# THE AUTHORITATIVE

NEWS SERVICE FOR
MANAGEMENT OF THE
VISUAL BROADCASTING
AND ALLIED ELECTRONICS
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# SUMMARY-INDEX OF THE WEEK'S NEWS — August 3, 1957

- LOW-POWERED TV REPEATERS, vhf or uhf, co-channel or off-channel, proposed by FCC in attempt to resolve unlicensed-booster stalemate (p. 1).
- COMMUNITY ANTENNA SYSTEMS keep growing, but at slower rate; new Factbook figures show 610 operating now vs. 572 six months ago, 480 year ago (p. 2).
- NETWORK CIRCUIT JAM enters crucial period, as networks and other users submit Fall requirements; answer on circuit-rationing due in month (p. 2).
- FTC CITES HELENE CURTIS for "false" TV commercial in TV-radio monitoring drive on toiletry claims; company says shampoo ad has "sound basis" (p. 3).
- SUBSCRIPTION-TV TEST decision deferred by FCC, which schedules special meeting on issue Sept. 17. AFTRA asks Congress to take over (p. 4).
- WIRED PAY-TV FEVER spreads, station owner seeking Los Angeles franchise. "Interested in baseball, not TV," says San Francisco Mayor Christopher (p. 4).
- 100 TV "SPECIALS" planned by NBC-TV for next season, Sarnoff announces, answering critics of "dull schedule." Nighttime near-sellout claimed (p. 7).

- ACCEPTANCE OF NEW TV lines by dealers and public reported by manufacturers; inventories in good shape. Close watch kept for break in prices (p. 9).
- NARDA DEALERS hear new Philco plan to sell & finance TV sets to hotels-motels; Westinghouse spokesman criticizes long appliance warranties (p. 10).
- LIST OF TOP 500 COMPANIES in U. S. industry includes 31 in electronics, each with 1956 sales of more than \$61,000,000. Summary table (p. 13).
- ALL-VHF ALBANY AREA tentatively approved by FCC in busy pre-vacation week which sees big allocations mop-up, 7 new TV station grants (p. 8).
- MIAMI'S WPST-TV, owned by National Airlines, makes debut as 504th U. S. TV outlet. Reports on plans of other TV station grantees (p. 11).
- INTERSTATE TV SCHOOL network is proposed by Southern Regional Education Board in \$22,500,000 project; microwave needs outlined to FCC (p. 14).
- NETWORK TV BILLINGS rise 6.9% in first half to \$250,657,209 vs. \$234,510,312 year ago; CBS leads cumulative increase with 9.6% (p. 14).

FCC PROPOSES VHF BOOSTERS IN SURPRISE MOVE: Just one month after rejecting idea of vhf boosters (Vol. 13:26), FCC turned around this week and asked for comments on proposal to set up "low power repeater stations" operating on vhf or uhf, on channel of mother station or on different channel.

Unexpected move was seen as attempt to end dispute over unauthorized vhf boosters operating in northwest, and was direct outgrowth of July 12 conference between Chairman Doerfer and Colo. Gov. McNichols, who has been encouraging unlicensed booster operators to defy FCC (Vol. 13:28).

Commission announced it was considering McNichols' plea as a petition for reconsideration, and was granting it. FCC cited arguments that uhf translators weren't satisfactory for rugged terrain, that vhf booster supporters should be given chance to prove they can meet engineering standards for a non-interfering service.

Implicit in Commission's notice was put-up-or-shut-up tone toward the 200-plus unlicensed vhf booster operators, directing that comments be addressed specifically to proving engineering feasibility. Rule-making was proposed by a 3-man Commission majority—Doerfer, Mack & Craven—Hyde & Bartley dissenting without written statements, Lee not participating.

Highlights of the Commission's proposed new "low power TV broadcast repeater station" service: Repeaters would be licensed on non-interference basis, with their power limited to 1 watt input to final

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radio frequency amplifier—which could yield possibly 2-3 watts ERP (Commission considers this about equivalent of uhf translators' 10 watts).

Remote control operation would be permitted, with first or second-class operator in constant attendance at remote point—or upon "showing of need," automatic operation would be authorized.

Ownership requirements would be similar to those for translators; they would be licensed to any-body "qualified"—station owners, civic groups, etc.—with no limit on the number owned by single licensee in specific area or anywhere else. Repeaters would not be permitted to originate programs.

Comments on proposal (Doc. 12116) are due Oct. 1, counter-comments Oct. 31.

Deadline passed this week for comments on Commission's proposal to permit uhf station operators to set up on-channel boosters to fill holes in their coverage areas—with some 13 comments filed, all favorable (see p. 8). Reflecting more liberal attitude toward repeaters of all kinds, Commission this week killed its own proposal to authorize translators only where regular stations aren't operating and to put translators off air when regular station goes on air.

"Problem of translators operating in competition with regularly assigned TV stations is a complex one" which should be considered on case-to-case basis, said Commission.

CATV SPREAD SLOWS, BUT SYSTEMS KEEP LIVELY: Growth rate of community antenna systems in U.S. & Canada has slowed down, but expansion of this area of TV business still is steady, according to statistical evidence we've gathered from operators & manufacturers for our upcoming Fall-Winter TV Factbook, due off press next week end.

Semi-annual stocktaking of CATV systems shows that 130 have been added since we counted 480 year ago (Vol. 12:28) but number of starters in past 6 months, after Canada came in with rush (Vol. 13:5), is only 38. Nevertheless, total number of homes reached has grown in half-year by nearly 51,000.

Here are some Factbook-derived figures on current CATV status:

- (1) Systems in operation—610 (Canada 89, Alaska 1) vs. 572 in spring.
- (2) Average number of subscribers—681 vs. 866.
- (3) Average potential subscribers, estimated by operators—1600.
- (4) Total homes reached by those supplying figures—415,776 vs. 364,915.
- (5) Total potential, according to operators' estimates-843,350.

Number of current subscribers varies wildly from system to system, ranging from 14,250 in Mahanoy City, Pa. to 3 reported by Deep River TV Enterprises Ltd., Ottawa. Among systems, 126 have 1000 or more subscribers.

Pennsylvania continues to be No. 1 CATV state, followed by Oregon, West Virginia, Washington, California in that order of number of operating systems.

Community antenna directory in new Factbook is completely revised and updated, listing every system known to be in operation. All information is checked directly with system operators, and each listing contains address, key personnel, number of subscribers, estimated potential, starting date, make of equipment and call letters of stations received.

to be allocated among network users this fall is now being determined by AT&T—but definitive answers probably won't be available for month or so.

Deadline for submission of requirements passed this week—and though nobody at AT&T will talk about it, there's no reason to believe that demands have tapered off since last June, when it appeared that some network schedules might have to be rejiggered in order to meet demands for use of some important routes (Vol. 13:23-24).

Among reasons for unprecedented demand for intercity hookups are expansion of ABC-TV pro-

gramming, enlarged schedule planned by Sports Network Inc. (which handles live telecasts of sports for stations and regional networks), plans of Pat Weaver's live Program Service network and other prospective entrants into limited live networking, closed-circuit business meetings, etc.

Officially, AT&T was guardedly hopeful this week. While conceding that demands are quite a bit heavier than last year, a spokesman pointed out that new facilities are constantly being added and that prospective microwave-cable users often ask at first for more than they can use, cutting down demands later when schedules firm up.

AT&T's next step will be to analyze all requests for intercity circuits, the spokesman explained, matching them against facilities now available and new facilities scheduled for completion during the coming season. Analysis should take about 2 weeks.

Upon completion of analysis, phone company's long lines officials will hold conferences with each of the prospective users to ascertain minimum firm requirements, squeeze any water out of earlier requests, etc. If allocations of any circuits are required, AT&T sits down again with all users and works out formula.

ANOTHER TV COMMERCIAL was hit this week by FTC in stepped-up monitoring campaign against fraudulent advertising on air. Helene Curtis Industries Inc., 4401 W. North Ave., Chicago, was accused of "false & misleading" TV words & pictures in promoting Enden Shampoo as dandruff cure.

In complaint released July 29, FTC said Helene Curtis violated Federal Trade Commission Act in "typical TV commercial" which showed man "smiling happily" after using Enden Shampoo while announcer says: "I say . . . if you've got dandruff problems, Enden is sure the easiest way to stop them . . . for good."

Truth is, according to FTC, that Curtis product will not "end itching, flaking & scaling," as advertised, that it "will not cure dandruff or have any other lasting effect because the condition will return if the regular use of the product is discontinued."

Prompt rebuttal to FTC came from George Factor, Helene Curtis v.p. in charge of toiletries div., who said "clinical data, research and experimentation relating to our product have provided us with a sound basis for the claims we are making." FTC gave company 30 days to file formal answer to complaint, set hearing for Oct. 14 in Washington.

Curtis TV case was second involving toiletry commercials, first having been charge against Lanolin Plus Inc. that it misrepresented its Lanolin Plus shampoo (Vol. 13:29). It was 6th complaint by FTC since special TV-radio unit started viewing & recording commercials last Oct. FTC investigators are known to regard general cosmetics field as fertile one for additional TV complaints.

Advertiser's reply to earlier FTC complaint in TV campaign was filed July 31 by Whitehall Pharmacal Co., 22 E. 40th St., N. Y., cited in March for commercials promoting arthritis treatment (Vol. 13:13). Whitehall said its ads for InfraRub & Heet were "neither false nor misleading in any respect." Company also said FTC—as "matter of simple fairness"—should hold up complaint "pending proceedings by the Commission against all leading competitive products."

Praise for advertisers & media came meanwhile from FTC Comr. Robert T. Secrest. He told Assn. of Broadcasting Executives of Texas in Dallas Aug. 1 that vast majority of people with products or services to sell adver-

tise them honestly, that TV, radio & press deserve commendation for their efforts to control advertising content and maintain own standards.

Secrest singled out TV & radio networks and NARTB as examples of self-policing by media. Coincidentally, July Code Bulletin distributed to members by NARTB reported TV Code Review Board chairman Wm. B. Quarton had written personal letters to all code subscribers urging support of its recommendations against "advertising of intimately personal products which are generally regarded as unsuitable conversational topics in mixed social groups." Code's "not acceptable" category includes "products for the treatment of hemorrhoids and for use in connection with feminine hygiene."

Iran is due to get commercial TV next March, with RCA transmitter now awaiting shipment from New York. Project's backer is Iranian businessman Habib Sabet, Iranian agent for RCA (who also represents Pepsi-Cola, General Tires & Studebaker-Packard) who is investing some \$500,000 in station. Station operation will be shared by his son Iradj, who developed interest in commercial TV while attending Harvard School of Business Administration. An American—A. Vance Hallack, formerly of NBC—is due to be retained by Sabet to assist in starting the station and training Iranian personnel. He currently is organizing programs and training personnel at TV outlet in Baghdad, Iraq, under U. S. Govt. foreign aid program (Vol. 12:18). Iran station will use U. S. standards.

