rates -- is inherent in bill introduced this week by Rep. Celler (D-N.Y.). His HR-8277, only legislation recommended in his anti-trust subcommittee's report on TV (Vol. 13:23), would make Robinson-Patman and Clayton Acts applicable to sale of services as well as goods.

<u>Practical effect on TV-radio would be</u>: Any network or station must offer all advertisers identical rates for identical services. Quantity discounts not related to actual cost savings by broadcasters would be considered illegal discrimination. Aim of bill is to prevent large advertisers from obtaining "competitive advantage solely because of superior mass purchasing ability."

<u>Celler intends to push for passage this session</u>. And since it will be referred to his own Judiciary Committee, he told FCC Bar Assn. luncheon this week: "I can assure you, you'll get action on this bill."

NO LET-UP IN CONGRESSIONAL HEAT ON FCC: "I'm going to tolerate no nonsense, no deliberate procrastination -- that's a solemn warning to the FCC."

So said Rep. Celler in a departure from his prepared speech before an FCC Bar Assn. luncheon -- a speech designed to burn the ears of the Commissioners in the audience -- still another in the recent series of Congressional attacks on the Commission (Vol. 13:22-23). Covering largely same ground as his anti-trust subcommittee's report on TV industry (Vol. 13:23), Congressman's words left no doubt about his feelings toward present Commission:

"In my opinion there has never been a greater need for qualified personnel in the FCC, both at the staff and the Commission level. For a number of years the FCC has simply not measured up to the standard of public service required to inspire public confidence...<u>The FCC has failed to perform</u> its statutory obligations adequately; [it] has not infrequently failed to conform its regulatory activities to the letter and spirit of the anti-trust laws; [it] has for many years fumbled the vital problem of station outlets and frequency allocations..."

www.americanradiohistory.com

<u>He again castigated Commission</u> for "informal relationships with members of the industry" and urged quick adoption of "code of ethics" for FCC & industry.

In attacking FCC's guardianship of anti-trust responsibility, he singled out recent grant to Boston Herald-Traveler as highlighting "the Commission's disregard of anti-trust principles." He added his subcommittee didn't look into this one, but he would refer it to Rep. Moulder's Commerce "watchdog" subcommittee.

<u>After summing up his subcommittee's recommendations</u>, he again put FCC on the spot: "The subcommittee has made formal request to the FCC and the [Justice Dept.] anti-trust div. for detailed progress reports as to steps these agencies undertake to carry out each of the recommendations pertaining to TV broadcasting."

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<u>Another Congressional report on TV</u> -- Senate Commerce Committee's "Cox Report" on network practices -- was postponed by Committee for at least another week. Due for consideration June 24 or 25 if sufficient Senators are present, document is understood to recommend changes in option time and must-buy rules (Vol. 13:24), but to declare moratorium on proposals for legislation until completion of the Justice Dept.'s TV study and until 90 days after wind-up of FCC's network study.

The FCC study, under Dean Roscoe Barrow, definitely won't make its June 30 deadline, and staff report has been postponed to Sept. 30. Though FCC's extra appropriation to finance study expires next week end, network study staff will be paid this summer out of regular Commission operating funds. Entire staff will be retained.

<u>Note: FCC was heard from this week</u> in the hot anti-trust action arising out of NBC-Westinghouse swap of stations in Philadelphia and Cleveland. Commission asked permission of Philadelphia Federal Court to file brief commenting on RCA-NBC defense that FCC's approval of transaction immunizes it from further govt. challenge.

<u>Commission opposed RCA-NBC argument</u> in the submitted brief, saying that in approving the exchange it "did not purport to pass on the anti-trust aspects of the transaction, but left the matter entirely to the Dept. of Justice." It added: "The Commission's approval of the exchange under Sec. 310(b) in any event could not in any way curtail or affect the power of the United States to proceed under the antitrust laws; nor was the Dept. of Justice required to participate in or institute proceedings before the Commission before resort to the courts."

**TEMPEST OVER TV COVERAGE of House Un-American Activities Committee** hearings in San Francisco threatened this week to erupt into major Congressional storm over authority of 2 of the most powerful men on Capitol Hill.

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At issue in unique clash between Speaker Rayburn (D-Tex.) and Committee Chairman Walter (D-Pa.), longtime friends & legislative collaborators, was question of whether House rules forbid TV cameras at any proceedings—anywhere.

Rayburn, whose word on procedure almost always is taken for law on Hill, said they do. Openly defying him, Walter said they don't—at least outside Washington and went right on with San Francisco hearings televised locally by KRON-TV & educational KQED.

After 3 days of increasingly angry edicts against TV by Rayburn—and continuing flouting by Walter of Speaker's previously unquestioned interpretation of rules it looked like Walter might be inviting contempt of Congress charge which he often uses against balky witnesses. Rep. Cannon (D-Mo.), top House parliamentarian, said June 21 that contempt citation against Walter was possible.

Meanwhile, in hurry-up effort to resolve issue, Rep. Scott (R-Pa.) introduced bill (II. Res. 282) June 20 "to provide equal access for all news media before proceedings of the House." Rep. Meader (R-Mich.) took floor next day to demand that committees themselves exercise discretion. Similar legislation specifically allowing TV-radio coverage (H. Res. 31 & 32) was introduced by Rep. Griffiths (D-Mich.) early in session (Vol. 13:3), but has made little legislative progress.

Basis of Rayburn's rulings, first laid down in 1952, was that House regulations don't authorize TV either on floor or in committee sessions—and therefore forbid it. (Senate permits TV coverage of committees.) Un-American Activities Committee sessions haven't been televised in Washington, but Walter has okayed—if not welcomed— TV at hearings elsewhere.

Rayburn said he hadn't heard about Walter's out-oftown TV practice until he read about suicide of biochemist Wm. Sherwood, who had been subpoened in San Francisco inquiry into Communist infiltration of professional groups. Sherwood left note which said he had "fierce resentment of being televised."

Sen. Goldwater (R-Ariz.), paid own TV way to accept challenge from United Automobile Workers for debate on propriety of unions spending dues money for political broadcasts. Backing up his contention that such expenditures are "morally wrong," Goldwater insisted on putting up \$1000—\$780 for half of TV time, \$220 for personal expense—following appearance last week on WJBK-TV, Detroit, with UAW v.p. Leonard Woodcock on union-sponsored show.

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Personal Noies: Eugene C. Wyatt promoted to national sales mgr. of ABC-TV, Henry Hede to eastern sales mgr., John Fitzgerald to sales service director; Henry W. Cox resigns as General Mills TV-radio programming mgr. to rejoin ABC-TV as national program sales mgr.... Ted Cott resigns as v.p. & gen. mgr. of DuMont Bcstg. Corp., for which he was v.p. & gen. mgr. of WABD, N. Y. & WTTG, Washington, to join NTA in executive capacity . . . Lucian Davis named exec. producer of CBS Radio programs, Hollywood . . . Robert L. Lamb, sales mgr. of Crosley Bcstg.'s Chicago office, July 1 becomes sales mgr. of upcoming WLWI, Indianapolis (Ch. 13), due in Sept. . . . Alfred N. Greenberg, ex-radio WBBM, Chicago, named advertising, promotion & research director of Teleprompter Corp.; Robert Rosencrans, ex-Sheraton Closed Circuit TV, business mgr. of sales dept.; Frank W. Noble, ex-Studebaker-Packard, Detroit area mgr. ... Joseph R. Rastatter, ex-CBS-TV, named public relations director of TvB, succeeding Sid Mesibov, resigned to join ABC-TV as director of special exploitation projects . . . Earle J. Gluck elected chairman of WSOC Bestg. Co., Charlotte, succeeded as pres. by exec. v.p. Larry Walker; George Henderson, gen. sales & promotion mgr. of WSOC-TV, named exec. v.p. . . . James R. Bonfils, ex-KTVI, St. Louis, named station mgr. of WTTG, Washington, succeeding James Anderson, transferred to DuMont's N. Y. office . . . Will Darch promoted to commercial mgr. of WSBT-TV & WSBT, South Bend; Jim Halpin named promotion mgr. . . . Joseph E. (Jay) Faraghan, ex-WGN-TV, Chicago, named program director of WFLA-TV, Tampa-St. Petersburg; John Alexander, exradio KODY, North Platte, Neb., named mgr. of WFLA ... Willard (Bill) Fraker, ex-WJHP-TV, Jacksonville, named local sales mgr. of upcoming WFGA-TV, due on air there late in summer . . . Joe Evans named national sales mgr. of KFJZ-TV, Ft. Worth, succeeding Dale Drake; Bill Terry succeeds Evans as local sales mgr. . . . Aaron Boe, from KVAL-TV, Eugene, Ore., named station mgr. of satellite KPIC, Roseburg, succeeding Gene Pierce, who returns to KVAL-TV . . . Wm. E. Daley named local sales mgr. of WTCN-TV, Minneapolis-St. Paul, succeeded by Jack Cosgrove as local sales mgr. of radio WTCN; Robert Sampson, ex-radio WSAI, Cincinnati, becomes gen. sales mgr. of WTCN . . . Leo Deker named production mgr. of WSOC-TV, Charlotte ... A. Richard Robertson, ex-Television Age & KSL-TV, Salt Lake City, named sales development, promotion & publicity director of KSBW-TV & KSBW, Salinas-Monterey, and KSBY-TV & KVEC, San Luis Obispo, Cal. . . . Dean McCarthy, program director of WITI-TV, Milwaukee, also named asst. to pres. Sol J.

Douglas Anello, from FCC's Safety & Special Radio Services Bureau, named NARTB chief counsel as of July 1, succeeding Robert Heald; Gordon L. Ward, ex-NBC stations, Cleveland, named an NARTB field representative.

Walter Kiernan, TV-radio personality, new pres. of Catholic Actors Guild, succeeding late Gene Buck. Pat O'Brien, film star, named v.p., succeeding late Gene Lockhart.

Sol Cornberg, director of NBC studio & plant planning for past 6 years, forms Sol Cornberg & Assoc. consulting service at 550 Fifth Ave., N. Y., effective Aug. 1.

Sir Kenneth Clark retires from chairmanship of Britain's commercial ITA when term expires in August; no successor named yet.

Forbes W. Blair, recently Asst. U. S. Atty. in D. C., joins Washington law firm of Welch, Mott & Morgan June 24.

Kahn; Leon Dolnick promoted to merchandise mgr. . . . Robert S. Schultis promoted to asst. commercial mgr. of WDSU-TV, New Orleans ... Bill Walsh named head of TV dept. & mgr. of new Boston office of rep Edward Petry & Co. (Statler Office Bldg.) ... Carlos Reese promoted to St. Louis mgr. of rep John Blair & Co. . . . Edward L. (Ned) Koenig Jr. promoted to sales v.p. of Hal Roach Studios . . . Lou Marget promoted to sales promotion supervisor of MCA-TV Film Syndication . . . Martin Low named sales v.p. of Robert Lawrence Productions . . . Joe Zimmerman promoted to sales promotion director of Triangle Publications Inc. stations in merger of TV-radio div. of company's adv. & promotion dept. with that of WFIL-TV & WFIL, Philadelphia . . . John H. Norton Jr., v.p. & gen. mgr. of WMTW, Poland Spring, Me. also named v.p. & gen. mgr. of radio WPOR, Portland, replacing Harold H. Meyer, resigned . . . Edward Kaylin, assoc. director of CBS Radio sales presentations, also named administrative mgr. of adv. & sales promotion dept. . . . Raymond C. Fox, ABC Film Syndication controller, awarded master of business administration degree by NYU . . . Edward G. Sherburne Jr., ex-educational WGBH-TV, Boston, and Ray J. Stanley, from U of Wis. TV lab, appointed program associates by Educational TV & Radio Center . . . Nat Wolff resigns as director of NBC-TV program planning, but will continue work with fall special, "Annie Get Your Gun" . . . Irving Waugh, who was to move to WSIX-TV, Nashville, remains at WSM-TV, promoted to gen. mgr. . . . Frank Effron promoted to production supervisor of KOTV, Tulsa.

## **Obituary**

Frank A. Cowan, 59, asst. director of operations, AT&T Long Lines Dept., died at Lenox Hill Hospital, N. Y. June 21 after short illness. A distinguished engineer and inventor, he participated in many FCC hearings on TV transmission facilities. Native of Escatawpa, Ala., he joined Bell System in 1919. Surviving are his wife; brother James A. Cowan, AT&T Long Lines Dept. commercial development engineer.

A. Cledge Roberts, 52, with CBS as producer-director in 1945-46 and WPIX, N.Y. 1947-52, died June 14 of leukemia in N.Y. Also an actor, he had for last 7 years taught professional TV-radio at NYU, was director of its TV Workshop and an instructor at School for Radio Technique, N.Y.

Cyril Ouellette Langlois, 64, founder (in 1935) and chairman of Lang-Worth Feature Programs Inc., died June 18 at Doctors Hospital, N. Y. Surviving are his widow; 2 sons, pres. John D. Langlois of Lang-Worth and pres. Cyril O. Langlois Jr. of Langlois Filmusic; 2 sisters.

ADVERTISING AGENCIES: Clement W. MacKay promoted to exec. v.p. of Roy S. Durstine Inc. . . John L. Zimmer, ex-Cunningham & Walsh, named TV-radio director of Wesley Assoc., with offices at 10 Rockefeller Plaza, N. Y. . . Philip A. Young, ex-McCann-Erickson, named copy director of Campbell-Ewald TV-radio dept. . . Wm. Ross named TV-radio mgr. of Harold F. Stanfield Ltd., Toronto.

NARTB radio board elects Merrill Lindsay, WSOY, Decatur, Ill. chairman, succeeding John M. Outler, WSB, Atlanta; J. Frank Jarman, WDNC, Durham, N. C. vice chairman, succeeding Herbert L. Krueger, WTAG, Worcester, Mass.

New regional TV-radio rep firm, Foster & Creed, Statler Office Bldg., Boston (Hubbard 2-4845), has been formed by Robert C. Foster, owner of R. C. Foster Co., and Wm. A. Creed, v.p.-mgr. of Walker firm Boston office.  $\mathbf{F}_{\text{for}}^{\text{CC}}$  CONTINUED cleaning up tough petitions for reconsideration in major vhf cases this week. One of most important affected grant of WCKT, Miami (Ch. 7), which Commission reaffirmed this week after Court of Appeals had sent case back with severely critical language.

Losers in case had asked that WCKT be taken off air or turned over to trusteeship pending reconsideration, but Commission said it wasn't bound to do so in absence of specific orders from court. As for charges WCKT pres. Niles Trammell has divided loyalties because of consulting contract with NBC, which he once headed, FCC said that a demerit should be given. Another factor re-weighed was "diversification"—ownership of WCKT by Cox-Knight newspaper-radio interests in Miami.

Upshot, FCC said, was that WCKT remains so superior in experience, ownership-management integration, program plans, etc., that demerits are outweighed.

Commission turned down petitions for stay and reconsideration of grant of WLWI, Indianapolis (Ch. 13) to Crosley with unusual 3-3 vote, Comr. Craven abstaining, Comrs. Hyde, Bartley & Lee dissenting. Losers in case had objected to Craven's participation in final decision without having heard oral argument. Commission cited numerous cases to show nothing illegal or unfair was involved.

Efforts of Hartford Telecasting to overturn Ch. 3 grant to WTIC-TV were rejected—Commission finding little merit in allegations that WTIC-TV ownership (Travelers Insurance Co.) concealed efforts to influence

Radio station sales appoved this week: KFXD, Nampa, Ida. by Frank E. Hurt & Son Inc. (Edward Hurt, pres.) for \$277,000 to E. G. Wenrick Bestg. Co., 51% owned by E. G. Wenrick (also pres. & 29% of KBOE, Oskaloosa, Ia.), 49% by KFXD mgr. Kenneth Kilmer (Vol. 13:21) . . . WJHP, Jacksonville, by Jacksonville Journal (John H. Perry Jr.), operator of WJHP-TV & WESH-TV, Daytona Beach, for \$275,000 to Carmen (Jim) Macri (Vol. 13:14)also Macri's sale of WQIK, Jacksonville, for \$150,000 to ex-WJHP employes Mr. & Mrs. Marshall W. Rowland, each with 25%, other 50% held by Mrs. Rowland's father T. Edison Casey (Vol. 13:16) . . . KLER, Lewiston, Ida. by Cole E. Wylie for \$160,000 to John M. Matlock (60%) and Eugene A. Hamblin (40%), who will dispose of local daytimer KOZE (Vol. 13:21) . . . KHEY, El Paso, (formerly KEPO) by John W. Stayton, Thomas Black & Frank Stewart for \$150,000 to co-equal owners Harvey R. (Ray) Odom, A. V. Bamford & E. O. Smith (Vol. 13:17); Odom & Bamford are co-owners of KHEP, Phoenix, and KMOP, Tucson . . . WDCL, Tarpon Springs, Fla. by J. M. & Margaret Miller and Hal & Beatrice Freede for \$59,500 to author-newsman Hodding Carter and associates John T. Gibson (with whom Carter owns WDDT, Greenville, Miss.), McClain Bowman and songwriter Floyd Huddleston . . . KORT, Grangeville, Ida. by Far West Radio Inc. (Hub Warner, pres.) for \$50,000 to Edward M. Brainard (Vol. 13:22).

Rumors of CBS-Westinghouse merger, circulated this week, were "flatly denied" by Westinghouse v.p. E. V. Huggins, while CBS pres. Frank Stanton said: "There is nothing to it."

Sale of CP for KDHS, Aberdeen, S. D. (Ch. 9) by Joseph E. McNaughton interests to North Dakota Bcstg. Co. (John Boler) for \$2447 out-of-pocket expenses (Vol. 13:21) was approved by FCC. Conn. state legislation and that Travelers may be legally ineligible as a TV applicant because of state laws.