Reciprocal TV-radio trade between U. S. & Soviet Union, as proposed here following CBS-TV interview with Communist boss Nikita Khrushchev (Vol. 13:26), isn't likely soon. Kremlin has given qualified "nyet" to programexchange plan advanced by State Dept., arguing in note released July 27 and repeated by Radio Moscow this week that U. S. is "hampering" cultural & economic contacts too much to make trade feasible now. Russians said all barriers should be lifted before any TV-radio plan is negotiated. "It is to be hoped," Radio Moscow added, "that such an exchange can be arranged." In Washington State Dept. said it was "gratified" that Kremlin "is prepared to discuss" proposals.

Sweden's TV set total of 50,000 will increase to 900,000 by 1965, according to recently completed economic survey quoted by American-Swedish News Exchange. The country now has 4 TV stations, plans 10 more by 1962.

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aspects of a free-for-all this week with still more applicants for franchises—including one telecaster and one former TV station owner. Meanwhile, San Francisco Mayor George Christopher told us that his only interest in pay TV lies in getting major league baseball to his city and that Skiatron has "priority" because "they seem to have a contract with major league baseball teams."

Actually, he told us, neither Skiatron nor International Telemeter-Fox West Coast Theatres has formally filled out the papers needed to file for non-exclusive toll-TV franchise. After this is done, he said, it will take 2-3 months for city to process and grant franchise "if there are no undue delays." He said he was "not familiar with the operational methods" of either Skiatron or Telemeter, that city officials have met with Skiatron—but not Telemeter—officials.

He said he talked with telephone company officials about month ago and "they were dubious about the whole thing—it's new to them, too." He added: "Our interest is not in TV; it's exclusively in getting major league baseball out here."

Third application for non-exclusive fee-TV franchise was filed in Los Angeles—this one by Harriscope Inc., Beverly Hills TV film & motion picture producer which operates KTWO-TV, Casper, Wyo. (Ch. 2) and has CP for Ch. 9 Sheridan, Wyo. satellite KTWX. Harriscope also has filed for 6 Los Angeles suburbs, claims to have petitioned for pay-TV rights in Caracas, Venezuela and 4 other foreign countries.

In Denver, meanwhile, Gene O'Fallon, former owner of KFEL-TV (now KTVR) there, applied to Denver city council for non-exclusive 21-year franchise. Skiatron announced it has filed applications in Oakland, Berkeley, San Mateo and 16 other San Francisco Bay area communities. An outfit called Tele Movie Development Co., whose principals—except for attorney Harrison W. Hertzberg—have been kept secret, has been going up and down the coast, claims to be negotiating in 30 cities. And real estate developer Louis Boyar has asked city of Lakeland, Cal.—near Los Angeles—for exclusive franchise there.

USIA budget economies, already scheduled to slice VOA's TV operations 76% (Vol. 13:30), will reduce effectiveness of Radio in the American Sector of Berlin (RIAS) by 18%, according to director Laurence Dalcher of station which beams programs to Communist East Germany. Fiscal budget for RIAS is \$2,925,000, only \$8000 less than last year, but Dalcher is cutting range, staff & programs in line with general money-saving directives by USIA director Arthur Larson.

"Ground-air road show," featuring demonstrations of GPL airborne closed-circuit TV equipment in action, will be held in 5 cities next fall by M. P. Odell Co., midwestern engineering representatives for electronic instrumentation. Demonstrating all GPL closed-circuit equipment, public showings will be held Oct. 21-Nov. 7 in Cincinnati, Dayton, Cleveland, Detroit & Pittsburgh.

SUBSCRIPTION-TV test decision was deferred by FCC this week at least until Sept. 17, when Commission plans full-day meeting on issue. On Aug. 1, last meeting day before month vacation, FCC grappled with comments on proposed trial, reached obvious conclusion that decision couldn't be reached on regular meeting day—particularly in view of overloaded agenda.

Anxious to avoid appearance of stalling on issue, Commission picked first "open" day to hold its special meeting. Decision could possibly be made on that date, but it wouldn't be surprising if further special meetings were scheduled.

Meanwhile, pro & con pulling-&-hauling on broadcast pay TV continued. AFTRA's San Francisco convention unanimously voted to urge Congress to take entire issue out of FCC's hands. Resolution actually was compromise between anti & pro factions, both of which had submitted proposed resolutions. AFTRA officials described final resolution as expressing union's determination not to let any single govt. agency have power to authorize and regulate pay TV, but rather that Congress conduct thorough inquiry and set up own rules if it decides to approve the service.

Rep. Chelf (D-Ky.), who 2 weeks ago demanded trial of fee TV in letter to FCC Chairman Doerfer (Vol. 13:29), reiterated his position in speech on floor of House this week and took occasion to apologize to Rep. Celler, who he said had accused him of making a "personal attack." Chelf assured his Judiciary Committee colleague—an outspoken foe of fee TV—that this was not his intention.

New York City Council pres. Abe Stark—inveterate opponent of subscription TV—threatened this week to start court proceedings to block any pay-TV authorization. Nobody but Congress has right to authorize pay TV, he said.

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Irish got into act, too, when House Rules Committee opened TV-radio "censorship" hearings Aug. 1 on demands by Southern Democrats that networks & stations be investigated for deleting such words as "darky" from folk songs to avoid offense to Negroes (Vol. 13:30). Rep. Chelf (D-Ky.) suggested things might get to point where broadcasters substitute "Who Threw the Overalls in Mrs. Murphy's Chowder?" for "My Old Kentucky Home." Rep. O'Neill (D-Mass.) objected heatedly that chowder ditty is "very insulting song to the Irish race." Committee took no action. FCC Chairman Doerfer meanwhile wrote protesting congressmen that Commission took neutral position in controversy, which arose suddenly while Senate debated civil rights bill. He pointed out broadcasters "possess a wide range of discretion and freedom" in programming. "I guess no one is taking it very seriously," NBC continuity chief Carl Watson commented next day, reporting network had received only 8 letters on issue. Networks have been editing racial "slurs" from song lyrics for more than 20 years.

Senate confirmation of Frederick Ford as FCC commissioner (Vol. 13:29) was delayed this week by debate on civil rights bill. Attempt by Majority Leader Johnson (D-Tex.) to proceed with executive business, including nominations, was blocked on floor by objection by Sen. Morse (D-Ore.). Action on Ford is likely next week.



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Personal Noies: John I. Edwards named mgr. of KMJ-TV, Fresno, Cal. succeeding Perry Nelson, resigned to enter industrial real estate in Fla. . . . Edward J. Roth Jr., ex-WNDU-TV, South Bend, named program mgr. of WGN-TV, Chicago . . . Smith Binning, ex-Newhouse Newspapers, joins WCAU-TV, Philadelphia, as sales development director . . . Robert E. Newsham, ex-WFIL-TV & WFIL, Philadelphia, named asst. sales mgr. of KYW-TV, Cleveland . . . James L. Barker, ex-KOLN-TV, Lincoln, named promotion & publicity mgr. of KBTV, Denver . . . Frank Boehm promoted to v.p. of rep Adam Young in charge of TV-radio promotion & sales service, N. Y.; James F. O'Grady to v.p. in charge of midwest sales, Chicago . . . Ralph B. Hunter, ex-Katz TV sales exec. and onetime program mgr. of WWJ-TV, Detroit, named northeastern rep for broker Paul H. Chapman Co. headquartering at 17 E. 48th St., N. Y. (Eldorado 5-6657) . . . Charles Mathis Jr. named chief engineer of KCMC-TV, Texarkana, succeeding Wm. R. Atkinson, now with Gates Radio, Quincy, Ill. . . . Maurice R. Labelle, ex-Mandell-Newman Assoc., Miami Beach, named public service director of WTVJ. Miami . . . James M. Freeman, asst. v.p., Michigan Bell Telephone Co., formerly AT&T Washington news service mgr., named AT&T asst. v.p. for public relations, headquartering in N. Y. . . . Stan Cohen, ex-Ziv, joins WDSU-TV & WDSU, New Orleans, to head expanded research, sales promotion & merchandising operations . . . Mortimer Wormser named v.p. of Columbia Pictures; Bernard Birnbaum asst. treas. . . . Berne Tabakin named v.p. of NTA in charge of west coast div.; Harold Kovner & Joseph H. Moskowitz named directors of NTA Film Network . . . Joseph M. Sitrick, NARTB mgr. of special projects and member participation, resigning to assume duties Aug. 26 as legislative asst. to FCC chairman John C. Doerfer . . . Edward King, ex-NBC, joins Metropolitan Educational TV Assn., N. Y., as staff director . . . Troy Crowder promoted to asst. to pres. H. K. Newburn of Educational TV & Radio Center, Ann Arbor . . . Bob Hanna, ex-WGBS-TV, Miami, named commercial mgr. of upcoming WPST-TV there (Ch. 10), due on air this week . . . Edward L. Smith named gen. sales mgr. of KOVR, Stockton, Cal.; George Ledell, from rep Petry's Los Angeles office, replaces him as TV mgr. of Petry San Francisco office . . . Eldred J. Robinson, ex-v.p. & advertising director of Green Bay (Wis.) Press-Gazette, named sales mgr. of WMBV-TV, Marinette-Green Bay . . . Jack Highberger, ex-promotion mgr. of KARD-TV, Wichita, Aug. 5 becomes promotion & publicity director of upcoming WLWI, Indianapolis (Ch. 13) due in Sept. . . . James A. Dearborn elected a v.p. of

Kenyon & Eckhardt . . . Gerald T. Arthur elected a v.p. of Fuller & Smith & Ross . . . Ralph Maitland, ex-Wilding Picture Productions, named mgr. of new midwest div. of Transfilm, headquartering at Carlton House, Pittsburgh . . . Joseph P. Dougherty, ex-KYW-TV, Cleveland, named sales mgr. of WAAM, Baltimore, which becomes WJZ-TV under Westinghouse ownership in Sept. . . . Seymour Reed, Official Films treas., also named exec. v.p.; Grace Sullivan promoted to secy.; Wells Bruen appointed head of new station sales div.; Ray Junkin, head of new agency-sponsor div. . . . Robert A. Dettman v.p. & 10% owner, named exec. v.p. of KDAL-TV, Duluth . . . Roy Meachum, ex-Washington Post, named public relations, promotion & adv. mgr. of WBAL-TV & WBAL, Baltimore . . . Augie Cavallaro, ex-DuMont Broadcasting, joins radio WKIT, Mineola, N. Y., as v.p. & gen. mgr. . . . Dr. Keith M. Engar, associate professor of speech & theatre arts at U of Utah, named program director of school's upcoming educational KUED . . . Reed M. Roberts Jr., ex-Cresap, McCormick & Paget, N. Y. management consulting firm, named budget services director of CBS Inc.

### Obituary

Rev. B. Bryan Musselman, 66, principal owner, pres. & gen. mgr. of radio WSAN, Allentown, Pa., and pioneer in religious broadcasting, died July 27 in Allentown Hospital. He began broadcasting in 1923 when he was pastor of Bethel Mennonite Brethren in Christ Church, Allentown, and for 34 years had early morning religious program on air. He assumed control of station in 1950. Surviving are widow, son, daughter.

Lawrence K. Elliott, 56, White House radio announcer for CBS in 1932-36, later an announcer on Fred Allen, Andre Kostelanetz & Bob Hawk shows in N. Y., died July 27 of a heart attack in home at Port Chester, N. Y. He was "Voice of the Treasury" in World War II defense bond campaign, more recently was TV script writer & actor. Surviving are widow, son, daughter, 2 sisters, 4 brothers.

Rubey Cowan, 66, Hollywood songwriter, agent, producer & TV promoter, died July 28 in Cedars of Lebanon Hospital, Los Angeles, following brain hemorrhage. He was charter ASCAP member, headed NBC Artists' Bureau in early 1930's, later ran own talent agency. Surviving are widow, 2 sons.

Wm. J. O'Connor, 68, former asst. v.p. of AT&T for public relations who was asst. to pres. Walter S. Gifford when he retired in 1950, died July 26 in Lewisboro, N. Y. home after brief illness.

AFTRA elects Clayton (Bud) Collyer pres., succeeding Frank Nelson. Stan Farrar is new recording secy.; Travis Johnson, treas. Elected v.p.'s were Ken Carpenter, Eleanor Engle, Virginia Payne, Wanda Ramey, Evelyn Freyman, Don Courtnay, Gay Batson.

To aid "sick" movie theatre industry, N. Y. Mayor Wagner's administration this week proposed exemption from city's 5% amusement tax of all motion-picture admissions up to 90¢.

Quinn O'Connell, who has been law clerk to Judge John A. Danaher of D. C. Circuit Court of Appeals, joins Washington law firm of Weaver & Glassie.

Iowa Broadcasters Assn. clects Ken Gordon, KBTII, Dubuque, pres.; George Volger, KWPC, Muscatine, as v.p.; Bill White, KFJB, Marshalltown, secy.-treas.

Public relations merger: Rogers & Cowan and Arthur P. Jacobs Inc. form Rogers, Cowan & Jacobs, headed by Henry C. Rogers as pres.

Highest circulation in 28-year history is claimed by Hugo Gernsback's *Radio-Electronics* magazine for first half of 1957. Monthly publication states its average nct paid circulation for period was 195,586, with advertising contracts for first 8 months of year topping all comparable periods.

Advertising rates of Life go up 4% effective with Feb. 3, 1958 issue, circulation base remaining at 6,000,000. Newsstand price increases to 25¢ from 20¢ at same time. In new schedule black-&-white page costs \$26,275 vs. \$25,275 now; 4-color page, \$39,500 vs. \$37,975.

By-product of TV's success: Full page ad in Aug. 1 N. Y. Times by TV Guide reports circulation up 30%, ad revenue increased 89% in first 6 months of 1957. Magazine plans to expand from 44 to 49 regional editions by year's end, raises circultaion guarantee to 5,300,000 in Oct.

Blair TV & John Blair & Co. moved Boston offices this week to 188 Newbury St.

Telecasting Notes: "Show biz's fabulous upstart"—TV film syndication—gets its measurements taken in big 61page "TV Film Annual" section of July 31 Variety. These are some vital statistics of the burgeoning syndication industry reported in special section: There are some 271 series in syndication, costing some \$239,832,200, being peddled by 40 companies; some \$151,505,200 worth of these programs were made specifically for first-run sale in syndication, with \$88,327,000 representing cost of 55 half-hour series that appeared first on networks . . . Largest controller of syndication product, Variety figures, is MCA-TV, which has 23 series worth \$33,272,600 in production costs; Ziv is second, with 20 worth \$25,806,500; CBS-TV Film Sales is close third, with 22 at \$20,563,500 ... Big spot deal for Annie Oakley: CBS-TV Film Sales sells alt. sponsorship of film for \$2,340,000 to Corn Products (Bosco) for 52 weeks in 62 markets, starting in Oct., sharing show with Continental Baking . . . Official Films has signed stationsrather than regional or local advertisers—for \$1,350,000 sales of Decoy, Sword of Freedom & The Big Story in past month, indicating strength of stations in first-run TV syndication market . . . Heavy "special" schedule on networks next season is easy to understand, according to July 31 Variety: Nielsen ratings for 60-min. & 90-min. shows last season. McCann-Erickson figures that 57 "spectaculars" shown by networks last Sept. through June averaged 34.9 rating vs. 23.1 for 30-min. programs . . . Most widely ballyhooed spectacular since "Peter Pan," NBC-TV's Mary Martin-John Raitt version of "Annie Get Your Gun," should be a highly polished production by Nov. 27 when

Radio station sales approved this week: WDOD, Chattanooga, by Earl W. Winger for \$200,000 to Interstate Life & Accident Insurance Co. (Vol. 13:26) . . . KUDU, Ventura-Oxnard, Cal. by Voice of Ventura Co. (Wm. H. Haupt, pres.) for \$162,500 in bankruptcy proceeding to Mrs. Virginia Wallace & associates (Vol. 13:27) . . . WNAM, Neenah, Wis. by owners of WFRV-TV, Green Bay, for \$154,000 to S. N. Pickard (Vol. 13:29) . . KPEG, Spokane, by Robert D. Rapp for \$137,500 to F. Kemper Freeman, Elwell C. Case & Mrs. Florence C. Hayes (Vol. 13:29) . . . KOME, Tulsa, by John Brown U for \$100,000 to John W. Kluge & Mark Evans (Vol. 13:28) . . . KHMO, Hannibal, Mo. by Lester M. Smith & associates for \$97,500 to Jerrell A. Shepherd (Vol. 13:23) ... KCIJ, Shreveport, by Lester Kamin & associates for \$75,000 to Edward McLemore (Vol. 13:27) ... WFYC, Alma, Mich. by L. R. Kamperman & associates for \$70,100 to gen. mgr. David W. Somerville & associates (Vol. 13:27) . . . WLBN, Lebanon, Ky. by Charles Shuffett & Clarence H. Hulse Jr. for \$65,000 to W. Dee Huddleston & associates (Vol. 13:28) . . . WPLY, Plymouth, Wis. by Milton Maltz & Robert Wright for \$65,000 to Charles & Marion Boonstra and associates (Vol. 13:28) ... WARB, Covington, La. by A. R. Blossman for \$55,269 to brother David & son A. R. Blossman Jr. (Vol. 13:28) ... KPLK, Dallas, Ore. by Leland M. Tucker & Edward C. McElroy Jr. for \$45,000 to D. H. Meves (Vol. 13:25) . . . KERV, Kerrville, Tex. by Arthur G. Rodgers for \$30,000 to chief engineer Clyde Jones & Albert F. Mason Jr. (Vol. 13:28) ... WGAD, Gadsden, Ala. by Richard B. Biddle (pres. & 25% of grantee WOWL-TV, Florence, Ala.) for \$25,000 to Rep. Albert M. Rains and associates (Vol. 13:28).

Change in FM rules to permit either horizontal or vertical polarization was proposed this week by FCC on petition of consulting engineer James C. McNary, who argued that vertical polarization would provide better auto radio reception (Vol. 13:18). Comments are due by Oct. 1.

the 2-hour musical hits TV screens. Show is scheduled for 5-week theatrical run in San Francisco beginning Aug. 25, will move to Los Angeles Oct. 7 for 5-week stand there before one-shot telecast . . . Labor racket hearings by McClellan Committee of Senate got 5-station live TV coverage this week. Little network was formed by WVUE, Wilmington; WGLV, Easton and WATR-TV, Waterbury, carrying coverage supplied by DuMont's WTTG, Washington, and WABD, N. Y. . . . Dr. Frank Baxter, TV award-winning educator, is closing deal with AT&T to be host for filmed Telephone Time anthology series on ABC-TV, replacing John Nesbitt . . . Book promotion by TV is sales gimmick of McDowell, Obolensky Inc., new N. Y. publishing firm which is bringing out This Was Andersonville by prisoner in notorious Civil War camp. Georgia locale is featured in 3-min. TV short to be offered to bookstores . . . Return of Ding Dong School now slated Aug. 26-but on Chicago's WGN-TV only-to be beamed "later" to Pat Weaver's Program Service network . . . Shirley Temple Doll, hot kiddies' item in 1930's, will be revived in updated dress by Ideal Toy Corp. for partic. sponsorship (thru Grey Adv.) of 4 old movies by child star to be shown by 100 NTA affiliates in fall. Firm was rescued from depression by sales of doll, hopes films will restore popularity . . . Philip Morris renews controversial Mike Wallace Interviews for another 6 weeks on ABC-TV Sun. 10-10:30 p.m. . . . CBS-TV goes underwater for national AAU swimming & diving championships Aug. 4 at Philadelphia's Fairmount Park. Special camera requiring 500lb. weight will be used to catch sub-surface action.

Radio station sales reported this week: WTRY, Troy, N. Y. by station executives Mowry Lowe, Kenneth M. Cooper, C. George Taylor and Robert T. Engles for \$1,-400,000 to Victor W. Knauth and Daniel W. Kops, pres. & gen. mgr., respectively, of WAVZ, New Haven, Conn. . . . KMLB, Monroe, La. by Melba Liner Gaston & J. C. Liner III for \$105,000 to WSTV Inc., licensee of WSTV-TV, Steubenville, O. (Ch. 9) & WSTV, part of Friendly Group (Jack N. Berkman, pres.). KXLE, Ellensburg, Wash. by Goodwin Chase Jr. & Joseph B. Kendall for \$80,000 to Willis R. Harpel & Stephen C. Wray, of Los Angeles . . . WCOW, Sparta, Wis. 74% by Nicholas & Victor J. Tedesco for \$46,400 to Zel Rice and wife Vena, whose son John D. is resident mgr. & 24% owner. Brokers: WTRY, Allen Kander & Co.; KXLE, Hamilton, Stubblefield, Twining & Assoc.

Sale of WNOW-TV, York, Pa. (Ch. 49) & WNOW by Helm Coal Co. partners Morgan E. Cousler & Lowell W. Williams for \$255,000 (Vol. 13:27) to Wm. F. Rust Jr. and Ralph Gottlieb was approved by FCC. Also approved was sale of radio WAEB, Allentown, Pa. to Rust & Gottlieb for \$200,000 by WAEB Inc. (Howard Wasserman, pres. & 50% owner). Gottlieb is gen. mgr. and Rust is treas. of Granite State Bcstg. Co., operator of N. H. radio stations WKBR, Manchester; WTSL, Hanover; WTSN, Dover; WTSV, Claremont.

Sale of 50% of CP for KHUM-TV, Eureka, Cal. (Ch. 11) to KVIP, Redding (Ch. 7), was approved this week by FCC. Carroll R. Hauser, who has been sole owner of KHUM-TV, is to be reimbursed undisclosed sum for out-of-pocket expenses and KVIP management has tentative Sept. 1 target for new outlet.

Color TV rebroadcast receiver with over-all response extending to 4.25 mc, featuring crystal-controlled high frequency oscillator, was announced this week by Nems-Clarke Inc., Silver Spring, Md.