Initial decision for Cheboygan, Mich., Ch. 4, was awarded to Midwestern Broadcasting Co., owner of Traverse City's WPBN-TV, over local WCBY (R. E. Hunt). Examiner Basil P. Cooper cited Midwestern's "exemplary" operation of its 4 Michigan AM stations and its Paul Bunyan Network as outweighing WCBY's superiority in media diversification issue. He also favored Midwestern on grounds its proposed power and antenna height would bring first TV signal to substantially greater number of people than would WCBY's.

Reply comments on Craven Plan to abandon allocations table (Vol. 13:23) amounted to 10 in favor of plan, 2 against—drastic drop from the 70-80 original comments. Where Commission once seemed almost certain to approve plan, final authorization now seems unlikely.

As expected, Commission issued rule-making proposal to keep Ch. 6 & 10 in Albany-Schenectady-Troy area and to add Ch. 13, giving WKTV, Utica, Ch. 2 (Vol. 13:24).

It issued final decisions denying petitions for reconsideration of deintermixture decisions affecting Hartford, Madison, St. Louis-Springfield & Evansville. It also finally denied proposal to add Ch. 5 to Columbia, S. C. One petition was received — to add Ch. 12 to Esthersville, Ia., sought by prospective applicant KGLO-TV, Mason City (Ch. 3).

CPs granted: Ponce, P. R., Ch. 7, to Ponce TV Partnership; Nacogdoches, Tex., Ch. 19, to East Tex. Bcstg. Co. (Lee Scarborough). Ch. 71 translator was granted in Farmington, N. M.

Radio station sales reported this week: KVOE, Emporia, Kan. by Lyon County Bestg. Co. Inc. (Sherwood R. Parks, pres.) for \$83,500 to Edward J. McKernan Jr., ex-WIBW-TV, Topeka, who will own 90% and Charles N. Putt, also WIBW, 10% . . . WJIG, Tullahoma, Tenn. by Col. Raymond L. Prescott Jr. for \$70,000 to M. D. Smith, program director of WBRC-TV, Birmingham . . . WHBG, Harrisonburg, Va. by Rockingham Radio Corp. (Doris B. Brown, pres.) for \$65,000 to co-equal owners Robert C. Currie Jr. (operations mgr. of WXEX-TV, Petersburg, Va.) and Frederick R. Griffiths (operations mgr. of WJAR-TV, Providence, R. I.) . . . KPLS, Dallas, Ore. by Leland M. Tucker (51%) and Edward C. McElroy Jr. (49%) for \$45,000 to Grand Island, Neb. appliance distributor D. H. Meves, who also owns 3.6% of KHAS-TV, Hastings, Neb. . . . KWFC, Hot Springs, Ark. 75% by Walter E. & Betty P. Hussman for \$24,000 to Clyde E. Wilson, who will own 100%. Hussmans control Camden (Ark.) News, which owns 50% of KCMC-TV, Texarkana (Ch. 6). Brokers: WJIG & WHBG, Paul H. Chapman Co.

WKAB, Mobile, Ala. is being transferred to John E. & George D. Hopkinson, who will own 30% each (they are co-owners of radio sales rep Dwight & Assoc.) and Quentin C. Sturm, 30% (also to become ¼ owner of Dwight & Assoc.), with present sole owner Mrs. Louise P. Pursley to retain 10% of voting stock and remain a director. WKAB-TV (Ch. 48) was on the air from Dec. 29, 1952 to Aug. 1, 1954, and Pursley Bcstg. Service Inc. "became so heavily indebted that it was not able to pay its outstanding debts." Under new ownership, \$50,000 is to be deposited to secure assignment of claims totaling \$323,004, settlement to be on basis of 15.2% of monies owned. Dwight & Assoc. is to loan WKAB \$15,000 to meet current accounts receivable, accumulated since last fall, and the 3 new owners are to advance total of \$15,000. MORE DELAY in FCC's subscription-TV proceedings seemed probable at week's end as Commission was confronted with 2 petitions asking that provision be made for filing of replies to comments on its request for specific pay-TV proposals. Petitions came from NARTB and movie exhibitor-controlled Joint Committee on Toll TV.

Commission is due to consider the requests at June 27 meeting. Unless it plans to push for disposition of pay-TV test issue before its Aug. recess —which is unlikely—it can be expected to permit moderate amount of time for the pay-TV replies, which are due by July 8.

NARTB's petition stated that under its present order, FCC would receive only proposals of parties in favor of fee-TV tests and opponents wouldn't be permitted to analyze and review them. NARTB and other opponents obviously want to point out to FCC the portions of the comments which they consider to be improper and impractical. A delay of 2 weeks wouldn't hamper proceedings which have been under way for 2½ years, said NARTB.

Joint Committee on Toll TV raised same points, adding: "Although the Commission undoubtedly has the legal authority to proceed without affording an opportunity to file reply comments, such action, to the best of our knowledge, is completely without precedent." Committee suggested minimum of 60 days after July 8 for reply comments.

First actual comment in response to FCC's request for fee-TV proposals came from WDSM-TV, Duluth (Ch. 6), praising Commission's cautious approach, and stating: "It appears to us that the free TV industry already is hard pressed to fill the TV hours with top programming. Anything that complicates this problem may be a severe blow

"It is not unreasonable to conclude then that, if the broadcasting spectrum space available is too little to serve our needs, wired communications systems will cease to be only convenient; they will be an absolute necessity not only from a straight communication viewpoint but also as a national defense requirement. All of this wiring we have been so blithely doing, however, has serious economic consequences and with present day equipment it possibly may be too costly ... I believe that the community system of the future will look something like this: I see a very small diameter cable using new materials and having very low loss; it is radiation free and can be mounted on poles without the use of messenger wire. In the middle of a span I see a compact, cable-supported housing with one connector at each end showing-in fact, the housing is hard to spot because it is the same color as the cable. This housing I have described is a miniaturized amplifier of about 20 db of gain; it has a 500 mc bandwidth. Its response is shaped to the characteristic of the cable and in addition it has temperature-controlled equalization circuits. Automated level controls of a precise nature keep the levels in the amplifier and system constant-summer, winter, spring and fall. It is powered by an atomic battery and is hermetically sealed against the elements. Alarm circuits fced a control central point, so that any trouble is instantly pin-pointed. Servicing is limited to a once-a-year check of the atomic battery; if something really fails in the amplifier it is so chcap that it is more economical to throw the amplifier away than to try to repair it. At various points in the system, small boxes are mounted on poles ncar the ground into which can be plugged a camera or microphone for remote pickup purposes, and I am sure the fixed camera mounted at specific points and at every to the continuation of good TV as envisioned by the FCC and all broadcasters."

NARTB TV board, meeting in Washington this week, passed resolution reaffirming strong opposition to pay-TV tests and authorized pres. Harold E. Fellows to name 3-man committee to oppose toll-TV proposals. Fellows named C. Payson Hall, Meredith stations; C. Wrede Petersmeyer, Corinthian stations, and W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex. Both TV & radio boards voted to participate in a fact-finding study of Bartlesville, Okla. wired pay-TV project.

In Bartlesville, meanwhile, Video Independent Theatres planned to launch all-out drive for subscribers to its "home theatre" project beginning next week end, utilizing virtually all media, including TV, radio, film trailers, direct mail, bumper strips, etc. Eventual goal is 3-4000 subscribers in the city of 38,000. GPL equipment is due to arrive July 15, with programming scheduled to start Aug. 1.

Paramount's International Telemeter plans to have closed-circuit systems in operation in 2-3 locations by year's end, according to v.p. Paul McNamara, who said it would cost about \$100 per installation (wiring and coinbox attachment), as opposed to \$400 per seat cost of constructing new theatre. He revealed that Telemeter plans "free" programming via its closed-circuit from 9 a.m. to 7 p.m., followed by pay movies in evening. He suggested that Telemeter exhibitors sell time to local merchants during "free" period—a sideline which they will find "better than even popcorn."

A. H. Belo Corp., publisher of *Dallas News* and owner of WFAA-TV & WFAA, applied to Highland Park, Tex. town council for franchise to operate closed-circuit TV system there, and theatre groups applied this week in Garden City, Manhattan & Great Bend, Kan., San Angelo, Wichita Falls & Laredo, Tex.

major street intersection will become as commonplace as the red fire alarm box."—Fitzroy Kennedy, chairman, Spencer-Kennedy Labs, at NTCA convention, Sheraton Penn Hotel, Pittsburgh, June 4-6.

Opposition to any changes in FCC allocation system for educational TV and to proposals for extending station license terms from 3 to 5 years was expressed June 20 by American Civil Liberties Union. "Diversity of opinion on air" would be lessened if educational channels become available to commercial stations, ACLU exec. director Patrick Murphy Malin wrote chairman Pastore (D-R. I.) of Senate Commerce communications subcommittee and chairman Harris (D-Ark.) of House Commerce Committee. Malin said longer license period might cause stations to neglect their "public interest" obligations.

Networks hotly denied charges by Authors League of America and its pres. Moss Hart that they imposed news "blackout" on Celler subcommittee's TV report (Vol. 13:24). CBS pres. Frank Stanton called ALA charge "scandalous" and "wholly untrue," citing TV-radio news programs which gave the report coverage and pointing out that network exercises no censorship. ABC also denied any censorship, pointing out that play of news is entirely up to news editor on duty. NBC didn't indicate whether it replied to wire, but stated that it covered the report in its TV-radio newscasts.

CBS-TV started construction of big new Hollywood TV City facilities this week. Scheduled for completion late in 1958, additions include 2 studios with 14,100-sq. ft. floor area, 7 rehcarsal halls, schoolroom for child actors, 8-story building housing west coast offices.

prime evening hours next season will originate from Hollywood, 25% from New York. Split was 54-46 last season . . . Factors responsible for TV's westward migration, notes Billboard, are increased use of film and expansion of NBC-TV's Burbank studios, together with planned expansion of west coast facilities by both CBS-TV & ABC-TV, latter network announcing that 85% of its programming will originate from Hollywood next fall . . . Network sponsors are advised to insist on one-price policy-with no extras-in negotiating for time-&-talent packages, in June 17 Advertising Age editorial. Sponsors are urged to oppose "price increases" based on: (1) line charges, which should be borne by network & stations; (2) profits on programs owned or controlled by networks; (3) union wage-increase clauses in advertising contracts; (4) additional studio charges . . . TV gets biggest share of Florida Citrus Commission's record 1957-58 consumer ad budget of \$4,400,000. Earmarked for TV is \$2,145,100, compared with \$1,740,000 for current season; newspaper advertising is being increased from \$477,830 to \$627,300 but radio budget will be cut sharply ... Big daytime sale: NBC-TV announces orders by Mentholatum and Star-Kist Foods for gross of \$1,500,000 worth of 5 daytime programs . . . Harry Truman, who was TV host on guided tour of White House during his presidency, returns to similar role June 30, when he guides CBS-TV viewers through Truman Library in Independence, Mo., on Let's Take a Trip . . . First Met Opera star to have own TV

Telestars Films Inc. is new TV film production and distribution firm formed by partnership of Seymour (Sy) Weintraub and producer Bernard L. Schubert. Company will syndicate 4 Schubert-owned shows-Topper, Mr. & Mrs. North, Crossroads and TV Reader's Digest. Ray Hamilton, formerly of Flamingo Films, is sales mgr. of new firm, which claims to have \$12,000,000 in financing available. Firm plans several new properties, with syndication due next fall for White Hunter, which also will be offered to theatres in feature version. Company also plans to produce legitimate plays and to operate TV-radio stations, integrating Minneapolis' KMGM-TV (in which Weintraub owns 20%) and Weintraub's wholly-owned radio WKIT, Mineola, N. Y., into the operation. Schubert will become chairman of Telestars, Weintraub pres. Weintraub recently sold his interest in Flamingo Films Inc. and severed his connection with the firm (Vol. 13:24), David L. Wolper taking over his former post as exec. v.p.; Joseph Harris continues as Flamingo pres., denying trade reports that he is leaving the company. Parent company of Flamingo, Essex Universal Corp., has purchased controlling stock interest in Continental Thrift Co., a California industrial loan institution, and Concord Securities Inc., N. Y. brokerage firm. Flamingo this week announced plans to produce at least 2 new pilot films a year for national sales, and to acquire additional series for syndication. Wolper said conversations have been held with other distributors as to advisability of consolidating sales, shipping and servicing facilities "similar to the method currently being used by major motion picture firms."

Five new color programs will be introduced week of June 29 by NBC's WRCV-TV, Philadelphia. Local 30-min. shows include *Concept*, presented in cooperation with U of Pa., and *Young Citizen* under municipal auspices.

show will be Patrice Munsel, who will be hostess on Fri. 8:30-9 p.m. ABC-TV variety show beginning Oct. 18; program will concentrate on Broadway show tunes and popular songs, according to network . . . Colgate has renewed its sponsorship of MGM features on Los Angeles' KTTV for another year-the deal which set pace for national advertisers' purchases of big blocks of first-run feature programming (Vol. 12:46) . . . Film programming coup: Don Whitehead will dramatize his best-selling book, The FBI Story, as 30-min. filmed series for CBS-TV, and there's at least the implication that Hoover himself may introduce some or all of the episodes . . . Twelve brand-new syndication properties will be on market by fall, reports June 19 Variety-just twice the number available last season ... Sale of Sgt. Preston of the Yukon series and rights for \$1,-500,000 to Jack Wrather and John Loeb by Trendle-Campbell interests, same principals involved in sale of Lone Ranger, has been completed, through broker Allen Kander & Co. . . . Some 18 NBC film shows are now being beamed from foreign TV stations, CNP reports . . . Pat Weaver negotiating with comic Lou Costello for possible 30-min. comedy series on his new network ... Wide Wide Europe: Eurovision viewers last week end watched divers at work on bottom of Mediterranean in exploring and salvaging operations, in live pickup originated by French TV . . . Ed Sullivan joins trend to shared sponsorship, Lincoln dropping out of CBS-TV program after 8 years; Mercury retains half sponsorship, with at least 4 advertisers expressing interest in snapping up other half ... Hal Roach Studios takes over distribution rights to some 1150 Warner Bros. shorts from AAP, to expand them into 30-min. TV film series . . . Storer's 5 stations have concluded \$1,000,000 deal with NTA for 136 features and five 30-min. series. biggest single film buy in chain's history.

Robert E. Sherwood TV Awards by Fund for the Republic for best network programs on freedom & justice theme were won June 19 by CBS for "Clinton & the Law" on See It Now (Edward R. Murrow & Fred Friendly) in documentary category and "Island in the City" on Climax (writer Adrian Spies, director Buzz Kulik, producer Edgar Peterson) in drama category. Each award carried \$20,000 prize. Judges deemed no nomination merited \$15,000 award for best program on independent station: instead, prize was split equally among 3 N. Y. stations: CBS' WCBS-TV for Camera Three, NBC's WRCA-TV for Open Mind, DuMont's WABD for Night Beat. Honorable mentions were won by "The Puerto Rican Story" on See It Now, "Error in Judgment" on Armstrong Circle Theatre (NBC), "The Family Nobody Wanted" on Playhouse 90 (CBS), "Portrait of a Citizen" on Studio One (CBS).

Rate increases: XETV, Tijuana-San Diego, July 1 raises base hour from \$700 to \$800, min. \$140 to \$180. KVOS-TV, Bellingham, Wash. Aug. 1, hour \$435 to \$550, min. \$108 to \$137.50. KTBS-TV, Shreveport, July 1, hour \$400 to \$500, min. \$100 to \$125. WPTZ, Plattsburgh, N. Y. July 1, hour \$300 to \$400, min. \$60 to \$80. KID-TV, Idaho Falls, July 1, hour \$200 to \$225, min. \$45 to \$50. CFCM-TV, Quebec City, has raised hour from \$460 to \$475, min. \$92 to \$100. CJON-TV, St. John's, Nfld. July 1, hour \$200 to \$230.

Network radio leads other principal media in cumulative national advertising gain of 11% between April 1956 and April 1957, according to June 21 Printers' Ink. In same period, business papers had 8% increase, network TV 7%, magazines 2%, while newspapers fell 1%. Network radio gained 3% in April over March this year, business papers 2%, magazines 4%, while network TV & newspapers held steady. **Noies on Upcoming Stations:** WPST-TV, Miami (Ch. 10), plans July 10 test patterns, Aug. 1 programming with ABC-TV, reports gen. mgr. Walter M. Koessler for owner National Airlines (G. T. Baker, pres.). It will have 50-kw RCA transmitter at Miami antenna farm on Honey Hill Dr., having purchased land, tower & studios of WGBS-TV (Ch. 23) when Storer took latter off air (Vol. 13:14). RCA 12-bay antenna is to be installed July 1 on 900-ft. Blaw-Knox tower formerly used by WGBS-TV. It's remodeling WGBS-TV studios at 316 N.E. 21st St., plans to have new studio bldg. ready Nov. 1. Koessler, ex-WGBS-TV, will have Jack Barry as production mgr. and Wm. R. Needs as chief engineer, both from WGBS-TV. Base hour will be \$825. Rep will be H-R Television.

KSPR-TV, Casper, Wyo. (Ch. 6) now doesn't expect to meet June 20 target for programming with CBS-TV, writes owner-gen. mgr. Donald Lewis Hathaway, although it has 5-kw DuMont transmitter on hand and 3-bay GE antenna installed on 300-ft. tower of radio KSPR. It will be 2nd outlet in town, where KTWO-TV (Ch. 2) began March 1. Marcus R. Nichols, from radio KSPR, will be national sales mgr., with Richard Frech local sales mgr. Base hour will be \$120. Rep will be Walker.