SPECTACULAR answer to forecasts of dull programming and soft demand for network time next fall was fired at the press this week by NBC's top brass at big full-dress news conference in New York. There, pres. Robert Sarnoff, flanked by network's first-rank programming and business executives, announced what bids fair to be a return to exciting programming—and exec. v.p. Robert Kintner announced near-sellout in evening time.

Yet selling for season hasn't been easy, Sarnoff admitted later.

Program excitement next season will come from "specials," said Sarnoff—and NBC has scheduled 100 of them in every conceivable field. He defined a "special" as "a half-hour, hour, 90-min. or 2-hour show that is not broadcast in the week-in-week-out pattern of regular programs and that is, by its nature, different from standard network entertainment fare." Elaborating on "specials," Sarnoff & Kintner stated:

These shows will account for about 117 hours of programming, 21% increase over last season. At least 26 of them—totaling more than 35 hours—will be in color. Sponsors have signed up for them to the tune of \$40,000,000 gross.

Classified as "specials" are such shows as *Omnibus*, Wide Wide World, NBC Opera, "Project 20" documentaries, Hallmark Hall of Fame, March of Medicine, Shirley Temple fairy tale series, as well as spectaculars like Mary Martin in "Annie Get Your Gun" and Standard Oil & General Motors anniversary programs. Virtually all of the shows enumerated had been announced or known previously.

Kintner responded at news conference to story by New York Times' Jack Gould that forthcoming season will be networks' "softest" commercially (Vol. 13:30). He said NBC has only about 2 hours of unsold evening time and these may be sold in next 10 days if current negotiations are successful.

It was also pointed out that daytime billings are

stronger than ever—witness NBC-TV's reported 80% sellout of day hours for next season, vs. 40% last fall. Sarnoff followed up news conference with refreshingly

Sarnoff followed up news conference with refreshingly candid letter to TV-radio editors, distributed Aug. 1. He said Gould's July 25 story in *Times*, which caused "quite an outburst along TV Row," was on right pitch. Instead of joining CBS, ABC & TvB in furious fusillade in reply to Gould, Sarnoff took potshots at rest of industry himself.

"The TV industry is 10 years old and some responsible people in it were cutting up like 10-year-olds last week," NBC pres. wrote in one of his periodic communiques to editors.

"The facts in the [Gould] article were correct. Yet the rebuttals from some network & industry sources sought to bury these facts under an avalanche of non-responsive claims... All of them, I thought, were wide of the mark in answering the main point of the article [that] TV is subject to the same stresses of an inflationary, and at times unsettled, economy that every other important American industry is...

"No responsible TV executive can look you in the eye and say this has not been a hard-sell season. Network salesmen have worn out more shoe leather this selling season than at any time within my memory . . ."

Sarnoff gave "good reasons" for network prime timeselling difficulties: (1) "More cautious attitude" toward all media by advertisers & agencies, both "caught in the inflationary squeeze." (2) "Same inflationary pressures" are raising program costs. (3) Daytime TV & "specials" probably are siphoning off money from regular nighttime periods.

"Yet," Sarnoff went on, "there is surely no cause for hysteria because a few facts about unsponsored time & late selling find their way into print." He wound up with this "realistic appraisal of TV today":

"Good overall economic health; problems arising from inflationary aspects of economy common to all businesses; selling market tough, somewhat spotty, but picking up hopefully. Needed: more shoe leather, less talk about inflated income."

Control of Cox newspapers goes to 10-year trusteeship under will of late James M. Cox, who died July 15 (Vol. 13:29). Trustees are James Cox Jr.; Robert A. Wolfe, v.p. & gen. mgr. of Dayton Newspapers; Raymond Sadler, controller, and Robert W. Sherman, purchasing agent. Papers affected are Dayton Journal Herald and Daily News (affiliated with WHIO-TV & WHIO), Springfield (O.) News & Sun, and Miami Daily News. Cox left his son 6000 shares of Atlanta Newspapers Inc., presumably giving him operating control of Atlanta Constitution and Journal and licensee of WSB-TV & WSB. James Cox Jr. personally holds 30.5% interest in WCKT, Miami.

Dept. stores use TV for institutional prestige nearly as much as for immediate sales results, according to survey by National Retail Dry Goods Assn. Of stores polled, 48.7% counted on TV prestige, 51.3% on immediate sales, 10.5% plan increased TV budgets, 50% will continue present schedules. Biggest number—31.7%—spend \$100-\$200 per week on TV time & production, but budgets show wide variations, one store in \$75 category using its own talent as models & buyer as commentator.

Power boosts: KVIP, Redding, Cal. (Ch. 7) began with 117-kw Aug. 1; WTTW, Chicago (Ch. 11, educational) has Sept. 3 target for increase to 275-kw.

H-R Television Inc. Aug. 5 opens Detroit office at 1065 Penobscot Bldg., Andrew M. Gent, mgr. (Woodward 1-4148).

Congressional call for aid to uhf (Vol. 13:29) came this week in letter to Chairman Forand (D-R. I.) of House Subcommittee on Excise Taxes asking end of Federal excise tax on all-channel sets. Letter was signed by Chairmen Magnuson (D-Wash.) and Harris (D-Ark.) of Senate and House Commerce Committees. Their letter said "we cannot emphasize too strongly that time is running out. Unless action is taken in the very near future, many areas of the U.S. will be doomed to limited TV service . . . " They said they were concerned because of number of uhf channels falling into disuse. Meanwhile, Reps. Kearns (R-Pa.) and Coad (D-Iowa) introduced 2 more bills to exempt uhf sets from 10% manufacturers excise tax. Bills were referred to Ways and Means Committee. On Senate side, Finance Committee spokesman said it's improbable that Committee will get to major excise tax revision bill (HR-7125) this year, saying 2-3 weeks will be needed for explaining measure, probably followed by hearings.

"How to Use Local TV & Radio in Health Field" is subject of Nov. 7-8 conference at Chicago's Hotel Sheraton-Blackstone. Invited to meeting, sponsored by NARTB and American Medical Assn., are representatives of medical societies, TV-radio stations, voluntary health organizations, medical schools, etc. General discussion topics include: "Mutual Obligations in Public Service Programming" and "The Matter of Taste."

FINAL FCC MEETING before month's vacation mopped up large mass of allocations and miscellaneous actions and produced 7 new TV grants—greatest number in more than year.

Highlighting allocations actions, Commission ordered staff to prepare final draft of order making Albany-Schenectady-Troy area all-vhf, keeping Ch. 10 in Vail Mills, Ch. 6 in Schenectady, moving Ch. 13 from Utica to Albany-Schenectady-Troy, shifting Utica's WKTV from Ch. 13 to new Ch. 2 and permitting Albany's 2 uhf stations to operate on Ch. 10 (WCDA) and Ch. 13 (WTRI) pending any competitive hearings involving other applicants for the new vhf channels. FCC also ordered staff to draft rule-making document proposing addition of "a third vhf channel" to Providence.

These allocations actions were finalized: (1) Ch. 16 added to South Bend from Aurora, Ill., Ch. 73 to Aurora, South Bend's WNDU-TV to switch to 16. (2) Ch. 16 added to Ephrata, Wash., Ch. 31 moved from Richland to Kennewick, Ch. 25 from Kennewick to Richland. (3) Ch. 15 substituted for 41 in Florence, Ala., changing channels in Gadsden from 15 to 37, in Corinth, Miss., from 29 to 41, in Grenada, Miss. from 15 to 44, modifying CP of WOWL-TV, Florence to specify Ch. 15. (4) Ch. 8 shifted from Muskogee to Tulsa, changing community identification of KTVX. (5) Ch. 8 added to Brookings, Ore., Ch. 6 to Eureka, Cal. (6) Ch. 6 assigned jointly to Arecibo-Aguadilla, P. R. (it previously had been allocated to former, then switched to latter).

FCC denied ABC's long-standing petition proposing drop-ins of vhf channels at less than minimum spacings on case-to-case basis as interim allocations measure. It also denied petition by Jacksonville's WJHP-TV (Ch. 36) to free educational Ch. 7 there for commercial use or to replace commercial Ch. 12 (WFGA-TV) with Ch. 46.

Commission asked comments by Sept. 6 on: (1) Proposals to assign Ch. 22 to South Bend or 28 to South Bend-Elkhart by making channel shifts involving Elgin, Ill., Benton Harbor, Mich., Waukegan, Ill., Kalamazoo, Mich. & Plymouth, Ind. (2) Proposals to add Ch. 13 to Fajardo, P. R. by changing assignments in Charlotte Amalie, V. I. and Aguadilla.

Petitions by uhf operators to switch permanently or temporarily to vhf channels were turned down: (1) In Portsmouth & Hampton, Va., where WTOV-TV & WVEC-TV both wanted to operate at least temporarily on Ch. 13.

Radio has overtaken TV in audience size this summer, Sindlinger & Co. reported this week. Basing estimates on 1000 interviews a day with consumers across country by its staff of 186, Ridley Park, Pa. research firm said turning point was reached week of July 6, when 71,335,000 listened to radio, 68,967,000 viewed TV—and trend has continued since, reversing long ascendancy of TV. Radio had audience of 69,106,000, TV 66,892,000 week of July 13; radio 72,795,000, TV 66,401,000 week of July 20, according to Sindlinger. Steady climb by radio toward TV audience had been noted in earlier weeks. And pres. Albert E. Singlinger said interviews in week of July 27 showed radio per capita listening time was "up to about 18 hours per week, while TV viewing per capita is now down to about 15 hours." Except for period of televised national political conventions in 1956, it was first time in 3 years of TV-radio audience measurement that "such a trend has ever developed," Sindlinger said. He attributed it partly to 4% increase in automobile travel in July, estimating that 36% of radio's time came from car listeners.

(2) In Lake Charles, La., where KTAG-TV wanted to switch to Ch. 3. Also turned down was request by Miami's WTVJ, applicant for Ch. 11 in Huoma, La., for interim stay of grant for experimental Ch. 12 operation by New Orleans WJMR-TV (Ch. 20).

In other actions, Commission: (1) Refused to permit KSTP-TV to change designation from St. Paul to St. Paul-Minneapolis. (2) Okayed request by San Antonio's KENS-TV & WOAI-TV to waive mileage separations so they could occupy joint tower site. (3) Granted private microwave to WCBY-TV, Bristol, Va., in place of present off-air pickup. (4) Denied request by Time Inc. & Wayne Coy to "treat as confidential an agreement of May 9" in connection with sale of KOB-TV & KOB, Albuquerque, to KSTP, Minneapolis. Agreement which sellers wanted kept confidential concerned terms of arrangement to sell stations back to original owners if so ordered by FCC or court, together with terms of resale if way were cleared later.

The CPs granted this week: (1) Newly assigned Ch. 4, Charleston, S. C., to WTMA. (2) Amarillo, Tex., Ch. 7 to KAMQ principals after Kenyon Brown dropped application (Vol. 13:30). (3) Monahans, Tex., Ch. 9, to Tri-Cities Broadcasting Co., finalizing initial decision. (4) North Platte, Neb., Ch. 2, to Goldenrod Tele-Radio Co. (5) Hay Springs, Neb., Ch. 4, to principals of KOTA-TV, Rapid City, S. D. (6) Gulfport, Miss., Ch. 56, to I. K. Corkern Jr. (7) Kennewick, Wash., Ch. 25 to Columbia River TV Co. However, since Commission also this week substituted Ch. 31 for 25 in Kennewick, it made grant conditional on application from grantee to move to Ch. 31.