**TOP-LEVEL STUDY of govt. use** of frequencies suitable for TV-radio was proposed this week by Sen. Potter (R-Mich.) in resolution (S. J. Res. 106) to set up 3-man investigating commission with power to study all allocations of radio frequencies. Similar resolution (H. J. Res. 381) was introduced in House by Rep. Bray (R-Ind.).

Commission on the Allocation of Radio & Television Frequencies, composed of experts in communications field, would be appointed by President for 6-month period "to conduct a thorough and comprehensive study and investigation of radio and TV frequencies allocated to the various agencies and instrumentalities of the Federal Govt. with a view to determining (1) whether such frequencies are being efficiently utilized to the maximum degree possible, (2) whether any (and if so, how much) of such frequencies may, without jeopardizing the public interest, be relinquished to the FCC for allocation to non-governmental purposes, and (3) what are the likely future requirements of [the] Federal Govt. for radio and TV frequencies."

Explaining his bill, Potter said: "Terrific pressure is building up for radio and TV frequencies. Commercial users accuse the Govt. of hogging spectrum space. Federal agencies claim they need what they have. A thorough review is in order to determine whether these frequencies are used efficiently and to a maximum degree. We may find that some of these frequencies could be relinquished to the FCC for non-governmental use without jeopardizing the public interest."

Bill is given good chance of getting favorable report from Senate Commerce Committee, of which Potter is member—if Committee can fit it on its crowded calendar and if military doesn't actively oppose it. It would provide first study of military uses of spectrum to be made by a non-government body.

Engineers' strike by IBEW members put WPIX, N. Y. off air 7 hours June 15 during negotiations for new contract. Engineers went back to work when agreement was reached on new contract, terms of which were not disclosed. KTVC, Ensign, Kan. (Ch. 6) hasn't set programming target, but has GE 5-kw transmitter installed at site 20 mi. SW of Dodge City, also has 6-bay antenna installed on 600-ft. Liberty tower, reports Wendell Elliott, v.p.-gen. & sales mgr. & 5.65% owner. It hopes to have GE microwave relay system to Stafford, Kan. ready shortly to pick up ABC-TV affiliate KAKE-TV, Wichita. It also has signed with CBS under Extended Market Plan. Hershel Holland, from radio KGNO, Dodge City, will be program mgr. Base hour will be \$100. Katz is rep for KAKE-TV.

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Power increases: WCHS-TV, Charleston, W. Va. (Ch. 8) June 19 to 158-kw ERP; KRGV-TV, Weslaco, Tex. (Ch. 5) June 16 to 100-kw; KTVH, Hutchinson-Wichita, Kan. (Ch. 12) now radiating 316-kw; KFEQ-TV, St. Joseph, Mo. (Ch. 2) 100-kw.

WISN-TV, Milwaukee (Ch. 12) & WISN moved June 17 to new \$1,250,000 Communications Center at 19th & Wells Sts. (Division 2-3000).

RCA shipped 25-kw amplifier June 19 to WTPA, Harrisburg, Pa. (Ch. 27) which plans boost to 1030-kw.

Educational WYES, New Orleans (Ch. 8) has moved to permanent quarters at 916 Navarre Ave.

New radio format---nighttime Program PM running 2 hours with "lateral programming" of national & local features---will start June 24 on Westinghouse stations. Sales plan tied to shows 7 nights a week will offer costper-thousand rates lower than daytime at each station, idea being to attract advertisers & agencies which have been passing up nighttime radio. Westinghouse Bcstg. Co. pres. Donald McGannon told N. Y. press luncheon this week that 80% of Program PM will be local, 20% originating from N. Y., emphasizing behind-the-scenes news & entertainment. Stations participating are KDKA, Pittsburgh; KYW, Cleveland; WBZ, Boston; WBZA, Springfield; WOWO, Ft. Wayne; KEX, Portland, Ore.

NARTB survey shows 77% of 226 programs monitored used no more than half of time which TV Code allows for "participating" commercials. Wm. B. Quarton, WMT-TV, Cedar Rapids, Iowa and chairman of TV Code review board, said that survey covered feature-length films on 49 stations in 24 cities; that no violations were found of permitted one min. advertising to 5 min. programming; that average number of commercials per show was 3.6; that 52% were no more than  $1\frac{1}{2}$ -min. long; that 43%were  $1\frac{1}{2}$ - $2\frac{1}{2}$  min. Covering only stations subscribing to TV Code, survey was confined to participation programs. Quarton said survey revealed about 90% of feature films have participating sponsors.

Anti-trust conviction of Kansas City Star on criminal charges that it monopolized news & advertising (Vol. 13:4-5) was upheld June 17 by Supreme Court, clearing way for Govt. to proceed with civil suit against newspaper demanding that it dispose of its WDAF-TV & WDAF. In brief order, Supreme Court refused to hear appeals by Star (fined \$5000) and adv. director Emil A. Sees (fined \$2500) for hearing. Negotiations for sale of stations for \$10-\$12,000,000 have been reported (Vol. 13:21).

NARTB wound up semi-annual board meeting June 21 in Washington, took these actions: (1) Backed resolution introduced by Sen. Potter & Rep. Bray for inquiry into govt.'s utilization of its TV-radio frequencies. (2) Authorized NARTB to file briefs in any litigation to establish property rights in TV-radio programs. (3) Approved NARTB filing of comments on useful life expectancy of depreciable property with Internal Revenue Service.

# evision Ligest with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C. . TELEPHONE STERLING 3-1755

**OPTIMISM**, 'SLIM LOOK,' GADGETS, COLOR: <u>Here are the four themes that stood out as we</u> <u>chatted with manufacturing topkicks</u> and inspected their 1958 lines displayed to public for first time at Chicago's Merchandise Mart this week:

(1) <u>Growing confidence</u> -- that's the best description for set makers' calculations for fall season. Main reasons given are favorable inventory position, now at 2-year low (Vol. 13:24), and "slim look" styling which gives dealers a major and easily discernible change to talk about.

<u>Firm fall market with profits</u> for manufacturers, distributors & dealers was picture painted for us by Sylvania TV-radio sales mgr. Robert L. Shaw. Saying that "profits are created by the mix of sales," he opined "there is no tremendous market for sets selling over \$300." He estimated that a third of this year's production would be portables retailing at \$170-\$180.

"<u>Good second 6 months</u>" was the word from Philco marketing v.p. John M. Otter at Merchandise Mart news conference. He sees retail sales of 6,500,000 to 7,000,000 TV sets for the full year -- which fits in well with the 6,750,000 average we got from talking to a number of manufacturers. He said TV set makers "probably are going to have a very successful year."

To emphasize that prospect, another manufacturer disclosed to us his researchers' estimates that industry would move 65-70% of this year's production in last 6 months, compared with "normal" 60%.

(2) "<u>Slim look" was apparent everywhere</u> -- even in corridors where Sylvania had 2 willowy models in white evening gowns promenading with "Sylvania Slimline" actually painted on their backs.

<u>Nearly every setmaker showing at Mart</u> made some use of 110-degree tube to achieve shallow effect. RCA, GE-Hotpoint, Admiral & Sylvania are using 110's exclusively -- with exception of RCA 14-in. portable which uses short-neck 90-degree.

Westinghouse has 110-degree in more than half its line, Philco in its 17-in. portable & table models, DuMont in low-end sets. Only Zenith has no 110-degree tubes in line -- using instead short-neck, straight-gun 90-degree "Sunshine" tube. Motorola's new models won't be shown until July 18 at Chicago's Blackstone Theatre.

<u>Growing conversation piece and controversy</u> is variation in application of 110-degree tube. Only RCA & Admiral have it completely enclosed in consoles. GE-Hotpoint, Westinghouse & Sylvania have retained 1-2-in. cup or "doghouse" which permits even slimmer cabinet. Talk we heard revolves around heat and ventilation. Spokesmen for one school hold that only slight air space between wall and set is needed while those with cup say it keeps set proper distance from wall.

(3) <u>Remote-control and automatic-tuning devices</u> are getting more emphasis than ever -- something like auto industry's push on power steering, power brakes, etc. They're highly demonstrable -- and they were shown off continuously by Admiral, Westinghouse, Sylvania & GE-Hotpoint.

<u>Westinghouse's remote-control unit seems unique</u>. It plugs into any electric outlet, sends channel-changing impulse over house circuit. Gen. sales mgr. Tom Kalbfus told us it can be adjusted to control any one of 4 TV sets on same circuit. If set is on different circuit, connection can be made at fuse box.

(4) <u>While no special emphasis was placed on color</u> by most manufacturers, we did notice that largest crowds generally were found at RCA color demonstrations. Sylvania's Shaw told us he felt color sets would have to drop to \$400 before they

- 9 -

would go over with public -- and he said no such cut was in sight. Philco's Otter couldn't see any great advance in color sales this year or next, estimating this year's sales would fall in the 200,000-250,000 range.

With RCA reporting 5-6 major manufacturers planning to emphasize color this fall (Vol. 13:23-24), we sounded out representatives at Marts and found these to be likely candidates: Admiral, Motorola, Westinghouse, Sylvania, Hoffman, Packard-Bell.

**Business Pulse:** Giving support to TV manufacturers' optimism (see above) are (1) National Assn. of Purchasing Agents estimate of business as "steady and good"; (2) U.S. Chamber of Commerce panel's prediction that year's second half will generally be as stable as first half, with prices continuing to climb.

<u>NAPA's business survey committee bases its findings</u> on June reports of members -- with some terming situation "nice"; no boom-time pressures are present; new orders, production, profits are satisfactory. Drive to reduce inventories continues, they say, with few purchases being made to "beat" anticipated higher prices. Slight over-all employment improvement was reported.

<u>C-of-C position was enunciated by Dr. Emerson P. Schmidt</u> following its semiannual panel meeting on business outlook. Research director Schmidt gave this summary of the panel's views: Prospects "look favorable" for year being country's best; employment and income continue at high levels; gross national product should reach \$440 billion -- up \$28 billion from last year's record level. Panel members include: Wm. A. McDonnell, First National Bank, St. Louis; John S. Coleman, Burroughs Corp., Detroit; George Hansen, Chandler & Co. (dept. store), Boston; Fred I. Rowe, W.L. Johnson Construction Co. & Assoc., Columbus; J.H. Carmichael, Capital Airlines.

**Production:** <u>TV output was 116,302 week ended June 14</u>, compared with 90,655 preceding week and 117,423 in corresponding week one year ago. It was the year's 24th week and brought TV production for year to date to about 2,445,000, compared with 3,193,992 in same period of 1956. <u>Radio production totaled 229,967</u> (86,270 auto) week ended June 14, compared with 237,106 (96,523) the preceding week and 240,509 (67,321) in corresponding week year ago. Radio output for 24 weeks totaled about 6,734,000 (2,660,000) vs. 6,229,655 (2,195,148).

Trade Personals: Albert F. Watters, RCA International div. v.p.-operations mgr., resigns to become General Foods v.p.-personnel . . . Jack C. Houseman, ex-Admiral, appointed asst. sales mgr., Packard-Bell home products div. ... J. Calvin Affleck, ex-DuMont, appointed adv. and sales promotion mgr., Keasby & Mattison, Ambler, Pa. asbestos products mfr. . . . Dick O'Brien, ex-DuMont New England TV receiver div. mgr., appointed Ampex Audio eastern zone mgr. . . . Joe E. Morin promoted to gen. sales mgr., Howard W. Sams & Co., succeeding v.p.-sales J. C. Keith who resigned but will continue as consultant ... Richard M. Fielding promoted to public information mgr., Philco govt. & industrial div.; Robert W. Fuehrer, ex-Oil Industry Information Committee, joins public relations staff . . . Robert E. Zollars, ex-Shure Bros., RCA & Zenith, named General Instrument midwest regional sales mgr., Chicago ... Bernard E. Narin, ex-Raymond Rosen & Co., elected Jerrold Electronics treas., succeeding Simon Pomerantz, who continues as sccy. . . . Louis R. Burroughs, Electro-Voice chief engineer, elected v.p. for broadcast & recording equipment . . . Morton G. Scheraga promoted to DuMont instrument product mgr., replacing E. G. Nichols, resigned ... Frank M. Hickey promoted to CBS-Hytron northeast regional sales mgr., headquartering in Newark. - 0 -

Condition of Dr. W. R. G. Baker, RETMA pres. and GE v.p., is described as "satisfactory" following arterial spasm June 9, spokesman saying he has shown improvement this week. No indication how long he will remain at Ellis Hospital, Schenectady.

Hoffman introduced 16-basic-model 1958 line at Las Vegas distributor convention June 18. Sets feature "Black Easy-Vision" lens and "Neutrex" light shield—said to offer greater brightness & contrast—automatic tuning, wireless remote control. Only 110-degree tube listed is 17-in. "Moveabout Furniture/17" (Vol. 13:19), priced at \$170-\$180. Rest of line is conventional 90-degree: 14-in. portable, no list; 21-in. table, \$210-\$280; 21-in. console, \$270-\$380; 24-in. console, \$340-\$395. Three 21-in. color sets are priced \$745-\$795.

Westinghouse TV prices, about 10% higher than last year's (Vol. 13:24), include: Portables—14-in. short 90degree, \$130-\$150; 17-in. short 90-degree, \$150-\$170; 17-in. 110-degree, \$170-\$180; Deluxe series, table & console, \$200-\$330; Custom, 110-degree tubes, table \$240-\$270, console \$300-\$400. Prices will be slightly higher in south and west; uhf-vhf available at \$20-\$30 extra. All available in Aug.

Westinghouse expects 40% of its tube production capacity to be 110-degree 17-in. & 21-in. sizes by year's end, says R. T. Orth, v.p. & gen. mgr., electronic tube div., adding that production of other sizes is "contemplated if demand warrants it." Noting trend to new tube, he predicts its production will account for 75% of total turned out by end of 1958, virtually 100% by early 1959.

Excise tax bill rctaining most present rates and imposing 10% manufacturers' levy on home tape & wire devices (Vol. 13:18-19) was passed finally by House June 20 and sent to Senate, where action is not expected until next year.

**Topics & Trends of TV Trade:** Shipments of TVs to dealers totaled 1,787,346 in year's first 4 months, when production was 1,835,975, according to RETMA state-by-state report. They compare with shipments of 2,059,129, production of 2,394,264, in first 4 months of 1956. New York again led with 204,095; California was second with 169,062; Pennsylvania was third, 121,908. April shipments were 329,710, compared with 535,310 in March and 356,893 in April 1956. Here's first 4 months' report (county-by-county tables available to RETMA members):

county tables available to RETMA members):					
State	Totai	State	Total		
Alabama	27,942	New Hampshire	4,491		
Arizona	10.677	New Jersey	63,513		
Arkansas	16,430	New Mexico	7,372		
California	169,062	New York	204,095		
Colorado	15.812	North Carolina	36,169		
Connecticut	29,335	North Dakota	6,279		
Delaware	4,084	Ohio	100,122		
District of Columbia	18,226	Oklahoma	18,933		
Florida	66,317	Oregon	19,732		
Georgia	36.479	Pennsyivania	121,908		
Idaho	6,072	Rhode Island	9,102		
Iiiinois	102,717	South Carolina	15,477		
Indiana	43,475	South Dakota	6,356		
Iowa	19,671	Tennessee	32,561		
Kansas	19,894	Texas	100,373		
Kentucky	31,060	Utah	7,907		
Louisiana	34,764	Vermont	3,578		
Maine	9,263	Virginia	30,013		
Maryland	25,338	Washington	27,509		
Massachusetts	51,930	West Virginia	19,278		
	67,148	Wisconsin	29,460		
Michigan		Wyoming	4,152		
Minnesota	25,454		· · · · · · · · · · · · · · · · · · ·		
Mississippi	17,200	U. S. Total	1,782,480		
Missouri	39,905	Alaska			
Montana	9,969	Hawaii	3,622		
Nebraska	13,172				
Nevada	2,704	Grand Total	1,787,346		
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GE will enforce "Fair Trade" laws on its small home appliances and radios "to the extent permitted by law," Wm. H. Sahloff, v.p. and gen. mgr. of housewares and radio div., stated June 19, adding that U. S. Court of Appeals' dismissal of injunction against Masters Mail Order Co. of Washington would be carried to Supreme Court. Original suit enjoined Masters from advertising and selling GE items below fair trade prices. Sahloff said that most states still have enforceable fair trade laws (D. C. & 14 states excepted); that 73% of GE retail sales are in fair trade areas; that most GE distributors and dealers favor fair trade laws; that GE intends to maintain fair trade policy as long as no better system is available. Meanwhile, Masters said all 7 N. Y. daily newspapers and WRCA-TV had refused to run ads offering GE appliances at below fair trade prices. Masters listed reasons given for rejection as: (1) Mechanical problems. (2) "Postponed until we can make up our minds what we are going to do about it." (3) Don't accept retail ads from beyond metropolitan area.

DISTRIBUTOR NOTES: Admiral appoints Wm. F. Prentice, ex-GE, Westinghouse and Crosley, regional mgr. for Davenport-Des Moines, Iowa; Omaha & Peoria . . . Zenith appoints Peter S. Taranto, ex-Magnavox, southeast district sales mgr. . . . Graybar appoints A. G. Taylor appliance sales mgr. for Youngstown, O. and Erie, Pa. areas; also named were these branch appliance sales mgrs.: T. J. Bell, succeeding Naylor at Harrisburg, Pa.; L. T. Jamison, Erie; T. J. LeClair, San Francisco; M. M. Owen, Oakland. L. V. Chase succeeds Owen as San Francisco appliance promotion mgr. . . . Empire State Wholesalers Inc., Troy, wins 1957 Sylvania distributor service award . . . Sylvania names John Spahr, Peaslee-Gaulbert Corp., Indianapolis, as Sylvania TV Distributor of the Year . . . Admiral Distributors Inc., 625 W. 54th St., N. Y., plans moving warehouse to Long Island City, showroom to central Manhattan ... Philco names Pat Cocchiaraley as mgr. of its Akron Firestone div.; Pat Cominsky succeeds him as appliance sales mgr., Philco Distributors Inc., Philadelphia.