Commission granted translators in Show Low, Ariz.; Yosemite National Park, Cal.; Grangeville, Ida. (2); Shelby, Mont.; Hawthorne, Nev.; San Saba, Tex.

More court appeals were filed this week by losers in race for TV grants, TV East Bay and Ch. 2 Inc. appealing Ch. 2 grant to San Francisco-Oakland TV Inc., New Orleans' WNOE & WTPS seeking reversal of Ch. 4 grant to Loyola U's WWL.

Comments favoring uhf booster proposal (see p. 1) were filed by CBS, NBC, EIA (RETMA) & Adler Communications Labs, all of which suggested more liberal rules than proposed by Commission, and Joint Council on Educational TV; KCOR-TV, San Antonio; WNAO-TV, Raleigh, N. C.; WSEE, Erie, Pa.; WTVP, Decatur, Ill.; WBRE-TV, Wilkes-Barre; WANE-TV, Ft. Wayne; WATR-TV, Waterbury, Conn.

Full control of Copley Press Inc. will be held by James S. Copley under terms of family settlement submitted to Circuit Court in Chicago, terminating suit filed in 1955 by Wm. M. Copley of Paris (Vol. 11:29), both men adopted sons of late Col. Ira C. Copley of Aurora, Ill. Under proposed settlement, Copley Press is to buy stock of Wm. Copley and other minority stockholders for undisclosed price. Copley Press, publisher of 16 newspapers in Cal. and Ill., is licensee of KCOP, Los Angeles (Ch. 13), being sold to owners of KFEQ-TV, St. Joseph, Mo. (Ch. 2), headed by Kenyon Brown (Vol. 13:22).

Old WJZ call letters—with "TV" added—were regained this week by Westinghouse, which was licensee of original radio WJZ, Newark, from 1921 to 1923. Westinghouse Broadcasting had requested the call for its recently purchased WAAM, Baltimore (Vol. 13:29). FCC this week assigned WJZ-TV to the station, specifying the 5-letter call "since 3-letter calls are not assigned TV stations." WBC takes over WAAM Aug. 5, changes to WJZ-TV early in Sept.

Trade Report August 3, 1957

NEW-LINE ORDERS SPARK SETMAKER OPTIMISM: Manufacturers' confidence in salability of their newly redesigned TV lines is being confirmed by dealers and the public, on the basis of first reports on acceptance of the new sets. "Bullish" would be mild term to express reaction of cross-section of setmakers we contacted this week.

Here are some typical comments:

Edward R. Taylor, Motorola exec. v.p., consumer products: "Orders from our July distributors' convention are everything we expected -- and more. I'm bullish enough to think that we'll have a good fall; we'll be rolling by mid-Aug. or Sept. 1." He said he was gratified to see increasing orders for higher priced sets. As to prices, he feels Motorola line is "competitive," but doesn't know how long price line can be held. "We'll match other leaders," he told us, "and if they raise prices we'll be after them like a flash."

John M. Otter, Philco exec. v.p., marketing, termed TV business "excellent, better than it's been for years -- and I think it's going to keep up." Inventories are in good shape, he said, with sets "moving from distributors to dealers as fast as they come in." He said he's particularly pleased with rate of repeat orders.

Price situation is "tough," said Otter. In almost same words he echoed other industry topkicks: "I don't know if we can hold the price line," particularly in view of recent boosts in steel and tubes -- and with other supplier prices on rise.

GE reports distributor orders to factory for direct shipment to dealers is 50% higher than at this time last year. And Joseph F. Effinger, sales mgr. for TV receivers, predicts industry will enjoy good business climate for rest of year. He said inventories, both distributor and factory, are below those a year ago.

It may or may not be significant, but GE this week boosted factory price of its popular 17-in. portable. Though GE has no suggested nationwide list price, it's anticipated model will rise about \$10 at retail to about \$190 in east.

RCA business is "ahead of last year," Joseph P. Bannon, gen. sales mgr., TV div., told us. He said there has been some retail activity this summer and repeat orders are coming in. He feels these are on the increase.

Inventories at distributor levels are "in good shape," Bannon reported. And he said dealer inventories are quite low. Indications are that prices are about the way they should be, he said, judging from the acceptance of new RCA line as reflected in volume of orders. He said there are no present plans for price increases.

Westinghouse reports "quite a bit of success with new TV merchandise." Thomas B. Kalbfus, gen. TV-radio sales mgr., gave us enthusiastic description of dealer and distributor response, calling it "finest we've had by whale of a margin."

Kalbfus said inventories are in line, "about right for this time of year -- when introducing new merchandise." He said no decision has been reached on whether TV prices will go up, following spiral of increasing costs.

Packard-Bell pres. Robert S. Bell, noting drop in 9-month profits although sales increased, predicted better profits in next quarter due to increased prices, "keeping pace with the general industry trend."

**Production:** TV production was 123,522 week ended July 26, compared with 107,569 preceding week and 115,581 in corresponding week one year ago. It was the year's 30th week and brought TV production for year to date to about 3,082,000, compared with 3,752,133 in same period of 1956. Radio production totaled 234,034 (84,394 auto) week ended July 26, compared with 188,773 (91,866) the preceding week and 189,151 (59,709) in corresponding week year ago. Radio output for 30 weeks totaled about 7,797,000 (3,097,000) vs. 7,225,862 (2,512,216).

Topics & Trends of TV Trade: Institute of Management for Appliance-TV Dealers, sponsored by NARDA, came to week end close at American U with consensus of 133 "students" giving warm endorsement to both basic and advanced courses. Number of manufacturing officials, including Motorola v.p. S. R. Herkes, Admiral's Ross Siragusa Jr., Philco's John Utz and Paul Burks, had opportunity to examine dealer problems—while dealers peppered TV setmakers with pet peeves.

Among speakers at institute were Frederick D. Ogilby, Philco v.p. marketing, and W. B. Creech, Westinghouse appliance service mgr.—both of whom were students at last year's course. Ogilby discussed history and growth of TV industry, pointing out cost of automation and printed circuit changes resulted in setmakers showing very little net income. He explained need for time in planning new sets, saying it takes 6-12 mo. for engineering and arranging for new components and tubes, then 8-12 mo. to put chassis in production. Production planning during model run must be 6-12 weeks ahead, Ogilby said, adding that any shutdown in less time would result in "tremendous loss."

Ogilby slammed at manufacturers who make private brands for chain stores, describing practice as "more damaging than discount houses." In question period, he defended Philco TV sales to auto appliance stores (Firestone), saying these stores have to pay same prices as other dealers, or more, for merchandise-with result they cannot cut prices below level other dealers can price their sets. Philco hasn't suffered from the affiliation. Ogilby said. He also disclosed that Philco is forming a group to sell TV to hotels and motels through picked dealer arrangement. Philco will set up financing for such deals in package arrangement with other manufacturers (bedding, tables, etc.) so that TV and furnishings of each room will be financed as a unit. Thus, he said, if operator doesn't make payments, TV-furnishings will be removed as unit, putting place out of business. Ogilby said financial institutions will give better interest rates on such deals, with terms extended to 5 years on minimum of \$10,000.

Creech gave dealers outlines of how they can set up service dept. on paying basis, saying Westinghouse did not endorse manufacturer servicing except in special cases. He also decried what he described as too-long warranties on appliances, such as 5-year terms. He suggested TV warranties of 90 days on parts, one year on picture tubes were more realistic—and when he put question to students, he received hearty endorsement of shorter warranties.

Another speaker, Safeway v.p. Seth Shaw was asked about trend of supermarkets handling appliances and non-food items, gave these answers: (1) Customers want one-stop shopping. (2) Distributors haven't kept pace with demands. (3) Store managers want to take advantage of additional traffic. (4) It's a reaction to use of trading stamps, using appliances as premiums. However, Shaw predicted supermarkets eventually will discontinue both stamps and appliance sales.

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Lengthy jury report of electronic experts following examination of portable TV set involved in July 14 death of 6-year-old Skokie, Ill. boy (Vol. 13:29-30) has been turned over to Coroner Walter T. McCarron of Cook County. Inquest into child's death has been recessed until next week, at which time jury findings—understood to include some recommendations—may be made public. Jury this week heard Mrs. Paul Erenstein describe accidental death of boy. GE engineer Mertis E. Jones testified set was not dangerous "until it had been dropped and damaged."

Trade Personals: L. J. Collins promoted to gen. sales mgr., sales dept., RCA Victor Radio and "Victrola" div.; A. R. Baggs named mgr., merchandising; R. E. Conley given increased responsibility as mgr., adv. & sales promotion . . . Eugene A. Tracey, ex-Mitchell Mfg. and Zenith, elected Emerson v.p. in charge of sales, succeeding Harold Dietz, resigned . . . Charles McKinney resigns as Zenith adv. mgr. . . . John E. Lawrence, Boston cotton merchant. elected GE director, its 19th . . . Paul S. Coomes named district commercial engineer, GE receiving tube dept., with headquarters in Chicago; Sylvester M. Wylie appointed district sales mgr. . . . Wm. Wight, ex-Philco, appointed exec. director, Civic Affairs Council, Chamber of Commerce of Greater Philadelphia . . . Marion F. Chetty promoted to mgr. of Sylvania's Fullerton, Cal. TV picture tube plant . . . Richard Deutsch promoted to chief sales engineer, Channel Master Corp. . . . Kenneth H. Smith promoted to Westinghouse asst. director, labor relations, and consultant for general products group; George M. Nicholson to similar post for consumer products; G. E. Closson for defense and atomic power groups; W. W. Heimbach for apparatus products group . . . Jack W. Merritt named sales mgr. of Howard W. Sams & Co.'s new electronic distributor div.; Walton G. Wilson promoted to sales mgr., industrial service div., succeeding Joe H. Morin, recently appointed gen. sales mgr. . . . Joseph E. M. Conklin appointed Pilot eastern regional sales mgr.; Frank C. Porter, ex-Westinghouse, named western regional sales mgr. . . . Goodwin Mills, Knight Electronics gen. mgr., elected v.p. . . . Leon L. Adelman appointed Conrac eastern div. sales mgr. . . . Jack O'Brine promoted to editor, RCA institutional publications.

### Obituary

David E. Scott, 64, mgr. of customer relations, RCA Victor TV div., died July 29 on way to hospital following heart attack. A resident of Moorestown, N. J., he was due to retire Nov. 1. Before joining RCA in 1942 he was territorial sales mgr. for Krich-Radisco Inc., Newark RCA Victor distributor. Surviving are widow, daughter.