ELECTRONICS PERSONALS: Col. Elmer L. Littell, excontroller of Office of Chief Signal Officer, has assumed command of U. S. Army Signal Supply Agency, succeeding Brig. Gen. Wm. D. Hamlin, transferred to U. S. Army in Europe . . . Robert Barton promoted to Motorola military electronics marketing mgr. . . . Wm. P. Anderson, ex-Ford Motor, named Raytheon production programming mgr. . . . Arthur E. Rasmussen, ex-Congoleum-Nairn, joins Avco as v.p. & asst. to pres. . . . C. W. Creaser Jr. promoted to sales v.p. of D. S. Kennedy & Co., Cohasset, Mass. ... George O. Crossland promoted to GE mgr., electronic parts distributor development and trade relations . . . Irwin W. Braun resigns as pres. of Circuit Instrument Inc., St. Petersburg subsidiary of International Resistance Co. . . . John E. Lillich promoted to mgr. of product engineering, Corning Glass Works electronic components sales dept., electrical products div. . . . John F. Eaton, ex-Eastern Air Devices, named United States Dynamics Corp. sales mgr. . . . Vinton D. Carver, ex-Farnsworth div. of IT&T, joins Litton Industries as mgr. of new Salt Lake City plant.

International Resistance reports net income of \$204,262 (16¢ per share) on \$6,299,256 sales in 20 weeks ended May 19, compared with \$47,927 (4¢) on \$6,413,573 in similar 1956 period. Pres. Charles Weyl said higher earnings on lower sales were due to diversification and decentralization program. Smaller sales were attributed to drop in TV and auto demand, uncertainty of govt. orders due to federal budget disputes.

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Belock Instrument reports net loss of \$280,450 on sales of 6,246,977 in 6 months ended April 30 compared with earnings of \$258,112 ( $33\phi$  per share) on \$6,780,657 sales in similar 1956 period. Pres. Harry D. Belock said high cost for prototypes of military products and costs of development and promotion of new commercial products were written off against last 6-month income. He set current backlog of unfilled orders at more than \$15,000,000.

Raytheon sold its 40% interest in Datamatic Corp. for \$4,500,000 to Minneapolis-Honeywell Regulator Corp. —owner of other 60%. Raytheon pres. Charles F. Adams said sale of computer firm—representing "substantial" capital gain—would enable Raytheon to expand activities. Sale does not include certain advances to Datamatic which are repayable in 1958-1959, he said.

RCA "corporate good citizenship" was singled out by South Jersey Public Relations Assn. for its "Community Service" award. Ewen C. Anderson, RCA exec. v.p., public relations, accepted award, saying honor really went to "men and women whom you know—your business and residential neighbors—for the job they are doing in serving the community, as well as the company . . . "

Emerson reports net income of 66,900 (3¢ per share on 1,950,546 outstanding) for 26 weeks ended May 4, compared with \$317,666 (16¢ on 1,935,717) in 26 weeks ended April 28, 1956. Consolidated profits for first fiscal quarter ended Feb. 2 were \$196,509 (10¢ on 1,953,373) vs. \$163,825 (8¢) in similar 1956 period.

Dividends: Motorola,  $37\frac{1}{2}\phi$  payable July 15 to stockholders of record June 28; Packard-Bell,  $12\frac{1}{2}\phi$  July 25 to holders July 10; Columbia Pictures,  $30\phi$  plus  $2\frac{1}{2}\phi$  stock, both July 30 to holders July 1; Tele-Broadcasters,  $2\frac{1}{2}\phi$ July 4 to holders June 20 plus  $2\frac{1}{2}\phi$  Dec. 26 to holders Dec. 10.

Ampex reports net income of 1,087,000 (1.51 per share) for year ended April 30, compared with 311,275 ( $58\phi$ ) for similar 1956 period.

Laboratory for Electronics Inc. earned \$84,968 in fiscal year ended April 26 vs. net loss of \$985,011 year earlier.

HUGE INCREASE in requirements for TV microwave transmission was predicted by AT&T officials, testifying this week before FCC's study of allocations above 890 mc. Chief engineer Gordon N. Thayer made it clear that he wasn't speaking only of TV broadcast service, when he said:

"It appears likely that TV transmission will develop in the future much as telephony has in the past halfcentury. This will require large numbers of broad-band circuits not only between cities but in local areas, and will involve the extensive use of microwave facilities . . . For example, we expect that within 15-20 years a substantial proportion of telephones, particularly business telephones, will be equipped with visual adjuncts."

He submitted chart illustrating prediction that intercity microwave video channel mileage will triple in next 10 years—from an estimated 60,000 mi. at end of this year to more than 100,000 at end of 1962 and 200,000 by end of 1967. AT&T requested no over-all increase in common carrier allocations, except that some bands now shared by common carrier and other users be assigned exclusively to common carrier.

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"Open curtain" plan for TV-radio exchanges between U.S. & Russia, dampened down last week by Secy. of State Dulles after Senate Majority Leader Johnson (D-Tex.) proposed it (Vol. 13:24), got some more splashes of cold water this week-from Kremlin. Soviet leaders had appeared receptive to idea of regular program trade following CBS-TV's unprecedented June 2 interview with boss Nikita Khrushchev (Vol. 13:23). But this week, Radio Moscow began broadcasts in English scorning plan, saying "Soviet people are not interested in listening to anti-Soviet mouthings" by U. S. spokesmen. Pravda followed with blast asserting that American plan, first suggested at 1955 Geneva Conference, was intended "not to weaken the cold war but to intensify it." Meanwhile CBS-TV was off on another excursion into Communist country. Edward R. Murrow left for Belgrade for film interview with anti-Stalinist Yugoslav President Tito.

TV-press investigation will be part of wind-up project by Fund for the Republic to "study contemporary life with a view to determining the conditions under which a free society may best be maintained." Financed by 15,000,000 Ford Foundation grant of which 60,000,000 is left, Fund is expected to go out of existence on conclusion of 3-to-5-year survey by Committee on Basic Issues, which will have own staff. Committee includes educators, clergymen, publisher Henry R. Luce of *Time*, *Life* and *Fortune*, no representative of TV industry. TV-radio & movie blacklisting practices were subject last year of Fund study (Vol. 12:26).

TV is "great blessing of God," Christopher movement leader Rev. James J. Keller told 10th annual Catholic Broadcasters Assn. conference at U of Detroit, urging members to "set the pace, provide good entertainment, good educational programs, use everything to do with culture." Earlier, Rev. Timothy J. Flynn, a CBA director, cited special Trendex survey to show that 60% of TV viewers "never or seldom" see religious programs—and most of those who do are unaware of denominational origin.

First college-credit course offered on home TV in N. Y. metropolitan area was announced this week by NYU and WCBS-TV. Comparative literature course will be presented every weekday from Sept. 23-Jan. 10, 6:30-7 a.m. To receive 3 credits toward degree, TV students will be required to enroll at university, take 2 home exams and final examination at university.

Telephone interview technique was recommended by NARTB's Audit TV Circulation Committee in report to TV board on recommended methods for long heralded TV circulation measurement project. Committee proposed both weekly and daily measurements of station circulation and TV set ownership data, on county-by-county basis. Method was developed in cooperation with Politz organization and Crossley S-D Research. Subcommittee concluded method "produces acceptable circulation percentages on an average day and average week basis for telephone homes in all cases where there is no problem of non-response." TV board recommended that survey method be fully explained to industry at NARTB regional meetings this fall-to be open this year to entire industry, rather than members only. Cost of survey is estimated at \$1,000,000 a year, which NARTB hopes will be underwritten by private research organizations.

Night club floor shows via TV are planned by Jack Entratter, producer of shows at Las Vegas' Sands Hotel, in scheme which he says "could revolutionize the night club business." His plan: Transmit portions of Sands show to night clubs all over country in large-screen color via closed-circuit, charging local clubs according to seating capacity. He says he will work with Teleprompter's Group Communications div. to get into national distribution before Dec. 15. He made announcement in connection with closed-circuit TV use in current Sands floor show by Peter Lind Hayes & Mary Healy, who flash pictures of members of audience on large screeen during "community sing" act. Entratter gives credit for idea to Hayes, who presumably will be involved in the proposed night club TV syndication deal.

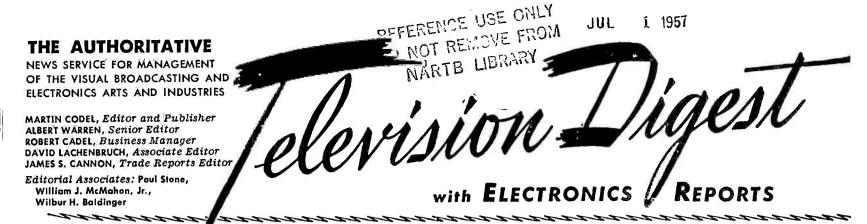
ARB announces 2 program survey innovations, both available on special order: (1) "Secret week," plan by which survey week varies from month to month and is not selected until after survey has been completed—designed to prevent stations from trying to influence audience during survey week by special programming and promotion. (2) One-week-4-week survey, in which full sample is used during normal survey week and partial sample during remaining 3 weeks of month. ARB printed report will include regular one-week ratings plus 4-week average for each time period.

Three applications for TV stations and one for translator were filed with FCC this week, bringing total to 131 for stations (34 uhf) and 53 for translators. Station applications were for Houma, La., Ch. 11, by Miami's WTVJ; for Fargo, N. D., Ch. 11, by North Dakota Bestg. Co. (KCJB-TV, Minot; KXJB-TV, Valley City; KBMB-TV, Bismarck); for Davenport-Rock Island-Moline, Ch. 8, by owners of local radio KSTT. Translator application was for Susanville, Cal., Ch. 72, by Honey Lake Community T-V Corp. [For details, see TV Addenda 24-X herewith.]

Billy Graham may have regular TV pulpit, he indicated June 20 following 3 televised evangelistic rallies in Madison Square Garden, N. Y. "The possibilities are tremendous," he said. "There's a terrific interest in this thing."

Panic spread in Milwaukee apartment building this week when loud rumblings sent 9 occupants fleeing to street in fear furnace was about to explode. Noise was traced to 2-year-old boy who'd turned up TV set as far as it would go.

"Do-it-yourself" TV camera kit, to be priced under \$400, aimed at TV-radio-electronics hams and experimenters, was shown this week by Electron Corp., subsidiary of Ling Electronics Inc. (5120 W. Jefferson Blvd., Los Angeles) at meeting of Hollywood section of SMPTE.



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## SUMMARY-INDEX OF THE WEEK'S NEWS — June 29, 1957

OPTION TIME CURTAILMENT, elimination of must-buy station lists, urged in network report released by Senate Committee, which withholds endorsement (pp. 1 & 6).

DOERFER NEW FCC CHAIRMAN as McConnaughey leaves. Vacancy remains, no one in lead. Doerfer leadership will mean quick action, hands off industry (p. 2).

- FEE-TV OPPONENTS get another inning, as FCC gives them until July 22 to reply to test proposals (p. 3); O'Malley talks about Skiatron deal (p. 8).
- ALASKAN WIRED TV SYSTEM excellent proving ground for "cable theatre," etc. Successful operation charges \$12.50 monthly, plans similar setup in Sitka (p. 3).

FCC DECIDES San Francisco Ch. 2 case. Pittsburgh Ch. 4 applicants debate merger. Seattle Ch. 7 decision uncertain. Buffalo Ch. 7 case reopened (p. 7).

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- TV RECEIVER AD PLANS for fall taking shape. Sylvania ups budget 50%; RCA expects slight increase; GE switches emphasis from portables (p. 11).
- BUSINESS FORECASTS continue in optimistic vein as President Eisenhower calls for voluntary inflation controls by management and labor (p. 12).
- UHF LEAVES AIR in Bloomington, Ill., planning to return Aug. 1; Clarksburg's WBOY-TV plans July 15 debut, Hartford's WTIC-TV due Aug. 15 (p. 10).
- FCC RULES OUT licenses for illegal boosters, ends vhf booster rule-making, proposes low-power stationowned uhf boosters to fill in shadws (p. 14).
- MAY TV BILLINGS run 7% ahead of year ago, bring cumulative total in first 5 months to \$211,231,303 vs. \$196,267,677; CBS paces gains (p. 14).

**COX REPORT URGES NETWORK RESTRICTIONS:** <u>Senate Commerce Committee handed a report on</u> <u>network practices</u> to the Justice Dept., the FCC and the public this week -- but withheld its own action on it until the 1958 session of Congress. The 101-page document, drafted by former chief TV investigation counsel Kenneth Cox, was labeled a "staff report," taking its place beside same Committee's Jones and Plotkin reports.

<u>New report urges some substantial modifications</u> of network business practices -- most significant being changes in option time rule to permit (or require) more non-network programming on affiliated stations during prime hours, and substitution of "minimum dollar purchase" for networks' "must-buy" station lists. It also hints that cutback in network ownership of stations in big markets may be desirable.

<u>Chairman Magnuson (D-Wash.) wanted document adopted</u> as official report of Committee, and it also has backing of Sen. Bricker (R-O.) and others -- but the Senators finally voted unanimously for the "staff report" approach, deferring final action until at least 90 days after final report of FCC network study group (now due Sept. 30) and until after receipt of comments from Justice Dept. At that time, Committee announced, it will reconsider report and perhaps recommend legislation.

<u>The highly readable, precisely worded report</u> reflects Cox's background as a courtroom lawyer -- departmentalizing the arguments on both sides of all questions covered, concisely stating conclusions, backed by detailed reasons for them. In areas where it overlaps Celler subcommittee TV report (Vol. 13:23), many of the recommendations are similar. Like Celler, Cox recommends continuing Justice Dept. and FCC surveillance in virtually every area where "monopoly" cry has been raised.

<u>Cox takes this-may-taste-bad-but-it's-good-for-you approach</u> in recommendations for network changes: "Actually, it could be concluded that the changes proposed in the practices of the networks may work to the ultimate benefit of the networks themselves...It is not believed that any of the suggestions [will] seriously impair the ability of the networks to compete...On the other hand, it seems entirely possible that if steps such as are suggested herein are not taken, the networks may attain such a position of overwhelming dominance that the public interest will require the imposition of detailed and rigid governmental regulation." Option time changes can be accomplished by Commission without legislation, Cox states, suggesting that FCC open part of the 7:30-10:30 p.m. period to nonnetwork programming either by reducing evening option time, pushing option period earlier or later, or "by the adoption of the limitation on programming from any one source." Celler report was less specific, urging FCC to consider amending its rule.

<u>Proposal for abolition of must-buy lists</u> is virtually identical with Celler recommendation. As to network ownership of stations -- where Celler report urges that FCC consider anti-trust factors "in any change in the multiple ownership rule," Cox report speculates that networks may already have exceeded their legitimate needs to own individual stations, warns of "possible undue concentration" now.

<u>Report sees no need for Sen. Bricker's bill</u> for direct FCC licensing of networks, asserting it "appears" Commission already has power to regulate networks directly. It flatly rejects network contention that regulation is fraught with danger of censorship -- pointing out that there's no censorship of stations.

Like Celler report, new report urges FCC to make public the network affiliation agreements on file with it, expresses no specific view on extent and legality of network practices with regard to program ownership and profit participation, urges uhf receiver excise tax relief and a continuing program "looking to the ultimate shift of all, or a major part, of TV to the uhf band."

Unlike Celler report, it looks with some favor on proposal to extend station license period from 3 to 5 years -- if this is accompanied by "legislation strengthening the Commission's other means of control over the conduct of its licensees." This means, says report, that FCC should be required periodically to review performance of all stations, whether licenses are up for renewal or not.

<u>Report also favors extension of network affiliation agreements</u> from current 2 years to 5 years or more -- providing terms are weighted in favor of stations, with escape hatch permitting them to drop affiliations on shorter notice.

<u>CBS spokesman issued short statement</u> "welcoming" report's suggestion of further study and offering cooperation. NBC and ABC had no comment.

[For highlights of Cox report, see p. 6.]

**DOERFER FCC CHAIRMAN, BUT NO NEW MEMBER YET:** <u>Administration has cleared up</u> the most important uncertainty about FCC membership by announcing, as expected, designation of Comr. John C. Doerfer as chairman, to succeed George C. McConnaughey July 1.

This leaves vacancy, however, and Administration gives no clue -- if it has any -- as to who will fill it. No one appears to be in lead for the job, and the speculation continues to be frenzied, though most people are tired of it.

Latest name getting a play is that of George R. Perrine, chairman of Illinois Commerce Commission. He tells us he rejected job 2½ months ago.

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<u>Doerfer's chairmanship will make news</u>. He's impatient, impulsive, eager to get decisions out, hates to see things languish. He's not thin-skinned, not inclined to worry about ruffling dissenters, not fearful of getting reversed by courts.

<u>He believes in keeping hands off industry</u>, is even more emphatic about it than McConnaughey, whose chairmanship since Oct. 4, 1954 was a strictly "let-'emalone" operation. In fact, Doerfer was author of famous Cleveland, Tenn. radio "economic injury" decision (Vol. 13:13), in which Commission boldly stuck its neck out and stated it had no authority to determine economic impact of new station on a market. Court of Appeals seems to disagree with thesis, though matter is still in litigation, but that doesn't bother Doerfer; he'd like to see a final court decision settling issue one way or other.

He's made several speeches praising U.S. TV-radio system as compared with others, notably British. He's quite sensitive about programming -- quick to object to off-color material, etc.

Doerfer has been a commissioner since April 15, 1953, was reappointed to 7year term July 1, 1954. He came to FCC from chairmanship of Public Service Commis-

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sion of Wis. Personally, he's gregarious, affable. He's married, has 2 sons, is member of Roman Catholic Church.

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<u>McConnaughey goes into private law practice immediately</u>. In Washington, he forms McConnaughey, Sutton & L'Heureux -- joining with veteran practitioner George Sutton and Robert L'Heureux, who has been his FCC liaison with Congress; offices are those of Sutton, now enlarged, in National Press Bldg. In Columbus, 0., whence he came to FCC, he forms McConnaughey & McConnaughey with his son.

FCC GIVES PAY-TV OPPONENTS ANOTHER INNING: <u>Possibility of a decision on fee-TV</u> tests before Commission takes its August vacation diminished almost to the vanishing point this week when FCC heeded petitions of subscription-TV opponents and granted them opportunity to file replies to proposals for tests after July 8.

Commission gave them only 14 days after deadline for test proposals -- setting reply deadline at July 22 -- despite fact that petitions by NARTB (as amended this week), CBS, ABC and Joint Committee on Toll TV had asked 60 days. Decision was 4-2, McConnaughey not voting and Lee & Bartley dissenting, latter feeling that fee-TV opponents had already said everything they possibly could say and that only result could be delay; Lee didn't state reason for dissent.

<u>FCC decision at Aug. 1 meeting</u> -- last one before month's vacation -- is still technically possible, but highly improbable. While staff conceivably could have comments and counter-comments analyzed by that time, there's still considerable doubt that Commission would act that quickly -- particularly in view of fact that there will either be a new commissioner (whose vote could be crucial) or that there will still be only 6 members on Commission (with tie vote a possibility).

Any FCC delay may well increase chances of Congressional action to ban pay TV, and author of Senate's bill, Sen. Thurmond (D-S.C.), is anxious to get moving. He told us this week that he doesn't feel a hearing is necessary, that the Commerce Committee has already heard all pro-&-con arguments. Chairman Pastore (D-R.I.) of communications subcommittee told us he plans to examine record of full Committee's fee-TV hearings and decide whether further hearings are necessary on specific bill.

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<u>The advertising fraternity</u>, which has been strangely silent on subscription issue -- considering what it has at stake -- was finally heard from this week when Ruthrauff & Ryan radio-TV v.p. George Wolf devoted his June 21 column in Advertising Agency Magazine to subject, predicting that if a test is conducted "it will lead to widespread adoption of the pay form of TV" in 5-10 years. Editorial in same issue states that "if toll TV became a success, in effect, it could wipe out a highly important channel of advertising communication" -- and urges "agency leaders" to speak out against fee TV by supporting anti-subscription legislation.

Another west coast entertainment union, meanwhile, acted on pay TV when the 70,000-member California State Theatrical Federation reaffirmed its opposition in wire to Chairman McConnaughey -- an action obviously designed to offset pro-fee resolution passed 2 weeks ago by Hollywood AFL Film Council (Vol. 13:24).

Brooklyn Dodgers pres. Walter O'Malley told a Congressional committee about his "contract" with Skiatron for wired pay TV in either New York or Los Angeles. Los Angeles city council held up cable grant to Skiatron. Press releases continued to flow and trade press continued to lap up planted publicity. Details on p. 8.

ALASKAN PROTOTYPE OF 'WIRED TV STATION': If you'd really like to see how a "pure" wired TV system works without benefit of any telecast signals whatsoever, with implications for "wired theatre," community antenna systems, etc. -- and you'd like to combine it with a delightful vacation -- we suggest you visit Ketchikan, Alaska, this summer and inspect operations of Ketchikan Alaska TV Inc.

It's the pioneer cable system originating all its own signals. Unlike community antenna systems, it has no outside station signals to relay to subscribers. Recently, we discussed operation of system with pres. R.D. (Chuck) Jensen, gleaned the following details:

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System has 1000 subscribers among population of 9000, charges \$12.50 monthly (highest of any cable operation extant) after \$37.50 initial connection fee. Hours are 4:30-11 daily, occasionally longer, with Sat. 3:30-11. Program fare is mostly film & kines, plus some live. Only one channel is offered, but a second is planned.

Limited number of local commercials is carried, Jensen stating belief subscribers resent addition of many beyond those attached to network kines. He charges \$2.50 per film or slide spot, permitting up to min. at that price. For "elaborate" live commercials, spot runs as high as \$5. "The local merchants are constantly badgering us to carry more," he says, "but we don't believe it's a good idea."

System pays nothing to networks or sponsors for carrying kines, gets nothing -- merely makes certain commercials are carried.

Operation started in 1953, with Jensen as pres.-gen. mgr., Wally Christiansen as v.p.-engineer. Jensen came to Alaska during war as YP ("Yippee") boat skipper, became intrigued with country, is still the only compass adjuster in the territory -- though cable system now takes up most of his time. Twelve local businessmen were brought in later as investors.

Town is too hilly for low-powered TV station, Jensen says, and he reports that economics just aren't right for a telecasting operation.

Impact on morale of residents is incalculable, Jensen reports. Previously primarily a fishing village, Ketchikan now has huge American Viscose plant -- and its management has problem of keeping employes whose wives are homesick for States. Jensen says Viscose manager claims TV system is most important element in keeping turnover down. "One elderly lady," he relates, "stopped me on the street one day and said: 'Mr. Jensen, you're doing more good than the preachers.'"

"It's extremely successful now, after a slow start," Jensen concluded -- and by way of emphasis disclosed plans for establishing similar system in Sitka, where new pulp mill is under construction.

Formal TV-radio proposal for regular uncensored broadcast exchange between U. S. & Soviet Union was made by Govt. June 24 as result of CBS-TV's June 2 interview with Communist boss Nikita Khrushchev (Vol. 13:23-25). Ambassador Wm. S. B. Lacy, special asst. to Secy. of State Dulles, handed 84-word memorandum to Soviet Ambassador Georgi M. Zaroubin calling for "agreement in principle at an early date" on plan, which had been promoted by Senate Majority Leader Johnson (D-Tex.) Russians made no immediate response to diplomatic note, which said "purpose of these broadcasts would be to promote a freer exchange of information & ideas on important world developments." But Administration move, followed up by speech by Vice President Nixon, helped to quiet Democratic criticism of Dulles for apparent reluctance to pursue idea of reciprocal TV-radio broadcasting. Nixon told Kiwanis International convention in Atlantic City June 27 that Johnson's plan could bring "real progress" in "reducing misunderstanding & prejudice" among Russians & Americans if Kremlin proves "good faith" by accepting it. Note: CBS Inc. pres. Dr. Frank Stanton addresses National Press Club in Washington July 2 on "TV in the Cold War; Khrushchev & Moscow's Video Curtain."

"One-man TV studio," to sell for \$10,000-\$15,000, was unveiled this week by Hallamore Electronics Co. div. of Siegler Corp., Anaheim, Cal. at special New York showing. Designed for small stations, community antenna and closed-circuit business & educational installations, unit includes master control console, one or more live camera chains, film & slide projection equipment, turntable—all remotely operated from console and occupying 10x12-ft. space. Whole package, according to Siegler pres. John G. Brooks, can be installed by one man in half day.

Furore over TV coverage of House Un-American Activities Committee hearings in San Francisco last week (Vol. 13:25) subsided June 27 when Chairman Walter (D-Pa.) bowed to ruling against cameras by Speaker Rayburn (D-Tex.) "He is not going to televise anything else-full committee or subcommittee," Rayburn reported after conference sought by Walter, who said (despite his earlier open defiance of Speaker) that he hadn't realized Rayburn's TV-radio edict covered House proceedings generally. Walter's brief challenge of Rayburn's authority had set off new moves in House to revise rules to authorize TV-latest being measure (H. Res. 291) by Rep. Keating (R-N. Y.) to permit committees themselves to decide issue. NARTB pres. Harold E. Fellows and chairman Robert D. Swezey of Freedom of Information Committee advised NARTB members June 26 that "excellent opportunity now exists" for TV-radio industry to press Congress for ending of ban. But House Rules Committee said nobody had requested hearings on any proposal, so no action was contemplated.

Closedcircuit Telecasting System invited New York theatre management group to special color TV demonstration this week in revival of proposals to interest Broadway producers in closed-circuit colorcasts of plays to local theatres. Demonstration followed suggestions in recent Dramatists Guild panel discussion that telecast previews of show could help recoup production costs.

Public service theme of Westinghouse Bestg. Co.'s Boston conference for station executives (Vol. 13:9) is developed in new brochure, *To Meet a Challenge*, reporting on company's own programming.

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Newly formed Marketing Impact Research Inc. (Max Bonfeld, pres.) establishes offices at 147 E. 50th St., N. Y.

- 4 -

Personal Notes: Thomas E. Knode, ex-Edward Petry & Co., rejoins NBC station relations dept., reporting to v.p. Harry Bannister; he is slated to be named a v.p. at next board meeting July 12 . . . Wm. C. Gillogly promoted to sales director of ABC-TV central div. ... W. Weller (Jake) Keever & Robert Cinader promoted to v.p.'s of NBC's California National Productions . . . Albert S. Goustin, ex-Ziv & Blair TV who recently headed own film distributing firm, named TV sales mgr. of DuMont Bcstg. Corp. . . . Lon King promoted to TV sales promotion & research director of rep Peters, Griffin, Woodward Inc. ... Ed Obrist resigns as program director of WNHC-TV, New Haven . . . Michael R. Santangelo, ex-General Public Relations Inc., Benton & Bowles subsidiary, joins Westinghouse Bcstg. Co. as coordinator of publicity & special events . . . Mann Reed promoted to program mgr. of KBTV, Denver, succeeded by Russ Kundert as production mgr. . . . Leon S. Rhodes named v.p. of Loucke & Norling Studios div. of Robert Lawrence Productions . . . Leroy E. Kilpatrick promoted to operations mgr. of WSAZ-TV, Huntington, W. Va.; C. Thomas Garten to commercial mgr. . . . Joe Smedley Jr. named program director of WESH-TV, Daytona Beach, replacing Wm. Hall, transferred to sales . . . John G. Johnson, ex-gen. mgr. of WTOB, Winston-Salem, named pres. of WAPA-TV, San Juan, P. R. . . . Robert Lawrence Patrick, ex-WHIO-TV & WIFE, Dayton, named secy.-mgr. of Ga. Assn. of Broadcasters, succeeding Ross Shackleford, who becomes public relations director of W. Ga. College, Carrollton . . . Gordon Grannis, ex-KOVR, Stockton, Cal., joins Crown Zellerbach Corp. as public relations asst. . . . Wm. A. Slater resigns as local sales mgr. of WJHP-TV, Jacksonville, to join sales staff of WFGA-TV there ... Jacob E. Evans, ex-NBC & McCann-Erickson, named sales promotion director of American Weekly . . . O. W. Myers, ex-Gerity Bcstg. Co. (WNEM-TV, Bay City-Saginaw; WABJ, Adrian; WPON, Pontiac, Mich.), joins WHTN-TV, Huntington, W. Va., as national sales rep . . . Charles C. (Bud) Hoffman, ex-Business Planning Assoc. Ltd., Toronto, named exec. v.p. of Bureau of Broadcast Measurement there.

Sale of WMTV, Madison, Wis. (Ch. 33) for \$550,000 (Vol. 13:22) to WTVJ Inc. interests (Mitchell Wolfson) and radio WMAY, Springfield, Ill. (50% of CP for WMAY-TV) includes \$200,000 option on buildings and land, it's revealed by transfer application filed with FCC. Until option is exercised, property is to be leased for \$1666 monthly. WTVJ Inc. April 20 balance sheet lists \$2,437,181 earned surplus and statement of income says WTVJ Inc. net after taxes for both 1955 & 1956 was "in excess of \$500,000." It had \$2,154,090 current assets, \$2,214,218 net assets; \$862,881 current liabilities, \$857,576 long-term notes payable. WMTV May 31 balance sheet shows \$1369 deficit. It had \$126,771 current assets, \$136,839 fixed assets; \$87,737 current liabilities, \$28,577 fixed assets (with additional \$97,999 due related interest).

Harry & Elmer Balaban's H. & E. Balaban Corp. will own ½ of radio WIL, St. Louis, Mo. & WWIL, Ft. Lauderdale, Fla., according to application filed with FCC. Other owners of firm acquiring properties for \$650,000 (Vol. 13:20) from Lester A. Benson's Missouri Bestg. Corp. are Atlantic Brewing Co. (Harold S. Leder and family), 33½%; Simon Zunamon, 18% (as trustee for 3 Epstein family trusts); Barbara Fink, 6% (as trustee of George F. Fink trust); Lois Schraeger, 5% (as trustee of Schraeger family trust); Herbert Schoenbrod, 4½% (as trustee of Schoenbrod trust). ADVERTISING AGENCIES: Norman B. Norman elected pres. of Norman, Craig & Kummel, succeeding Elkin Kaufman, resigned . . . Thomas G. Fielder, ex-GE TV receiver dept. adv. mgr., joins Cunningham & Walsh, N. Y., in charge of Texas Co. account . . . Edgar J. Donaldson, TVradio director of Ketchum, MacLeod & Grove, elected a v.p. . . . Hibbard E. Christian named public relations mgr. of Young & Rubicam.

John R. McKenna, ex-mgr., industrial products, Philco govt. & industrial div., returns to Washington Aug. 1 to establish consultant engineering practice at 2000 P St. N.W. (Columbia 5-4664). With Philco since Dec. 1951, he had been an associate in Chambers & Garrison consulting firm in Washington 1946-51 after Navy service as asst. head of radar for Bureau of Aeronautics.

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Society of TV Pioneers elects W. D. (Dub) Rogers Jr., KDUB-TV, Lubbock, Tex., as first pres. Named v.p.'s in mail poll: John E. Fetzer, WKZO-TV, Kalamazoo, and KOLN-TV, Lincoln, Neb.; Harold Hough, WBAP-TV, Ft. Worth; Campbell Arnoux, WTAR-TV, Norfolk. Secy. is Glenn Marshall Jr., WMBR-TV, Jacksonville.

Dr. Walter B. Emery, consultant to Joint Council on Educational TV, joins Michigan State U's College of Communication Arts, will teach TV-radio law. With JCET since 1952, he had served on FCC staff 10 years, last position as legal asst. to chairman Paul Walker.

Ed Sullivan elected pres. of National Academy of TV Arts & Sciences at board meeting June 27 in N. Y. Other officers: Harry Ackerman, first v.p.; Mark Goodson, second v.p.; Robert Longenecker, secy.; Lawrence Langner, treas.

NARTB names consultant Robert K. Richards to American Council for Education in Journalism, Robert T. Mason, WMRN, Marion, O., to Council's accrediting committee.

John H. Conlin, from FCC Office of Opinions & Review, due to be transferred to Office of General Counsel—in legislation, treaties and rules div.

Westinghouse's purchase of WAAM, Baltimore (Ch. 13) for \$4,400,000 in Westinghouse stock (Vol. 13:18-19) was approved by FCC this week. Pre-freeze WAAM started Nov. 2, 1948, with control held by Ben & Herman Cohen families; exec. v.p. and 7% owner is Norman C. Kal, partner in Kal, Ehrlich & Merrick Adv., Washington. Westinghouse now has limit of 5 vhf stations, others being WBZ-TV, Boston; KYW-TV, Cleveland; KDKA-TV, Pittsburgh; KPIX, San Francisco.

Sale of 50% of KNAC-TV, Ft. Smith, Ark. (Ch. 5) by Salome Nakdimen as administratrix of husband's estate to Harry Pollock interests for \$61,500 (Vol. 13:19) was approved by FCC. FCC had postponed approval of sale of other 50% to George T. Hernreich pending hearing on protest filed by Donald W. Reynolds' KFSA-TV, Ft. Smith (Ch. 22), but Reynolds dropped protest June 28.

Restating ownership of CP for KAKJ, Reno, Nev. (Ch. 4), application filed with FCC says Robert C. Fish gave up rights for \$500 to group headed by retired movie director-producer Irvin V. Willat, the other principals being Eldon E. Cory and Raymond D. Vargas. Owners seek to clarify status to make possible sale to Tower Telecasting Co. (Vol. 12:20, 24).

Transfer of CP for KPAC-TV, Port Arthur, Tex. (Ch. 4) to new Texas Goldcoast TV Inc., owned 50% each by Jefferson Amusement Co. (Julius M. Gordon) and Port Arthur College (Vol. 13:22) was approved by FCC.

# **Highlights of Cox Report on Network TV Practices**

- 6 -

Major Conclusions & Recommendations of Staff Report Released by Senate Commerce Committee

(See story on page 1; for highlights of Celler report see Vol. 13:23)

EGISLATIVE ACTION: "In deference to the still uncompleted investigations [by FCC's network study group and Dept. of Justice], it may be wise for the Committee to refrain from recommending specific legislation at this time. It is hoped that the Dept. of Justice and the FCC, through the enforcement of existing laws, can deal with certain aspects of these problems. In addition, it may well be that the Commission, through revision of its present regulations, can contribute further to the desired solutions. If there remain problems which can be dealt with only through legislation, the Committee must, of course, make its recommendation with respect thereto at a later time."