Two billion dollars annual gross is how John T. Thompson, distributor sales mgr., GE electronic components div., sizes up electronics service business. He averaged this out at fifth annual clinic and fair of Texas Electronics Assn. to show that nation's 100,000 TV-radio service technicians theoretically do \$20,000 gross business yearly. However, he cautioned that the average "fluctuates violently," at least one independent service dealer doing total volume of more than \$250,000. Plug for trade assn. was voiced by Kenneth Stults, chairman of NARDA service committee, saying "we have no troubles in our industry which the combined efforts of trade associations cannot surmount." He outlined steps committee has been considering to combat service losses: (1) Development of recommended rate chart. (2) Establishment of code of service advertising ethics. (3) Preparation of voluntary code of service ethics to which dealers would subscribe.

Philco charged RCA's patents are "invalid and unenforceable because of RCA's misuse and abuse of the patents and its violation of the anti-trust laws" and asked Philadelphia Federal Court to throw out RCA's treble-damage counterclaim which charged Philco had infringed its patents since Jan. 1955 (Vol. 13:24). RCA counterclaim had been filed in answer to Philco's \$150,000,000 anti-trust suit (which also named GE & AT&T as defendants) charging illegal practices by RCA in its "package" licensing of sets, tubes and commercial electronic equipment.

DISTRIBUTOR NOTES: Admiral Distributors appoints Edward M. Dryden acting gen. mgr. for Cal. and Honolulu, replacing Arthur J. McGettrick who resigned as v.p. and gen. mgr. for Los Angeles, San Francisco, San Diego and Honolulu . . . Westinghouse Appliance Sales appoints John P. Adams San Francisco sales mgr., TV, room air conditioners and vacuum cleaners . . . Sylvania appoints Electric Sales & Service Co., 209 Walton St. NW, Atlanta (A. I. Butts, pres.) for TV-radio; also names following for electronic tube products: Fort Orange Radio Distributing Co., 904 Broadway, Albany, N. Y.; Soundco Electronic Supply Inc., 147 Dwight St., Springfield, Mass.; Wholesale Electronic Supply of Fort Worth, 480 S. Main, Fort Worth . . . Warren F. Hardy resigns as mgr., Emerson-Buffalo Inc. . . . Hoffman appoints Ohio Valley Hardware Co., Evansville, Ind. (Roger K. Becker, pres.) for southwest Ind., parts of Ky. & Tenn. and Clark County, Ill. . . . DuMont appoints LeRoy and McGuire, Phelps, N. Y. as sales reps for TV picture tubes, receiving tubes and replacement parts for N. Y. State outside of metropolitan New York.

Ad plans for Canadian TV are detailed in July 29 Advertising Age which calls them "most ambitious" since initial rush of buyers to install sets. Story says ads will use same sort of "obsolescence" buying motivation which booms auto sales each year. Canadian Admiral is said to be upping ad budget by 150%, thru Locke, Johnson agency. Other ad programs expected: Westinghouse, McCann-Erickson; Canadian GE, MacLaren; RCA, Kenyon & Eckhardt; Sylvania, Stanfield.

Electronic Industries Assn. (RETMA's new name) has reappointed J. A. Milling, Howard W. Sams & Co., chairman of Jobber Relations Committee, and Norman A. Triplett, Triplett Electrical Instrument Co., co-chairman; John B. Swan Jr., Philco, chairman, Traffic Committee, and Wm. L. Fogelson, P. R. Mallory & Co., vice chairman.

Sylvania Promotion-of-the-Month for Aug. is picture frame TV wall base at \$5.95 with purchase of "Slim Jim" 17-in. portable. When not used for TV, frame folds against wall, displaying picture on bottom of base.

MIAMI'S THIRD VHF station, National Airlines' WPST-TV (Ch. 10), planned immediate start with ABC-TV programming upon receipt of program authorization Aug. 2. It's year's 16th new starter, brings on-air box score to 504 (91 uhf).

It has 50-kw RCA transmitter and 12-section custom-built superturnstile antenna on 900-ft. Blaw-Knox tower on Honey Hill Rd. at Miami antenna farm, acquired when it purchased land, tower & studios of WGBS-TV (Ch. 23), when Storer took it off air (Vol. 13:14). It's using remodeled WGBS-TV studios at 316 N.E. 21st St. while new 2-story building containing 80 x 50 ft. studio is being built at Biscayne Blvd. and 21st St. Owner, Public Service Television Inc., is subsidiary of G. T. Baker's National Airlines Inc., first transport firm to own TV station. Walter Koessler, ex-WGBS-TV, is gen. mgr.; Bob Hanna, ex-WGBS-TV, sales mgr.; Jack Barry, ex-WGBS-TV, production mgr.; John Holbrook, news director; Wm. R. Needs, ex-WAGA, Atlanta & WGBS-TV, chief engincer. Base hour is \$825. Rep is H-R Television.

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

WLWI, Indianapolis (Ch. 13), 50-kw RCA transmitter on hand and working on 1016-ft. Ideco tower, plans Sept. 1 test patterns, Sept. 15 debut with ABC-TV, writes John Members of electron tube industry have scheduled meeting for Sept. 4 in Washington in preparation for informal panel meeting next day with IUE and Labor Dept. which has issued notice of proposed minimum wage for industry. Management is now making survey of minimum wages in industry and may provide definitions of industry at Sept. meeting. At that time Labor Dept. probably will decide whether to collect data on industry's wage practices with view to establishing minimum wage under Walsh-Healey Act which applies to firms having Federal contracts of \$10,000 or more.

Admiral plans 15-20% higher prices this fall on color TV, pres. Ross D. Siragusa told Los Angeles news conference this week. He said new line, starting at about \$700, will be introduced in mid-Sept. Sets will use all-glass tube, he said, permitting higher voltage and resulting in "brighter, sharper picture." He estimated color market at 100,000-150,000 rate for year. Siragusa also disclosed plans to build California TV model in Los Angeles plant with chassis and 110-degree tube being shipped in from Harvard, Ill.

RETMA of Canada reports TV distributors sold 170,672 sets to dealers in first 6 months of year compared with 216,196 for similar 1956 period. Sales for June were 21,457 vs. 27,137 in June year ago. Sales by provinces: Ontario 64,756 for 6 mo., 8420 in June; Quebec 47,856 & 7413; British Columbia 14,040 & 1554; Alberta 12,008 & 1132; Manitoba 10,335 & 1082; Nova Scotia 8290 & 621; Saskatchewan 6188 & 515; New Brunswick & Prince Edward Island 5421 & 553; Newfoundland 1778 & 167.

TV for built-in use has been introduced by Admiral, using 21-in. 110-degree tube. Chassis, picture tube and picture frame are rigidly mounted in one assembly, dual 8-in. speakers come separately. Set has built-in antenna and provision for using outdoor antenna. No list price has been announced.

Canadian 15% excise tax on TV-radios is again criticized by Canadian Retail Federation. July CRF Bulletin says new Govt. will have to review remaining excise taxes, adding that TV-radio tax evokes most criticism and there is fear it may become permanent.

T. Murphy, TV v.p. of grantee Crosley Bestg. Corp. Roof is up on transmitter house, but studio construction hasn't started yet. Base hour will be \$1100. Rep will be Crosley.

KXLJ-TV, Helena, Mont. (Ch. 12), planned as low-power satellite of parent KXLF-TV, Butte, Mont. (Ch. 4), has ordered 250-watt transmitter from Sarkes Tarzian, and plans to be on air next fall, reports pres.-gen. mgr. Ed Craney. It's started construction on studio-transmitter building and 80-ft. Fisher tower, at site near Intermountain College. KXLJ-TV will be sold as bonus with KXLF-TV, which has \$200 base hour. Rep is Walker.

WJPB-TV, Fairmont, W. Va. (Ch. 35), off air since early 1956 (Vol. 12:2), has moved transmitter & tower to Grant & Hill Sts. downtown and "should be on the air by Labor Day," writes owner J. Patrick Beacom. Earlier start was planned, but it experienced difficulties with change to another tower. It also is Ch. 5 applicant in nearby Weston, W. Va. Base hour will be \$200. Rep will be Gill-Perna.

RCA shipped 10-kw transmitter July 31 to upcoming KPAC-TV, Port Arthur-Beaumont, Tex. (Ch. 4), due in Sept.; 5-kw July 12 to upcoming KUED, Salt Lake City (Ch. 7), due in fall; 12-section superturnstile antenna July 30 to upcoming WLWI, Indianapolis (Ch. 13), due in Sept.; 25-kw transmitter July 23 to WRC-TV, Washington (Ch. 4), planning move to new site.

Financial & Trade Noies: Westinghouse earned \$30,-615,000 (\$1.77 per share) on record first-half sales of \$982,939,000. In similar period last year, which included 156-day strike, sales were \$606,097,000 with net loss of \$11,713,000. Previous first-half record was \$811,709,000 in 1954. Income for 1957 second quarter was \$16,417,000 (95¢) on sales of \$507,253,000 vs. \$6,862,000 (38¢) on sales of \$380,731,000 in similar quarter last year.

Pres. Gwilym A. Price predicted moderate increase in TV-appliance sales during year's final 6 months. He said apparatus, atomic and general product groups are maintaining backlogs of unfilled orders at very high levels; second-half increases are expected in defense orders and shipments.

Trav-Ler Radio reports net loss of \$370,736 on sales of \$13,045,459 for year ended April 30. Because of switch to fiscal year basis in 1956-57, no comparable financial figure is available. In last full calendar year, 1955 (Vol. 12:13), Trav-Ler reported net income of \$222,982 (29¢ per share) on sales of \$17,497,351. In this year's report, pres. Joe Friedman expressed "abiding faith in [industry's] future and in the ultimate growth and development of your company . . . I believe that the operation for the coming year will be profitable."

Muter Co. earned \$152,352 (20¢ per share) on sales of \$6,641,854 in first half compared with net loss of \$79,721 on \$5,775,334 in corresponding period last year, pres. Leslie F. Muter reporting volume up 15% because of new products and increased demand for hi-fi components. He said anticipated increase in TV set manufacture in second half "should be reflected in our progress, provided we are able to increase prices."

Aerovox earned \$332,000 (38¢ per share) on sales of \$11,350,000 in first 6 months vs. loss of \$35,000 on \$13,090,000 year earlier, carry-forward tax credit of \$242,000 being factor in net for period. Lower volume of business was attributed by pres. Wm. Owens to "decrease in purchases for the radio & TV industry and from the discontinuance of some unprofitable lines of products."

Link Radio Corp., 110 Jericho Turnpike, New Hyde Park, N. Y., has filed Chapter XI bankruptcy petition in Federal Court, Brooklyn, listing liabilities of \$461,250, assets of \$466,979. Manufacturer of mobile radio equipment proposes to pay unsecured creditors 10% at 2½% rate 3, 6, 9 & 12 months after confirmation of plan.

Amphenol Electronics had \$944,255 net income (\$1.89 per share on 500,560 shares outstanding) in 6 months ended June 30 vs. \$626,446 (\$1.56 per share on 400,560) in corresponding 1956 period. For June quarter earnings were \$519,061 (\$1.04) vs. \$363,461 (90¢) year earlier.

Tax refunds for 1956, listed this week by Joint Congressional Committee on Internal Revenue Taxation, included: Western Union Telegraph Co., \$7,147,396; GE and affiliated companies, \$1,001,451; Sylvania, \$1,642,348; Western Electric, \$2,290,558. In many cases, refunds covered years when excess profits tax was in effect.

Cohu Electronics, whose Kin Tel Div. makes TV camera chains, remote control systems, monitors, etc., earned \$222,389 on sales of \$2,671,191 in first half vs. \$71,240 on \$1,080,759 year earlier. Backlog of orders June 30 was \$3,327,035 compared with \$1,441,031.

DuMont Labs reports operating loss of \$997,900 on sales of \$19,850,000 in first half compared with operating loss of \$1,092,000, reduced to net loss of \$484,000 by tax carry-back credit, on sales of \$22,471,000 for similar 1956 period.

C&C Super Corp. became C&C TV Corp. in reorganization (Vol. 13:28) approved July 29 at special stockholders meeting in Wilmington, Del., where non-TV operations were spun off into subsidiary National Phoenix Industries Inc. Proxy statement said "it is reasonable to expect that the TV operations of the corporation should experience a comparatively rapid growth in volume & earnings." Elected a director on board reduced from 13 to 8, Matty Fox said C&C has "collected or will collect under firm agreements over \$18,000,000" from TV film rental and time barter deals, principally involving RKO's pre-1948 feature film backlog. Murray Becker of N. Y. ran for director against pres. Walter S. Mack but was overwhelmingly defeated.

Warner Bros. & subsidiaries earned \$3,174,020 (\$1.76 per share on 1,793,996 shares outstanding, excluding 688,251 shares held in treasury) on sales, film rentals & other revenues of \$57,981,312 in fiscal 9 months ended June 1 vs. \$2,165,000 (87¢ on 2,482,275 shares) on \$54,225,898 year earlier. Reporting on TV business, pres. Jack Warner pointed to continuing expansion, including construction of new TV facilities at Burbank studios, and said: "We are optimistic over our prospects for the future." He also noted progress in Warner's music publishing operations (Harms, Remick, Witmark) and in commercial film production for RCA, GE, Lever Bros., Eastman Kodak, etc.

Telestudios Inc. offers 180,000 shares of Class "A" capital stock at \$1.50 per share for over-the-counter public sale, pres. George K. Gould, ex-CBS-TV, stating proceeds would be used to install complete Ampex videotape recording equipment in N. Y. studios, expand sales & promotional programs. He said Telestudios expects to be able to produce video tape shows & commercials by next spring.

Dividends: Television-Electronics Fund, 8¢ payable Aug. 31 to stockholders of record Aug. 1; Westinghouse, 50¢ Sept. 3 to holders Aug. 12; Sperry Rand, 20¢ Sept. 26 to holders Aug. 19; Walt Disney Productions, 10¢ Oct. 1 to holders Sept. 13 plus 3% stock Nov. 11 to holders Nov. 1; Siegler, 20¢ Sept. 1 to holders Aug. 15; Technicolor, dividend omitted.

Globe-Union reports net income of \$690,325 (84¢ per share) on sales of \$28,380,274 in 6 months ended June 30 vs. \$559,745 (68¢) on \$23,249,985 in corresponding 1956 period, which included operations of Wico Electric Co., acquired June 14, 1956.

Webcor reports \$504,000 earnings on sales of \$15,-638,000 in first 6 months of 1957 compared with loss of \$235,000, after tax carry-back refund, on sales of \$12,496,000.

W. L. Maxson earned \$191,378 (26¢ per share) on sales of \$15,351,897 in 9 months ended June 30 compared with loss (after giving effect to \$253,957 tax credit) of \$329,151 on \$11,916,598 year earlier.

Litton Industries common stock went on "big board" of N. Y. Stock Exchange July 30. Stock opened at 52¼, closed at 50¾ on 2700-share volume first day.

Technicolor Inc. earned \$710,000 (32¢) in 6 months ended June 30 compared with \$980,692 (49¢) in corresponding period last year.

Phillips Electronics Inc. stock was admitted to American Stock Exchange Aug. 1, opening on 200 shares at 18%.

Electronic Specialty Co. reports earnings of \$356,000 (99¢ a share) in fiscal year ended March 31 vs. loss of \$13,155 year earlier.

Consolidated Electrodynamics reports net income of \$911,235 (86¢) in first half vs. \$568,147 (60¢) year earlier.

31 ELECTRONICS FIRMS AMONG 500 LARGEST: Third annual Fortune Magazine "Directory of the 500 Largest U.S. Industrial Corporations" runs as 32-page supplement with magazine's July issue, and we're again reprinting, with permission, TV-radio-electronics manufacturers' listings.

Directory includes firms having half their revenues from manufacturing, with a cut-off at a little over \$61,000,000—about \$6,000,000 higher than last year's list (Vol. 12:26). Sales figures are for fiscal years ending no later than Jan. 2, 1957. Only electronics manufacturer new to top-500 list is Magnavox, which ranked 438th in 1956, with total sales of \$70,530,000.

From additional list of 100 largest foreign industrial corporations, we've picked those of prime interest to TV-electronics industry:

# TV-Radio-Electronics Rankings in 500 Largest U.S. Industrial Corporations

, R.	ANK '55	COMPANY	SALES 1 (\$000)	ASSI (\$0,00)	ETS <sup>2</sup> '56	'55	NET PRO (\$000) '	FITS 3 56 '55	STOCKHOLDERS 4 RANK	EMPLOYES <sup>5</sup> RANK
5	6	General Electric		2,221,147	10	12	213,757	0 10	366,524 3	280,497 2
9	12	Western Electric		1,223,724	19	16	,	25 26	G	129,540 8
17	17	Westinghouse Electric		1,264,469	18	15	3,492 39	7 49	139,201 12	125,050 9
25	26	Radio Corp. of America		723,400	35	31	40,031	1 43	<b>158,397</b> 8	79,250 16
28	45	General Dynamics		434,574	73	88	31,947 7	8 101	40,050 63	84,000 15
41	44	Sperry Rand 7		657,037	41	61		<b>6</b> 48	130,000 15	87,500 13
48	59	Intl. Business Machines		789,039	<b>2</b> 9	34	68,785 2	27 30	31,024 77	44,989 40
65	58	Bendix Aviation		321,783	96	94	24,278	5 87	29,862 83	47,456 38
73	80	International Tel. & Tel.		760,838	30	29	28,110 8	93	62,486 38	116,500 10
99	127	Whirlpool-Seeger 8	368,221	191,852	147	170	13,808 16	0 139	<b>10,917 219</b>	13,500 146
105	90	Philco	347,901	203,769	136	135	399 48	6 217	21,013 123	21,000 92
113	112	Sylvania Electric Products	332,344	234,582	120	122	14,835 14	5 143	35,000 70	29,000 67
121	114	Avco Manufacturing	320,556	181,728	159	123	(16,398)° 49	5 485	51,074 48	23,701 84
137	148	Minneapolis-Honeywell Reg	287,944	213,900	129	149	22,464 10	1 106	12,350 194	30,353† 65
169	185	A. C. F. Industries	245,585	177,477	162	141	8,008 25	5 248	11,213 212	18,000 110
180	162	Motorola	227,562	113,721	244	231	7,967 25	7 214	4,688 378	13,000 154
214	178	Admiral	182,046	103,297	258	229	1,037 47	9 422	8,580 259	8,000 260
223	189	Raytheon Manufacturing	175,490	99,307	268	274	1,2551047	2 334	12,661 190	21,000 93
243	219	Corning Glass Works	163,054	137,264	210	191	18,433 11	9 110	9,616 242	13,400 148
254	262	General Precision Equipment	153,262	119,118	231	238	2,395 44	6 416	6,600 315	13,800 142
267	225	Zenith Radio	141,530	77,493	320	318	6,179 30	4 227	NA	NA
283	370	Penn-Texas	126,052	125,530	222	247	7,075 28	2 448	25,000 102	11,000 183
285	292	Collins Radio	125,141	59,127	382	404	3,126 41	1 376	4,059 400	7,900 264
294	283	Stewart-Warner	121,265	70,513	341	353	6,632 29	3 272	14,897 169	8,387 249
327	401	I-T-E Circuit Breaker	106,922	72,551	336	393	5,247 33	3 455	2,861 434	7,637 272
424	340	Emerson Radio & Phono	73,882	44,280	445	422	84,852 2	4 419	7,500 290	5,000 361
425	407	Clevite	73,582	64,017	364	342	3,972 38	4 321	7,315 297	6,690 299
438		Magnavox	70,530	41,568	455		3,100 41	3 —	5,894 337	4,250 398
450	439	Mallory (P. R.)		51,837	413	451	3,0651141	5 435	4,791 375	5,285 349
477	427	Arvin Industries	64,613	32,122	485	475	3,785 38	9 351	4,369 387	4,025 407
487	395	Daystrom		40,244	460	474	1,784 46	1 462	6,706 311	5,918 329
			•							•

¹Net sales including service and rental revenues for companies that derive at least 50% of their revenue from manufacturing or mining for fiscal years ending not later than Jan. 2, 1957. Sales of consolidated subsidiaries included. ² Total assets employed in business net of depredation. ³ Including special charges or credits; figures in parentheses are losses. ⁴ Number of common stock-

holders at year end. <sup>5</sup> Average employment for year unless followed by dagger (†) in which case year end. <sup>6</sup> AT&T owns 99.82% of capital stock. <sup>7</sup> Unaudited data as of Dec. 31, 1956. <sup>8</sup> Name changed to Whirlpool, April 1, 1957. <sup>9</sup> Includes special charge of \$16 million. <sup>10</sup> Includes nonrecurring loss of \$835,905. <sup>11</sup> Includes nonrecurring profit of \$605,107.

# Rankings from Fortune Directory of 100 Largest Foreign Companies

RANK '56	COMPANY	HEADQUARTERS	SALES 1 (\$000)	ASSETS 2 (\$000)	NET PROFITS 3 (\$000)	EM- PLOYES
11	Philips' Gloeilampenfabrieken (Philips' Lamp Works).	Holland	706,848	849,279	41,562	152,000
12	Siemens & Halske	Germany	619,060	614,274	7,095	166,000
31	Assoc. Electrical Industries	Britain	372,400*	426,322	12,247	88,912
34	English Electric	Britain	364,000*	312,393	9,349	72,000
61	AEG (Allgemeine Elektricitäts-Gesellschaft)	Germany	261,196*	257,594	3,429	51,500
70	General Electric	Britain	238,000*	246,806	7,743	75,000
72	ASEA (Allmänna Svenska Elektriska)	Sweden	233,700	217,182	4,941	34,700
82	Hitachi	Japan	193,216	187,678	5,460*	29,153
93	Robert Bosch	Germany	166,670*	94,513	991	40,000

<sup>&#</sup>x27;Sales, wherever possible, are consolidated sales for fiscal years ending in calendar 1956, as reported by company. All figures followed by an asterisk (\*) are Fortune estimates. Total assets em-

ployed in the business. Figures, wherever possible, are consolidated. <sup>a</sup> Profits after taxes and after all deductions. Figures, wherever possible, are consolidated.