Option time: "It seems clear that as it presently functions, the option imposes serious disabilities and disadvantages on independent producers of programs, nonnetwork advertisers and independent stations. The FCC, after it receives the report of its own network study group, should therefore give serious consideration to reasonable limitations on, or adjustments in, the option as it now stands. Of course, if the option is found to be illegal, it must be eliminated. But even in the absence of such a determination, regulations should be adopted which would open a fair part of the period from 7:30-10:30 p.m. in each time zone in such a way as to provide opportunities for local advertisers to sponsor programs and for independent producers to offer their programs in equal competition with the networks. This would be accomplished through a reduction in the amount of time which could be optioned in the evening, or by requiring a shift of the network program block to a period earlier or later in the evening, or by the adoption of the limitation on programming from any one source, or by any other means which the Commission can devise."

Must-buy policy: "Although the must-buy practice serves to bar most local and regional advertisers from network TV, some minimum network requirement seems reasonable. However, the required purchase of a specified list of stations seems possibly to discriminate against affiliates not on the list and to force advertisers to conform to patterns which may not fit their individual needs. A minimum dollar purchase serves all the legitimate needs of the network and should therefore be substituted for the prevailing form of must-buy."

Multiple station ownership: "The Commission should not permit increased concentration, either by networks or other multiple owners, until it has received and thoroughly considered the report of its network study group . . . Although it is clear that the networks should be permitted to own some stations, serious consideration should be given to the possibility that they may have exceeded their legitimate needs in this regard . . . The Commission should also take steps to prevent overreaching by networks in dealing with their affiliates for the acquisition of the latter's facilities."

FCC regulation of networks: Commission probably has enough power over networks now "to deal with all matters discussed in this memorandum;" in fact, it appears to have power to regulate them directly if necessary. Sen. Bricker's proposal to license networks as such may not be necessary, but networks' argument that it would involve censorship seems unsound, since FCC regulation of stations has brought no censorship. Affiliation contracts: "The permissible maximum term of affiliation might well be extended to 5 years to give greater stability to broadcast operations and improve the status of affiliates in relation to their networks, although it might be wise to give the affiliates a right of cancellation upon shorter notice to maintain some flexibility." If license period is extended to 5 years, it should be "accompanied by legislation strengthening the Commission's other means of control over the performance of its licensees.

"Copies of affiliation agreements filed with the FCC should be open to inspection." It might be desirable to require networks to "specify the objective criteria which they employ in fixing rates;" and the "free hour" concept in affiliation agreements probably should be eliminated to remove confusion and possible discrimination.

Network program participations: "The networks must have the right of final decision as to the makeup of their program schedules. However, this gives them the power to grant preferential treatment to their own programs, although the record does not show this to be so common as to necessitate divestiture of program production. Since abuses are possible, however, the FCC and the Dept. of Justice should look into the matter on a continuing basis. Similarly, as to the possibility of the networks' acquiring interests in independently produced programs as a condition to their being broadcast on the networks, the Dept. of Justice should investigate to see whether any violation of anti-trust laws is involved, while the FCC should consider whether it should adopt rules prohibiting or regulating such acquisition by the networks of interests in independently produced programs."

Network "invasion" of station time: "Some restriction or adjustment of [network programming practices outside of option time] is . . . necessary lest TV become a completely national medium serving no local needs and almost entirely dependent on network service."

Network staging services: "The issues raised [by independent scenery designers] merit the prompt completion of the investigation which the Dept. of Justice has begun." If networks are to engage in scenery design and staging services, it should be on a standard bidding basis, with equal competition between independents and networks.

Network spot rep & syndication activities: These questions "merit further attention. If they are not fully covered in the report of FCC's network study group, the Committee should look into these matters at a later date."

Programming: Amount of time devoted to network religious programming doesn't seem adequately to reflect importance of religion in American life; religious programming on a sustaining basis probably is preferable to commercially sponsored religious programming. Most public service programming suffers from being presented in poor time periods. "The problem of the impact of TV programming on children is a serious one and is deserving of further study."

FCC's financial report on TV stations and networks for 1956 is due later than usual this year—possibly by end of Aug. Holdup is mainly due to fact that Commission's network study group is using the tabulating machines normally employed by FCC's economics div. in compiling the financial data. SEVERAL BIG VHF cases appeared very ripe for FCC final decision this week, as Chairman McConnaughey left, producing some uncertainties as to possible future votes.

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One particularly hectic case was that involving Pittsburgh's Ch. 4. Hearst's WCAE holds examiner's second initial decision nod, after KQV had won first round. This week, WCAE asked FCC for a meeting to consider proposal wherein WCAE & KQV would form new corporation, owned 50% each, and they would pay other 3 applicants \$50,000 each as they dismissed—leaving new corporation free for grant. At week's end, they were "still negotiating."

Commission finalized decision for San Francisco-Oakland's Ch. 2, giving it to organization favored in instructions—San Francisco-Oakland TV Inc. (Vol. 13:20). Decision is due to be made public next week. There's rumor of some sort of arrangement between winner and losers Channel Two Inc. and TV East Bay—presumably to preclude delays possible through court appeals, etc.

Seattle's Ch. 7 case may be quite uncertain now. KIRO, originally favored by FCC majority, is said to have only 3 votes now.

Buffalo Ch. 7 case is due to be reopened, FCC announcing preliminary decision to conduct further proceedings. It's understood purpose is to reexamine finances of applicant WKBW.

FCC suffered another reversal in Court of Appeals, which sent back the decision granting KARD-TV, Wichita (Ch. 3). Appeal of loser KFH contended Commission hadn't given adequate reasons for denying exceptions to examiner's initial decision. Judges Edgerton, Fahy & Burger stated: "Though a specific ruling on each minor exception is not indispensable, the parties and the court should not be left to guess, with respect to any material issue, which of the several alternatives the Commission had in mind. It should make the basis of its action reasonably clear. We cannot find that it did so here. Its statement of reasons comes to little more than this: For one reason or or another, all the exceptions not granted are overruled." Court also noted:

"Appellant says the Commission erred in denying a rehearing and in denying leave to show by affidavits that

Tax loophole in multiple ownership of TV & radio stations, already plugged by FCC in policy pronouncement last Oct., would be tightened by bill (HR-8381) introduced June 26 by Rep. Mills (D-Ark.), chairman of Ways & Means subcommittee on technical revision of Internal Revenue Code. Scheduled to be reported to House July 2 by full committee, comprehensive measure is intended to prevent station owners from avoiding immediate capital gain tax on profits from "rollover" sales of properties acquired in excess of existing FCC limits. Old tax law language, covering sales "necessary or appropriate to effectuate the policies of the Commission," could be construed by owners as defining such transactions as sales forced by Govt. New language permits tax deferrals only on sales "necessary or appropriate to effectuate a change in a policy of, or the adoption of a new policy by, the Commission." Amendment applies to any sale after last Dec. 31 and to sales contracts made after last Oct. 15.

Commercial film production div. has been started by WCAU-TV, Philadelphia, equipped to cast, set, record & edit films, under supervision of v.p. Charles Vanda. in the first months of operation Wichita failed to perform what it had promised. Commission counsel argue that only interim operation was involved, but the record does not make it clear that this was the theory on which the Commission refused to reopen the hearing. We think it should clarify its ruling in this respect."

Experimental grant of Ch. 12, New Orleans, was made to WJMR-TV (Ch. 20), which says it will compare uhf-vhf propagation of simultaneous transmissions. Application had been opposed by Assn. of Maximum Service Telecasters which objected to fact WJMR-TV plans transmitter location less than minimum co-channel distance from WJTV, Jackson, Miss.

Initial decision favoring Tri-Cities Bestg. Co., Monahans, Tex. for Ch. 9 was issued by examiner Elizabeth C. Smith after KMPS Bestg. Co. withdrew.

Low-power educational CP (296 watts) was granted on Ch. 30, Toledo, to Greater Toledo Educational TV Foundation, while translators were authorized in Alturas and Blythe, Cal.; Newport, Ore.

Grantee KSLM-TV, Salem, Ore. (Ch. 3) was told it would be given no more time to build, would be cancelled unless it requested hearing in 20 days. Same word was given to KAMT, Yakima, Wash. (Ch. 23).

Our figures got twisted in last week's report of reply comments on Craven Plan (Vol. 13:25). Ten filed against plan, one for.

In other allocations proceedings, FCC proposed: (1) Addition of Ch. 16 to Ephrata, Wash., substituting Ch. 31 for Ch. 25 in Kennewick, Ch. 25 for Ch. 31 in Richland. (2) Substitution of Ch. 36 for Ch. 7 in St. Cloud, Minn., Ch. 7 for Ch. 36 in Alexandria, Minn. (3) Various plans to shift WICU's Ch. 12 out of Erie, Pa. to Cleveland-Akron area. (4) Reassignment of Ch. 12 from Flint to Saginaw-Bay City-Flint. At same time, Commission finally rejected proposal to shift Ch. 12 to Ann Arbor.

Two rule-making petitions were received. First-2 alternatives filed by WHOA, San Juan, P. R.: (1) Shift Ch. 13 from Aguadilla to Fajardo, Ch. 12 from Charlotte Amalie to Aguadilla-Arecibo. (2) Add Ch. 13 to Fajardo, substituting Ch. 12 for Ch. 13 in Aguadilla, deleting Ch. 12 from Charlotte Amalie. Second-Request of prospective applicant Clarence M. Mason, Hancock, Mich., for addition of Ch. 9 to town, substituting Ch. 8 for Ch. 9 in Iron Mountain, Mich.

Facilities changes: Philadelphia's WFIL-TV (Ch. 6) & WRCV-TV (Ch. 3) plan immediate start of construction of new joint 1000-ft. tower in Roxborough, Pa., with operations from new site scheduled for late Sept.; WMFD-TV, Wilmington, N. C. (Ch. 6) now radiating 100-kw from new 997-ft. tower at Delco, N. C.; WLBR-TV, Lebanon, Pa. (Ch. 15) plans boost to 129-kw ERP next week; KNTV, San Jose, Cal. (Ch. 11) to 26.3-kw about July 20; KOVR, Stockton, Cal. (Ch. 13) to 316-kw next Sept.

Suit for \$93,228 for claimed services from Sept. 1, 1954 to May 1, 1957 as mgr. of KLOR, Portland, Ore. (now KPTV) has been filed by S. J. Schile against Oregon TV Inc. and its former pres. Henry A. White. Schile alleges his services to station, bought in April by attorney-oilman George Haggarty (Vol. 13:17), were worth \$129,978 but he was paid only \$36,750 during period. Hc seeks balance plus 6% interest.

Call letters KSBY-TV have been assigned to KVEC-TV, San Luis Obispo (Ch. 6), now operated as satellite of KSBW-TV, Salinas-Monterey (Ch. 8). SUBSCRIPTION-TV proponents Skiatron and International Telemeter continued to reap rich harvest of free publicity, notably in this week's hearings of Rep. Celler's anti-trust subcommittee investigation of professional baseball. Star witness Walter O'Malley, Brooklyn Dodgers pres., made these revelations while on the stand:

He had signed a tentative "escrow" contract with Skiatron TV Inc. (Matty Fox), but withdrew it before his appearance at hearings because "I didn't want to continue my negotiations in a fishbowl." He indicated he plans to renew negotiations after hearings.

He said Skiatron contract provided for toll-TV of Dodgers games either in New York or Los Angeles or wherever team moved, that he'd discussed idea with all other National League clubs—which thought it seemed too good to be true.

The contract terms, as outlined by O'Malley: "We would receive one-third of the subscriptions. They would make a minimum guarantee that would protect us for having lost our present [TV] contracts, which would also have in mind that we would have to pay the visiting club 25% of our receipts." Skiatron's original proposal was to wire New York for subscription TV, which O'Malley said would double Dodgers' TV income. They first figured on charging 50% a game, "but I think the thinking today is that it would be nearer \$1, around the price of a general admission ticket."

He said negotiations started last spring at Vero Beach, Fla., with Skiatron TV v.p. Jerome Doff, who formerly headed Trans-Community TV Inc. (Comprovision wired TV service). O'Malley denied reports that Skiatron deal was responsible for proposed move of club to Los Angeles, saying move hasn't been decided yet and Skiatron's Los Angeles plans didn't enter into negotiations. "In other words, if Skiatron is sound—I hope it is—whether there

Radio station sales and transfers reported this week: WHIM, Providence, by Frank W. Miller Jr. for \$830,000 to Richard D. Buckley and John B. Jaeger, chief exec. officers of WNEW, New York, Buckley also having interest in DuMont Bestg. Corp. (Vol. 13:17). Miller is officer of Headley-Reed rep firm and Kelly-Smith newspaper rep. ... WDOD, Chattanooga, by Earl W. Winger for \$250,000 to Interstate Life & Accident Insurance Co., same city (H. C. E. Johnson, pres.) . . . KRKD, Los Angeles, 36<sup>2</sup>/<sub>3</sub> % (2750 shares) by Richard C. Simonton for \$107,500licensee Continental Telecasting Corp. acquiring 1018 shares for \$39,775; Albert Zugsmith, 952 shares for \$37,248 and boosting ownership from 351/3 % to 55.57%; John D. Feldmann, 780 shares for \$30,476, which gives him 12.04 1/2. Other stockholder is pres. Frank Oxarart with 30.85% . . . WANS, Anderson, S. C. by Carolina Bestrs. Inc. (C. J. Johnson, pres.) for \$85,000 to 1/2 co-owners W. Ennis Bray, ex-owner of WJAN, Spartanburg, S. C.; George C. Nicholson, who owns 50% of WAUG, Augusta, Ga. and 20% of WYZE, Atlanta, Ga.; Mrs. John C. Amick, of Augusta adv. agency . . . KLOG, Kelso, Wash. by Northwest Public Services Inc. (Roscoe A. Day Jr., pres.) for \$50,000 to J. J. Flanigan, ex-pres. & 49% owner of KITO, San Bernardino, Cal. ... KSEI, Pocatello, Ida. and CP for KSEI-TV (Ch. 6), 88.9% sold by Florence M. Gardner for \$118,915 to Pioneer Bestrs. Corp., owned by gen. mgr. Henry H. Fletcher & wife Ruthe (program mgr.), who already held 10.75% jointly. Florence Gardner is to remain with stations as v.p. Brokers: WHIM, Howard E. Stark.

is baseball in Los Angeles or not you are going to have Skiatron in Los Angeles because it is a terrific market." And so, he added, are New York, Philadelphia, Chicago and others. He denied owning any Skiatron stock, but said he planned to purchase some "if it ever develops to its intention."

Subcommittee also heard blast at toll TV by inveterate subscription-TV opponent N. Y. City Council pres. Abe Stark who lambasted "the corrupting alliance between baseball and pay TV" as a monopoly threat fostered by "the prospect of easy money and windfall profits."

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TV & movie trade press continued to overflow with subscription-TV items—some of them obviously planted, others merely based on speculation. One was report that Motorola and Westinghouse had completed "pilot model" pay-TV sets for Skiatron and have been working on plans to mass-produce decoders and to develop coders for station transmitters. Westinghouse officials declined to comment, but Motorola exec. v.p. Edward Taylor said his company had been contacted by Skiatron. "We listened and we looked into it; as a result, some conclusions have been drawn which have no basis in fact. We're not in business with them. There's no agreement."

Skiatron's application to wire up Los Angeles for pay TV ran into snag in city public utilities board hearing when International Telemeter attorney Mendel Silberg asked for delay pending "thorough investigation of the financial responsibility, character of operation and technical advances of any applicant." Hearing was continued to July 2 after board members raised similar objections.

Another development was long story in June 26 Wall St. Journal that Metropolitan Life Insurance Co. was considering setting up closed-circuit subscription service in its N. Y. housing projects. A Metropolitan official commented to us: "Sure, we're interested. We're interested in any new development, but we're in the real estate business, not show business. If we ever should get into this sort of thing, it will be as a landlord only."

Radio station sales approved this week: KHEP, Phoenix by A. V. Bamford & Harvey R. Odom (co-owners of CP for radio KMOP, Tucson) for \$252,000 under lease arrangement to Grand Canyon Bcstrs. Inc. (Wm. P. Ledbetter, pres.), dismissing application for 1580 kc in Phoenix (Vol. 13:17) . . . KJAY, Topeka, by KJAY Inc. (Robert Rohrs, pres.) for \$142,500 to Kansas City businessmen Ed Schulz, Dale S. Helmers, J. W. McCoskrie, & D. Wm. Overton (Vol. 13:20) ... WQOK, Greenville, S. C. by Albert T. Fisher & George Speidel III (also owners of WPAL, Charleston & WOIC, Columbia, S. C.) for \$125,000 to James A. Dick, also owner of WIVK, Knoxville (Vol. 13:21) . . . WHMA, Anniston, Ala. (250-w) by Col. Harry M. Ayers, publisher of Anniston Star, for \$75,000 to Ralph Allgood & Grove Wise, also owners of WRMA, Montgomery, Ala. (Vol. 13:22) . . . WSPC, Anniston (5000-w), by W. S. Weatherly and associates for \$65,000 to Col. Ayers (Vol. 13:22) . . . WOOO, Deland, Fla. by Wm. Martin, B. F. J. Timm and associates for \$65,000 to Trio Broadcasting Co. owned by Wally King (WATR, Waterbury, program mgr.) and Herbert A. Saxe & Oscar Silverman (Vol. 13:20) . . . KIHO, Sioux Falls, S. D. by Leslie P. Ware for \$65,000 to James A. Saunders & John W. Hazlett, from Minneapolis-St. Paul (Vol. 13:23) ..., WPUV, Pulaski, Va. by Mason C. Deaver for \$46,254 to co-equal owners John A. Columbus, Lawrence R. Schoenfeld, Carl A. Shufflebarger (all station employes) and druggist Howard R. Imboden (Vol. 13:23).

Telecasting Notes: Auto makers have always been in forefront in heavy use of TV-and in violent attacks on it. Madison Ave. is talking this week about another verbal assault against the medium by an auto industry spokesman-an assault reminiscent of last year's blast at TV as a durable goods sales medium by pres. Ernest Jones of MacManus, John & Adams agency (Vol. 12:13 et seq.), which, it had been hinted, represented the views of clients Pontiac & Cadillac. Latest attack came from Chrysler of Canada sales v.p. C. O. Hurly in address to Canadian Federation of Advertising & Sales Club . . . "Babied, humored and spoiled" by advertisers, TV is becoming a "monster," Hurly said. He urged the business & advertising fraternities to take "a cold, searching look at the somewhat ludicrous spectacle that we both present today"-the businessman a Sinbad, "blind as a bat, being led down to the sea by an eager, keen-eyed, clean-limbed young fellow in an ivy-league suit" . . . "The great home world of entertainment," which started as servant of advertising, he continued, is now "calling the tune." Advertising, he said, shouldn't be "the crutch upon which a vast segment of the world of entertainment, culture and enlightenment should lean . . . Industry and business simply cannot afford the luxury of any form of advertising which does not deliver a fair return for services rendered" . . . Auto firms, nevertheless, are pretty solidly lined up in network TV picture for next year. One sudden cutback, however, was Lincoln's dropping of CBS-TV's Ed Sullivan Show after 8-year stretch (Vol. 13:25), Mercury retaining alt .- week sponsorship, with Eastman Kodak jumping into the breach to pick up the reputed \$5,000,000-a-year total tab for the alt. week . . . Two auto makers have firmed up big network deals for all-star "specials"-GM with 2-hour 9-11 p.m. colorcast in Nov. on NBC-TV commemorating its 50th anniversary and budgeted at \$500,000, and Ford Motor Co. with an all-star CBS-TV special next fall to introduce new Edsel line, preempting Ed Sullivan for one week (presumably the Mercury-sponsored week, which would not add to Ford's over-all TV time bill) . . . Fairy tales sell: The Henry Jaffe-Screen Gems series of 16 hour-long fairy tale specials featuring Shirley Temple on NBC-TV about once every 3 weeks, beginning next Jan., is sold out-the 3 sponsors paying total of some \$4,000,000. Breck Shampoo has bought half, with Sealtest & Hill Bros. coffee sharing other half on split-network basis-Sealtest in east, Hill Bros. in west . . . "Sweet Success of Smell" is June 26 Variety's catchy headline for survey showing cosmetic advertising slated for TV next season totals some \$33,000,000 ... Accurate data on reruns of TV film series will be made available to Screen Actors Guild, for purposes of comput-

Compromise proposal to end stalemate over FCC network study committee's demands for data from 4 reluctant TV program organizations was submitted this week to N. Y. Federal Court Judge Bryan by the 4 companies. They offered to give committee the confidential financial data it seeks, but in "coded" summary form as prepared from their raw figures by an independent accounting firm. In this way, the packagers argued, prices, grosses, profits, etc., could not be identified with any particular program series. Earlier, Judge Bryan reserved decision on FCC motion to force the 4 firms to honor subpoenas to produce financial data, after hearing arguments by FCC gen. counsel Warren Baker and attorneys for the packagers. Judge called for reply briefs July 2. The 4 programmers are MCA-TV and its affiliated Revue Productions, Columbia Pictures' Screen Gems and Ziv TV.

ing payments to its members, according to announcement by Guild that information will be furnished it on regular & continuing basis by CBS TV Film Sales, CNP, ABC TV Film Syndication, MCA-TV & Screen Gems. SAG members have received \$1,321,000 in rerun payments to date ... Appointment of Ted Cott as executive of burgeoning NTA (Vol. 13:25) seen as sign the film distributor is ready to get moving on its station acquisition plans; negotiations reportedly are already in progress . . . NTA has obtained distribution rights to 20th Century-Fox Hour from the movie maker, getting the 37 hour-long shows which were used on CBS-TV in the last 2 years, with 20th Century-Fox planning to produce 20 new shows in the series for use on NTA Film Network (50% owned by 20th Century) ... Week's chuckle: TV-radio weather forecasts are rigged and over-emphasized by stations, to keep folks away from the movies, Minnesota movie exhibitors believe-so says June 26 Variety, in St. Paul-datelined story.

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Negotiations for new music licensing agreement between TV industry and ASCAP opened this week in New York with "friendly and general" initial discussion, with next meeting planned in about a month. Meanwhile, boiling lobbying and press-release dispute between ASCAP members & their spokesmen and BMI continued in a manner which was neither friendly nor general, both sides moving up their big-name artillery. In behalf of Songwriters Protective Assn., consisting of ASCAP members, Bing Crosby made the newspapers with letter to Chairman Magnuson (D-Wash.) of Senate Commerce Committee, complaining that "pressure exerted by BMI" is responsible for current popularity of musical "trash" and charging "monopolistic trend in music on the part of the broadcasters." BMI v.p. Robert J. Burton countered that Crosby letter "is part of a continuing effort to prejudice the outcome of the trial of an important lawsuit brought by ASCAP members against BMI." He released statements by 21 top performers stating that they had never been subjected to pressure to perform BMI songs on TV-radio or recordings. Though Senate Commerce communications subcommittee staff, under counsel Nick Zapple, is making fact-finding investigation of music licensing situation, Chairman Pastore (D-R. I.) told us he hasn't decided whether to hold any hearings-and the implication was that certainly nothing will be started in this session of Congress.

First World Congress of commercial telecasters from 15 nations will open Sept. 18 in London. Coordinator of program, including special session in Paris, is Young & Rubicam v. p. Harry Rauch. "TV As a Medium of World Communication" is theme of one London session under auspices of People-to-People Foundation.

Finally taking first dip into TV-radio ownership, following lead of *Time*, *Newsweek* is about to close deal for purchase of less-than-controlling interest in TV-radio combination in substantial secondary market. Negotiations are being handled by broker Howard Stark, who participated in *Time*'s acquisition of Bitner properties.

Rate increases: WFMY-TV, Greensboro, N. C. Aug. 1 raises base hour from \$650 to \$800, min. \$130 to \$160; KSBY-TV (formerly KVEC-TV), San Luis Obispo, July 1 added Class AA hour (7:30-9:30 p.m. daily) at \$220, min. at \$44, Class A hour remaining \$200.

AAAA issues 1957 roster listing 329 member agencies in 656 offices in 93 U. S. cities and 43 abroad, copies available from 420 Lexington Ave., N. Y.

National Community TV Assn. will hold 7th annual convention next June in Mayflower Hotel, Washington.

New and Upcoming Stations: WBLN, Bloomington, Ill. (Ch. 15) ceased operation June 3, owner-mgr. Worth Rough has informed FCC, also stating he plans to resume Aug. 1 after filing ownership change resulting from stock sale to area viewers (Vol. 13:20). On-air box score stands at 500 (91 uhf).

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

WBLK-TV, Clarksburg, W. Va. (Ch. 12), changing TV & radio call letters July 15 to WBOY-TV & WBOY, plans start on first day of World Series as NBC-TV affiliate, according to Jack N. Berkman, pres. of Friendly Group, also operator of WSTV-TV, Steubenville, O. (Ch. 9) and KODE-TV, Joplin, Mo. (Ch. 12). Make of transmitter isn't reported, but WBOY-TV will use 6-bay RCA turnstile antenna on 425-ft. Stainless tower. Base hour not set. Rep will be Avery-Knodel.

WTIC-TV, Hartford, Conn. (Ch. 3) has changed test pattern target to Aug. 15, programming target as independent remaining Sept. 1, reports public relations v.p. Bernard Mullins for owner Travelers Bcstg. Service Corp., subsidiary of Travelers Insurance Co. RCA 25-kw transmitter is in place ready for wiring, construction of 442-ft. Ideco tower on Talcott Mt., Avon, Conn., awaits delivery of base insulators. Installation of 100-ft. antenna is scheduled for Aug. 7. Wiring of master control room equipment has begun and large TV studio is nearly ready in downtown Hartford, as is microwave link on roof of studio building. Base hour will be \$800. Rep will be Harrington, Righter & Parsons Inc.

WCBC-TV, Anderson, Ind. (Ch. 26) plans Sept. 1 programming, but hasn't signed with network, reports Charles Bates, WCBC program director. It has 1-kw RCA transmitter installed, and antenna is to be placed on 500-ft. Ideco tower Aug. 10. Owner is Great Commission Schools Inc. (Church of God denomination), which operates local school system and Anderson College & Theological Seminary. Base hour will be \$150. Rep not chosen.

WEEQ-TV, La Salle, Ill. (Ch. 35) has awarded contract for construction of studio-transmitter building near

ELECTRONICS PERSONALS: Wm. S. Wheeler, corporate planning asst. to Motorola pres. Robert Galvin, promoted to mgr., Chicago military electronics center, replacing Arthur L. Jones, resigned . . . Dr. H. Wm. Welch, ex-U of Mich., named director of research & development, Motorola military electronics div., Phoenix . . . Earl E. Sargent promoted to mgr., Sylvania Woburn, Mass. special tube plant ... John R. Lenox elected v.p.-operations, Datamatic Corp. . . . Howard Patterson elected Varian Assoc. v.p., microwave tube activities; Arnold Wihtol succeeds him as tube div. mfg. mgr. . . . Arnold H. Henriksen appointed Helipot div. mgr., Beckman Instruments Corp. . . . David A. Harkavy, ex-Lafayette Radio, named industrial products ad mgr., DeJur-Amsco Corp. & Continental Connector Corp. ... Kenneth Stiles promoted to v.p. for plans & programs of General Dynamics.

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The vacuum is gradually going out of fashion in clectronics. Witness 2 recent developments: (1) The "Solion"—a device activated by flow of ions in iodine solution. Developed by Naval Ordnance Lab, it can be made extremely sensitive to changes in temperature, pressure, light, sound or acceleration. Believed to be useful for missile & plane inertial guidance—but far less bulky than present equipment—it's also said to have applications for Tonica, Ill. and plans Aug. 1 start, reports Fred Mueller, gen. mgr. of WEEK-TV, Peoria (Ch. 43), which will operate WEEQ-TV as satellite. GE 1-kw transmitter was due June 30. It has 400-ft. Stainless tower ready, but antenna isn't due until July 15. Edward G. Smith, asst. mgr. of WEEK-TV, will be gen. mgr. with Wm. W. Pendergraft, also from WEEK-TV, chief engineer. WEEK-TV hour is \$475. Rep is Headley-Reed.

WSUR-TV, Ponce, P. R. (Ch. 9) hasn't received studio facilities and now has July 30 programming target, reports gen. mgr. Mariano Angelet Escudero. It has Adler transmitter and 200-ft. Lehigh tower with RCA antenna on Mt. Maravilla. Base hour will be \$120-\$150. Rep will be Pan American Bcstg.

KTCA-TV, St. Paul-Minneapolis (Ch. 2, educational), which aired first test patterns March 8 (Vol. 13:13), plans programming start Sept. 2, reports director John C. Schwarzwalder for Twin City Area Educational TV Corp.

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New reps: WAAM, Baltimore, to Blair-TV July 1 (from Harrington, Righter & Parsons); KVIP, Redding, Cal. to Hollingbery (from Branham); WVUE (formerly WPFH), Wilmington-Philadelphia, to Katz (from Raymer); WJBF, Augusta, Ga. to Avery-Knodel (from Hollingbery).

GE shipped 5-kw used transmitter June 21 to upcoming WJCT, Jacksonville (Ch. 7, educational), due in fall; 20-kw amplifier to KVIP, Redding, Cal. (Ch. 7), planning boost to 117-kw; equipment for shifting WFIE-TV, Evansville, from Ch. 62 to Ch. 14.

RCA shipped 50-kw & 10-kw transmitters June 19 to upcoming WPST-TV, Miami (Ch. 10), due in Aug.; 50-kw transmitter June 24 to WVUE (formerly WPFH), Wilmington-Philadelphia (Ch. 12).

RCA shipped 3 live color cameras to Crosley Bcstg., Cincinnati, to be used in RCA color mobile truck; 3-V color film camera June 27 to KFSD-TV, San Diego.

GE shipped color scanner June 24 to its WRGB, Schenectady.

Call letter changes: WPFH, Wilmington-Philadelphia, to WVUE; KTXL-TV, San Angelo, Tex. to KCTV.

heat controls, alarms, pressure indicators, etc. (2) New solid-state microwave amplifier using ferrite material has been developed to laboratory stage by Bell Labs, is expected to operate at much lower noise level than conventional amplifiers. Says Bell: "Thus it has exciting possibilities as an amplifier for very weak microwave signals such as may be encountered in the fields of radio astronomy, microwave relaying & radar."

Radio industry mobilization for World War II is recounted in *The Signal Corps: The Test*, published June 21 by Dept. of Army (621 pp., \$4.50, Govt. Printing Office, Washington). Signal Corps history of first 18 months of war relates how industry supplied army of 7,500,000 with radio equipment by mid-1943 although before Pearl Harbor only 15 of 180 manufacturers had produced military radios.

Industrywide survey of research & development personnel and company outlays has been started by Labor Dept. for National Science Foundation at President Eisenhower's request. Similar 1953-54 study showed private industry spent \$3.7 billion and employed 400,000 (including 157,000 scientists & engineers) in research & development.

General Transistor Corp. sets up subsidiary General Transistor International Corp. as exclusive foreign market agency to export transistors, import raw materials, negotiate licenses. Allan Easton, sales v.p. of parent, is pres.

# M Liaest with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D C. . TELEPHONE STERLING 3-1755

AD PLANS FOR 'SLIM LOOK' MARKET DEBUT: <u>Feeling TV's new "slim look" is something</u> to get excited about, TV receiver manufacturers are in process of firming up plans for communicating this excitement to public. Advertising plans of some major makers haven't yet jelled -- or else they're playing it close to the chest -- but here are details we've been able to pinpoint this week:

<u>GE advertising program is aimed</u> at giving "this TV new look the widest possible audience with the greatest possible frequency within budgetary considerations." Greatest ad saturation is aimed for final 4 months of 1957. Program includes 4-color spreads in Life, Saturday Evening Post, Reader's Digest, This Week. Trade ads will be carried in Electrical Merchandising, Home Furnishings Daily, Mart, Electrical Dealer, NARDA News, American Motel, Tourist Court Journal. General Electric Theater (CBS-TV) will include TV receiver dept. campaign.

<u>Point of particular interest in GE ad plans</u> is shift of copy emphasis from portables -- which it popularized and which accounted for good share of its production -- to more profitable table and console models.

<u>Another all-out llO-degree advocate</u>, Sylvania is expected to spend 50% more in 1957 TV-radio-hi-fi ads than it did in 1956. No final estimates are in yet, but all departments should show increase. Program includes weekly TV show (ABC), major consumer magazines, trade press. Incidentally, Sylvania will have 50% more insertions in consumer magazines during year's final quarter compared with same period year ago. No use of radio is planned, but contributions to local distributor campaigns are to be increased 150% -- some of which may show up in local radio.

<u>Sylvania plans show increased emphasis</u> on promotion programs, such as monthly promotions of sunshade for portables, etc., spokesman told us. He added that new TV look will be played up -- with considerable emphasis also going to hi-fi; ad budget possibly may double last year's.

<u>RCA will kick off ad campaign</u> on slim black-&-white sets with double-page layout in July 29 Life, followed by insertions in Saturday Evening Post, Sunset, Progressive Farmer, etc. Total ad budget is expected to be about the same, or a little higher than last year when RCA spent \$35,173,000 for all divs. Of total, nearly \$25,000,000 was in measured media of TV, radio, outdoor, print.

<u>Special series of ads on portable line</u> will be carried in Life during Aug.; similar ads are scheduled in Saturday Evening Post, Farm Journal, etc. in Sept.

<u>TV plans for new line include</u> sponsoring Julius LaRosa summer show (NBC-8 p.m., Sat.), Eddie Fisher-George Gobel (with RCA Whirlpool) fall show (NBC-8 p.m., Tue.). Summer radio sponsorships are Monitor, Bob and Ray Show.

Philco plans to spend about 15% more on ads for all products compared with last year's outlay. Spokesman says biggest increase will probably be in local newspaper ads at dealer level. No breakdown is available on various media, but we're told consumer magazines will be used; there's no immediate plan for network TV.

DuMont also expects to spend more money this year on TV-radio-hi-fi line -possibly as much as \$1,500,000 with budget set at about 8% of sales. Biggest segment will go to Sunday papers, plus co-op ads -- which are being raised from 1½% to 2½% of sales by both DuMont and distributors. Spot radio and magazines may be added.

Hotpoint's ad budget for TV is expected to run about \$1,000,000 in 1957 -half in magazines, 30% in radio spots, 20% in newspapers. Starting in Aug., spots will be used in 40-45 markets, plus heavy schedule in Life. Co-op newspaper and radio ads will support the national campaign.

Hoffman plans aggressive dealer-level fall campaign to sell new line. Pro-

- 11 -

gram includes premiums, giveaways, national and local ads. TV-radio spots will be used, plus full-color ads in Parade, This Week, American Weekly.

Motorola does not show new line until July 18, but it tells us that ad budget will be heavier than last year's. It's already using full-page ads in Home Furnishings to plug new "Super Americana" portable with 110-degree tube.

**Economic Views:** More optimism was voiced by business leaders (Vol. 13:25) this week -- along with words of caution from President Eisenhower and Dr. Edwin G. Nourse, chairman of Council of Economic Advisers under President Truman.

Rosy outlook was delineated by Commerce and Industry Assn. of New York, Inc., made up of representatives of national firms having offices in N.Y. Nearly 250 participated in survey, gave these views: Some 49% said first half of 1957 was up 14.9% over last half of 1956; 24.2% saw no change; 26.9% reported business was off. Final 6 months of 1957 was etched this way: About 40% expect 14.3% increase; 40.5% saw no change; 19.5% anticipate a decrease.

Further breakdown shows wholesalers most optimistic group; 45% expecting upswing, 45% seeing no change, 10% looking for drop in final 6 months of 1957.

Another upbeat forecast came from 12 key executives of diverse industries, polled by First National Bank of Chicago. They see "high plateau" in last 6 months.

<u>President Eisenhower's cautioning</u> came at June 26 news conference at which he appealed for business and labor statesmanship to avoid "alarming" inflation threat. He urged businessmen to reflect before raising prices. And he told labor leaders wage increases should be demanded only where there is an increase in productivity --or to correct "demonstrable injustices." Dr. Nourse told National Citizens Committee to Curb Inflation that the real inflation source is "in the market place, in the institutions and practices of labor unions and corporation price administration."

<u>Despite President's words</u>, U.S. Steel Corp. raised steel prices average of \$6 per ton, saying boost was necessary to offset higher wages and benefits to take effect July 1 under 3-year contract with United Steelworkers of America. <u>Pay boost</u> of 12% for postal workers was approved June 27 by House Post Office & Civil Service Committee. Hearings start July 2 on bills to raise pay of other govt. workers.

**Production:** <u>TV output was 142,910 week ended June 21</u>, compared with 116,302 preceding week and 105,947 in corresponding week one year ago. It was the year's 25th week and brought TV production for year to date to about 2,601,000, compared with 3,304,597 in same period of 1956. <u>Radio production totaled 252,299</u> (98,616 auto) week ended June 21, compared with 229,967 (86,270) the preceding week and 229,041 (63,813) in corresponding week year ago. Radio output for 25 weeks totaled about 6,986,000 (2,759,000) vs. 6,444,410 (2,254,399).

**Topics & Trends of TV Trade:** What are principal causes of TV interference? July *Radio & TV News* cites survey of more than 2600 cases by Cooperative Interference Council of Los Angeles, indicating these 18 sources responsible for nearly 95% of complaints: Heating pads 409 cases, TV receivers 190, electric wiring 164, radio receivers 146, doorbell transformers 86, fluorescent lights 79, TV receiver installations 76, TV receiver radiation 71, butter conditioners 51, neon signs 46, refrigerators 37, radio stations 29, voltage irregularity 29, electric flashers 28, AC modulation 27, house wiring 25, universal motors 24, amateur radio stations 24. Council noted that in nearly one out of 5 cases, device generating the interference was operated by the complainant.

\*

Business increases of 13-25% were forecast for next year by speakers at meeting of Assn. of Electronic Parts & Equipment Mfrs. in Chicago this week.

Kansas City color set sales were 80 in May, bringing total to date to 2077, according to city's Electric Assn.

Emerson 1958 line, introduced June 26 at Lido Beach, N. Y., features 110-degree tube in 3 portables and 1 table model, short-neck 90-degree tube in rest. Line includes two color sets. Prices for black-&-white: portables (8½, 14, 17, 21-in.), \$134-\$268; tables (17, 21-in.), \$168-\$248; consoles \$248-\$308; Eldorado Series consoles & consolettes, \$248-\$328; combinations (17, 21-in.), \$268-\$318. Eighttransistor pocket radio also was introduced at \$44.

Commenting on 1957 color prospects this week, Motorola pres. Robert W. Galvin says his feeling is that "not more than 100,000 color TV sets will be sold this year." He points out that if production estimate of 200,000 sets is accurate, "it raises question of what will be done with the balance."

Whirlpool Corp.'s Appliance Buyers Credit Corp. (Vol. 13:16) opens first divisional office in St. Louis, providing financing service for RCA & Whirlpool distributors and dealers "where needed." Joseph B. Hawkins, ex-Redisco, is mgr. of St. Louis office; other offices are to be opened in Seattle, Cleveland, Chattanooga.

Trade Personals: Herbert E. Taylor Jr., ex-Federal Telephone and Radio Co., named industrial products marketing mgr., Philco govt. & industrial div. . . . F. P. Rice, ex-DuMont TV receiver div. mgr., appointed pres. of International Resistance Co. subsidiary Circuit Instruments Inc., St. Petersburg . . . John J. Kingan resigns as Canadian Marconi v.p.-gen. mgr. . . . Gerald M. Miller, ex-Schramm Inc., appointed administrator, adv. & sales promotion, RCA components div., Camden; Joseph C. Weitzman promoted to market planning research analyst ... James D. Kingery elected Bell & Howell v.p., electronic and professional equipment and instruments div. . . . Robert M. Reed, ex-York, RCA & Norge, appointed Winston Electronics Inc. asst. national sales mgr. . . . Sidney Brandt, ex-Raymond Rosen & Co., appointed Magnavox regional mgr. for eastern Pa., Md., headquartering in Reading.

New RETMA of Canada pres. is W. H. Jeffery, Philco of Canada v.p.-gen. mgr., who succeeds John D. Campbell, Canadian Westinghouse v.p.-gen. mgr., consumer products div. Others elected: Stuart D. Brownlee, Canadian Admiral, v.p. & chairman, receiver div.; W. Frank Wansbrough, Canadian GE, vice chairman, receiver div.; A. L. Stopps, El-Met-Parts Ltd., v.p. & chairman, components div.; J. Key, Aerovox Canada Ltd., vice chairman, components div.; W. Jones, Pye Canada Ltd., v.p. & chairman, electronics div.; R. M. Robinson, Canadian GE, vice chairman, electronics div. Reappointed: R. A. Hackbusch, Hackbusch Electronics Ltd., director of engineering; F. W. Radcliffe, gen. mgr.-secy.

. 18

Canadian RETMA officials see industry developing spirit of optimism, term balance of year's outlook "encouraging," predict firmer prices. New pres. W. H. Jeffery, Philco of Canada v.p.-gen. mgr., said manufacturers are matching production to demand, cleaning up inventories, aiming toward reasonable prices. Outgoing pres. John D. Campbell, Canadian Westinghouse v.p.-gen. mgr., told annual meeting June 21 at Adele-en-Haut, Quebec, that "the economy remains strong, and the industry is in a good position to capitalize on it." He went on to say that inventories are improved; that new sets feature better styling, are more compact due to 110-degree tubes. Volume for year was estimated at 500,000, which Campbell said was less than previous 2 years but "still a very healthy volume." He declared "we can look forward to color and some more stations with a greater degree of confidence, and if the new Parliament will act on their recommendation for financing the CBC, we should soon be relieved of the burdensome 15% excise tax."

Dynamics Corp. earned \$308,003 (7¢ per share) on sales of \$9,949,459 in first quarter vs. \$307,322 (7¢) on \$9,900,750 in similar period year earlier, pres. David T. Bonner reporting military & industrial orders in electronics, communications & small appliance fields "indicate a continuing good level of sales." Subsidiary Radio Engineering Labs recently received subcontract from Western Electric for tropospheric scatter radio equipment, part of \$32,000,000 backlog.

Teleprompter Corp. stockholders will hold special meeting July 15 in N. Y. to vote on increase in capital stock and 2½-for-1 split proposed by directors, chairman & pres. Irving B. Kahn stating increase is needed for expansion program but no additional financing is contemplated now. Teleprompter stock was selling over the counter at 23 this week.

DISTRIBUTOR NOTES: Westinghouse names Samuel J. Brechner, ex-Gerald O. Kaye & Assoc., gen. mgr. of wholly-owned Westinghouse Appliance Sales Co., N. Y.; he succeeds v.p. & gen. mgr. C. J. Ward who joins headquarters sales staff, Pittsburgh . . . Motorola appoints South Bend Electric Co. Inc., 437 E. Colfax Ave., replacing Femco Inc.; Wm. E. Laswell, Fla. regional sales mgr., transferred to Cal. regional sales mgr. (Los Angeles, San Francisco, San Diego, Fresno), replaces James M. Tuttle, resigned; W. Alex Kuehlthau, ex-Gibson, appointed Seattle regional sales mgr. (Portland, Spokane, Salt Lake City, Billings), replaces H. E. von Kahrs, resigned ... Emerson N. Y. moves to No. 1 Boston Post Rd., Larchmont . . . DuMont appoints Orgill Bros. Hardware Co. Inc., 301-11 W. Pearl St., Jackson, Miss. (Joseph Orgill Jr., pres.) for central & southern Miss. except Jackson, Meridian, Hattiesburg, Brookhaven, Vicksburg, Yazoo City ... Sampson Co. buys 50% of Electronic Utilities Corp. (Braun, Siemens, Novak hi-fi); Bernard J. Golbus named asst. to Electronics pres. Paul M. Davison; Jack Ricard, ex-Ironrite, succeeds Golbus as Sampson merchandise mgr. . . . Otto W. Brodnitz resigns as Delmonico International Corp. secy.-treas. . . . Kuba Import Co. Ltd. (Kuba hi-fi radiophonos) moves national sales office from Delmonico Hotel to 1120 Broadway, N. Y. . . . Admiral promotes D. P. Mahin gen. mgr. of Admiral Distributors-Detroit div.; he has been gen. sales mgr. of Detroit branch.

Treble damage suit for \$2,250,000 was filed this week against IT&T by Olson & Co., former Philadelphia distributor for Capehart-Farnsworth line. Suit charges violation of Robinson-Patman Act, alleging IT&T sold Capehart-Farnsworth products to "favored" distributors in N. Y., Mass., N. J., Pa., Md., D. C. at lower price than to Olson. Olson complaint said these distributors then shipped into Philadelphia area at cut prices.

National TV Week organizational meeting was held June 25 in Chicago with Daniel J. Edelman & Assoc., Chicago public relations firm, handling promotion. Plans for Sept. 8-14 observance expected to be disclosed in mid-July. Sponsors: NARDA, RETMA, NARTB, TvB, NAMM, NEDA, National Retail Furniture Assn.

RCA expects 60% increase in its hi-fi sales this year with industry producing 1,500,000 units compared with 900,000 in 1956. Radio-hi-fi sales mgr. L. W. Collins also told Chicago news conference that RCA probably will demonstrate stereo disc by year's end.

Former CBS-Columbia plant in Long Island City was sold this week to Neptune Meter Co. in \$2,000,000 deal by realtor Frederick Brown who bought it last March.

General Instrument Corp. achieved a profit in quarter ended May 31, compared with \$84,355 net loss for similar period last year, chairman Martin H. Benedek told annual stockholder meeting June 27. He said that although final figures aren't available, sales were "substantially higher" than the \$5,668,079 of same quarter last year. He said that orders for TV components indicate industry sales & earnings have "touched bottom and are now definitely on the way up."

Dividends: General Dynamics, 50¢ payable Aug. 10 to stockholders of record July 12; Lear, 15¢ July 29 to holders July 15; Electronic Assoc., 100% stock July 30 to holders July 8; Topp Industries, 4% stock July 26 to holders July 12.

Guild Films earned \$216,000 (14¢ per share on 1,535,000 shares outstanding) in 6 months ended May 31 vs. \$40,000 (4¢ on 1,035,000) in same period year ago.

## - 14 -

## **Network Television Billings**

May 1957 and January-May 1957 (For April report see Television Digest, Vol. 13:22)

N ETWORK TV BILLINGS in May maintained steady advance this year over 1956, totaling \$43,468,833 for 7% gain over \$40,610,429 in May 1956. Cumulative total of business in first 5 months was \$211,231,303—up 7.6% from year earlier. CBS-TV again paced networks with 11.3% increase last month above same 1956 month— \$20,331,441 vs. \$18,260,894. The complete PIB report for May:

NETWORK TELEVISION					
May 1957	<b>May</b> 1956	% Change	JanMay 1957	JanMay 1956 (	% Change
CBS\$20,331,441 NBC _ 15,878,585 ABC 7,258,807	\$18,260,894 15,710,403 6,639,132	+ 1.1	\$98,429,274 79,120,519 33,681,510	\$88,563,636 75,342,803 32,361,238	$^{+11.1}_{+5.0}_{+4.1}$
Total \$43,468,833	\$40,610,429	+ 7.0	\$211,231,303	\$196,267,677	+ 7.6
1957 NETWORK TELEVISION BY MONTHS					
А	BC	CBS	NBC	: To	otal
Feb 6,	175,488	20,231,474 18,309,088 20,172,173	14,900,	631 39,3	01,996 85,207 52,995

Feb	6,175,488	18,309,088	14,900,631	39,385,207
March	6,848,848	20,172,173	16,631,974	43,652,995
April	6,682,786*	19,335,098	15,154,388	41,222,272*
May	7,258,807	20,331,441	15,878,585	43,468,833
	·	·		· · · · · · · · · · · · · · · · · · ·
Total	\$33,681,510	\$98,429,274	\$79,120,519	\$211,231,303
* Revised as	of June 26.	1957.		

evised as of June 26, 1957.

Baseball broadcasts earned \$6,802,721 for 15 major league clubs in 1956, according to financial reports filed June 25 with anti-trust (Celler) subcommittee of House Judiciary Committee. Top TV-radio income in American League—\$1,053,171—was reported by Cleveland. Brooklyn led National League with \$888,270. Others: Baltimore, \$301,630; Boston, \$477,300; Chicago White Sox, \$518,992; Chicago Cubs, \$226,270; Kansas City, \$210,000; N. Y. Yankees, \$900,000; N. Y. Giants, \$730,593; Washington, \$316,640; Cincinnati, \$267,275; Milwaukee, \$125,000; Philadelphia, \$301,650; Pittsburgh, \$158,000; St. Louis, \$327,450. Detroit did not file complete report.

Sen. Potter's proposal for a top-level independent study of govt. usage of spectrum space (Vol. 13:25) has received warm reception throughout industry. Chairman Pastore (D-R.I.) of Senate Commerce communications subcommittee told us: "I personally am very amenable to the proposal." He said he had not yet made plans to hold hearings on the resolution, but lack of expressed opposition indicates possibility that Commerce Committee might approve resolution without hearings.

One application for TV station and one for translator were filed with FCC this week, bringing total to 128 for stations (33 uhf) and 50 for translators. Station application was for Pittsburgh, Ch. 47 (see adjoining column), by Metropolitan Pittsburgh Educational TV Station, operator of WQED (Ch. 13). Translator application was for Cedarville, Cal., Ch. 70, by Surprise Valley TV Club. [For details, see TV Addenda 24-Y herewith.]

Application by Louisville's WHAS-TV (Ch. 11) for taller tower, continually rebuffed by Airspace Subcommittee during 5 years of site-searching (Vol. 13:13) was designated for hearing this week by FCC, which made Lexington's uhf WLEX-TV & WLAP-TV (CP) parties to hearing. They had objected to site move and height increase.

One of Australia's 4 commercial TV stations, Sydney's ATN, announced that its losses amounted to some \$900,000 in first 6 months of operation- but is expressing faith in future of TV by investing \$450,000 in additional equipment. **F**ORMALLY REJECTING proposals to license currently unauthorized boosters, FCC this week served notice that the approximately 200 illegal repeaters should find a home in the uhf band via translator operation. At the same time, it officially decided against authorizing any onchannel booster service for vhf stations, but proposed to license booster stations to fill holes in uhf stations' coverage areas.

The negative actions on vhf boosters were in answer to Appeals Court decision 2 months ago which upheld Commission's power to bar operation of illegal boosters, but also asserted they shouldn't be kicked off the air until they have a legal "home" in the spectrum (Vol. 13:18). Termination of vhf booster proceeding in effect served notice to the unlicensed boosters (FCC knows of 176 still in operation) that their "home" will be in the uhf band, via translators.

Commission is still worried about the court decision, since it appears to give FCC discretion on question of whether to issue cease-&-desist orders to enforce its own rules—and FCC apparently still anticipates trouble when it tries to get the unlicensed boosters off air. Therefore it's considering whether to appeal decision to Supreme Court to seek eradication of "discretionary" provision.

As to uhf boosters, Commission proposed: (1) That they be employed only to fill in shadows within station's normal Grade A area. (2) That they be owned only by licensee of "mother" station. (3) That their power be limited to that necessary to provide signal of 5 uv/m at "most distant political boundary" of principal community in area to be served, ERP not to exceed 5-kw. Comments on proposal are due by Aug. 1.

For all other circumstances, Commission stated, "we see no reason why translators cannot be employed by any community beyond the range of existing TV stations as a means of providing service."

Two-channel educational TV service is proposed in letter to FCC from John T. Ryan Jr., pres. of Pittsburgh educational WQED (Ch. 13). Station requests permission to operate also on Ch. 47, unoccupied in Pittsburgh for almost 5 years. Ryan said TV's limitation to one class at a time poses "serious handicap for this new educational tool," adding that closed-circuit is too costly. He said station would offer classroom instruction throughout day on both channels, as well as "special educational services for industry and the professions-services which are badly needed but are not appropriate for programming on the regular channel." He said WQED has been providing 781/2 hours of programming weekly since its debut in April 1954, and that 97 public school districts are contributing 30¢ per pupil to help maintain station's classroom services. He requested waiver of rules, if necessary, to permit the multiple-grant.

Heavy program of educational telecasts is planned by WVEC-TV, Norfolk-Hampton, Va. (Ch. 15) in experiment jointly sponsored by Norfolk public schools and financed under Ford Foundation's \$4,000,000 fund-matching program of grants for nationwide test of teaching by TV (Vol. 13:20). Under local program budgeted at \$112,000 for first year, station will give school system 2 hours of air time (9-10 a.m. & 1-2 p.m.) each school day from next Sept. 9 to June 4, 1958, will also provide complete camera & technical facilities, studios and engineering & programming personnel. Some 35-40 teachers will participate in preparatory summer TV workshop.