### **Network Television Billings**

June 1957 and January-June 1957

(For May report see Television Digest, Vol. 13:26)

SIX-MONTH GAIN of 6.9% is shown by TV network billings compared with corresponding half of 1956, according to Publishers Information Bureau. Total Jan.-June billings this year were \$250,657,209 vs. \$234,510,312, CBS leading increase with 9.6%. NBC gained 4.8%, ABC 4.2% in 6-month period. For June alone, ABC showed biggest percentage increase over year earlier, up 4.8% to \$6,413,708 from \$6,119,917, while NBC gained 3.9% with \$14,746,537 vs. \$14,186,929, CBS 2.3% with \$18,356,892 vs. \$17,935,789. The complete PIB report for June:

#### NETWORK TELEVISION

June	June	% JanJune	JanJune	- %
1957	1956 C	hange 1957	1956 C	hange
CBS\$18,356,892	\$17.935,789	+2.3 \$116,762,487	\$106,499,425	+9.6
NBC 14,746,537	14,186,929	+3.9 93,799,504		+4.8
ABC 6,413,708	6,119,917	+4.8 40,095,218	38,481,155	+4.2
			4004 510 010	+6.9
Total \$39,517,137	\$38,242,635	+3.3 \$250,657,209	\$234,510,312	+6.9

#### 1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan. Feb. March April May June	6,682,786	\$ 20,231,474 18,309,088 20,172,173 19,385,098 20,307,762 18,356,892	\$16,554,941 14,900,631 16,631,974 15,154,388 15,811,033* 14,746,537	\$ 43,501,996 39,385,207 43,652,995 41,222,272 43,377,602* 39,517,137
Total	\$40,095,218	\$116,762,487	\$93,799,504	\$250,657,209

\* Revised as of July 29, 1957.

\* Revised as of July 29, 1957.

Note: These figures do not represent actual revenues to the networks, 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.

Progress of Justice Dept. investigations of TV networks probably "will be accelerated in the coming months," Deputy Attorney General Wm. P. Rogers told Senate Commerce Committee Chairman Magnuson (D-Wash.) this week in letter commenting on points raised in last June's Cox report on network practices, issued by Committee as staff study (Vol. 13:26). In answer to request by Magnuson, Rogers made these comments on specific areas of investigation: Inquiry will continue, with probable better rate of progress, on "alleged preferences granted by the networks to their own programs, and the acquisition of financial interests by networks in independently produced programs as a condition to the broadcasting of these programs." As to investigating charges by independent staging services that networks unfairly are usurping their functions, "we intend to do just that"-but inquiry "has not yet been completed." Dept. will "continue to press" investigation of option time and must-buy. And "we shall do our best to comply" with recommendation to investigate alleged "abuse of power" by networks to advance their programming activities unfairly. Magnuson replied to Rogers, requesting further report before next Jan. "so that this material can be considered by the Committee when it is formulating its schedule of activities" for new session.

California will take 5% of promoters' TV-radio procecds of boxing and wrestling matches, according to provisions of new tax bill signed by Gov. Knight. TV industry and promoters have said such a measure will mean end of televised wrestling in state.

FM Unlimited Inc. is organized as exclusive FM station rep & promotion firm by Charles W. Kline, ex-radio WNIB, Chicago, and Edward Merritt, co-owner of WNIB, with headquarters at 166 E. Superior St., Chicago; temporary N. Y. office at 11 E. 9th St.

DUCATIONAL TV NETWORK in 16 southern states, covering 309 schools at cost of \$22,-500,000, was envisioned July 30 by Southern Regional Education Board at FCC's above-890-mc allocation hearings.

Outlining microwave requirements for ambitious closed-circuit project, Dallas engineer A. Earl Cullum Jr. told FCC courses would originate in 32 schools scattered throughout area. They would be distributed over 6 round-robin circuits into which program material could be fed at any terminal point.

"Specific plans for this network have not been developed yet," Dr. Robert C. Anderson of Atlanta, director of 16-state Board, said in testifying on preliminary 2-year pilot study which was started year ago.

But he said network facilities could be set up at cost of about \$7,000,000 for colleges which now have 600,000 enrollment, provide 50 regular & 25 summer courses for \$100,000 per course. Campus distribution systems to channel network programs into classrooms would cost \$10,000 annually per campus, he estimated.

Dr. Anderson added that \$22,500,000 total cost of establishing network would represent only about 6% of what region now spends on education. No state legislative appropriations for regional TV setup were mentioned as in sight, but Dr. Anderson noted that Fla. legislature has voted grant of \$600,000 for educational TV within state.

Organized in 1949 under interstate compact, Board now operates on \$1,300,000 annual budget. Members appointed by governors represent Ala., Ark., Del., Fla., Ga., Ky., La., Md., Miss., N. C., Okla., S. C., Tenn., Tex., Va., W. Va.

All-out uhf campaign to capture 60,000-home Lancaster County, Pa. market was launched July 29 for 13week run by Triangle Publications for its WLBR-TV, Lebanon (Ch. 15) with "Operation Bow Tie" contest promoting dealer sales of all-channel sets & converters. Long off air before Triangle took over station in May (Vol. 13:18), WLBR-TV now reaches only about 5% of homes in rich farming area dominated by WGAL-TV, Lancaster (Ch. 8). Campaign started at dinner in Lancaster's Brunswick Hotel for about 75 dealers includes tie-ins with manuffacturers, full-page newspaper ads, "I-want-a-bow-tie-in-Lancaster-because" contest for prizes including \$5000 swimming pool, \$1500 Atlantic City vacation, 4 portable all-channel sets & 10 converters per week. WLBR-TV gen. mgr. Frank B. Palmer said he was confident sales drive would "substantially increase" uhf homes-and lift dealer business. Station programs "World's Best Movies"-2500 RKO, MGM, 20th Century-Fox & Warner Bros. films.

Three applications for new TV stations were filed this week with FCC, bringing total pending to 118 (34 uhf). Wcck's applications were: (1) For Bemidji, Minn., Ch. 13, by group of Alexandria businessmen who own part of WDAY-TV, Fargo; (2) for St. Cloud, Minn., Ch. 7, by St. Cloud Television Co.; (3) for Mitchell, S. D., Ch. 5, by KORN. No translator applications were filed this week. [For details, see TV Addenda 25-A herewith.]

Focal point of United Press Radio News Report moves from N. Y. to Chicago Aug. 11, making city control point for 188,000 miles of wire supplying news to more than 1800 domestic TV & radio stations. U P says move is designed to place origination point of wire in more central location and to achieve better mechanical control over leased circuits.

# THE AUTHORITATIVE

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

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## SUMMARY-INDEX OF THE WEEK'S NEWS - August 10, 1957

- "SILVER" TV FACTBOOK—No. 25 in series of TV almanacs—now in mails with 75 departments, including complete station & manufacturer lists (p. 1).
- CLOSED-CIRCUIT TV equipment sales total \$2,500,000 for half of 1957, equal to all of 1956. Total for 1957 seen at \$5,000,000; 1958, \$10,000,000 (p. 2).
- LOW-POWER VHF BOOSTERS with adequate interference safeguards, as proopsed by FCC, virtually impossible at low cost, Ben Adler says (p. 2).
- UHF STATION QUITS in Tulare, Cal.; Corpus Christi outlet gets FCC permission to leave air, but hopes to continue while reorganizing (p. 3).
- LONG-STANDING CASES disposed of by FCC; Biloxi Ch. 13 awarded to WMVI; grants reaffirmed in Charlotte, Raleigh, Jacksonville (p. 3).

- PICTURE TUBE SALES pickup heralds large set production boost, with sudden hike in June output. Set rate tops 1956 month for first time in July (p. 8).
- FACTORY DAMAGE to portable TV blamed by coroner's jury in death of boy; full texts of reports by coroner and engineering group (p. 10).
- TRANSISTOR BOOM rolls on spectacularly; EIA figures show 1957 volume in first 6 months already approaching sales for all of record 1956 (p. 11).
- YEAR OF DECISION for color TV may be 1957, says Fortune; sees 1,000,000 sets in use by 1960 as probable "magic figure" to put color over (p. 11).
- NBC BUYS PITTSBURGH radio WJAS for \$725,000, giving network access to city for first time since KDKA dropped affiliation in 1956 (p. 12).

FACTBOOK 25—LANDMARK IN INDUSTRY PROGRESS: The 25th volume of the book which grew with the TV industry—our semi-annual Television Factbook, completely revised for Fall-Winter 1957—is being mailed this week end to all full-service subscribers.

This "silver" Factbook is latest in a progression of industry directories which began in TV's infancy with a 4-page supplement to this Newsletter, growing to today's 476-page compendium of TV facts & figures—now including more than 75 directories and departments, each one updated and double-checked for accuracy.

Reference bible of the industry contains listings for every one of the world's 900 TV stations—with data on rates, personnel and facilities for each of the 503 operating in U. S. and 40 in Canada, as well as the 25 stations due to start by fall.

Among directories and features in new Factbook, in addition to 215-page U.S. & Canadian Station Directory and the Foreign TV Directory, are complete lists of applications & CPs, all TV station sales, TV-radio manufacturers with top personnel (U.S., Canadian, foreign), community antenna systems, programmers, color-equipped stations, TV-radio engineers & attorneys, research firms, etc. Tabular items in book include completely up-to-date channel allocations section, TV billings, TV-electronics stock prices, network & station revenues, TV-radio set production, sales, inventories, etc.

Included as insert with Factbook No. 25 is a revised and updated version of our 43x29-in. wall map in color, showing locations of all U.S. & Canadian TV stations and network routes. The quick-reference edge index, a widely praised innovation in Factbook No. 24, has been improved for quicker location of major Factbook sections. Extra copies of the Factbook with map are available at \$5 each, \$3.50 each for 5 or more.

www.americanradiohistorv.com

\$5,000,000 YEAR FOR CLOSED-CIRCUIT GEAR: With closed-circuit currently in public eye because of subscription-TV publicity, a look at the closed-circuit TV industry at midyear indicates that equipment sales continue to enjoy their quiet boom, factory sales doubling and redoubling each succeeding year.

Defining closed-circuit equipment as camera chains and closely associated gear for non-broadcast use—industrial, educational, business—best estimates available indicate that factory sales for first 6 months of 1957 totaled nearly \$2,500,000, about equal to sales for entire year of 1956.

Full year 1957 unquestionably will see at least \$5,000,000 worth of closed-circuit gear sold—equaling the total of such equipment sold in all years before 1957. Actually, total bill for closed-circuit systems in 1957 to date would equal far more than the \$5,000,000, since that figure doesn't include standard electronic components used as part of the systems—such as cable, microwave gear, home receivers used as monitors & display units, etc.

The \$2,500,000 closed-circuit equipment bill for first half of 1957 covers more than 600 cameras and about 550 special monitors or display units—bringing total of closed-circuit camera chains in use to well over 2000, at least equaling and probably surpassing the number of live camera chains in use by TV broadcast stations.

Last December we predicted 1957 sales of closed-circuit gear would total at least \$5,000,000 (Vol. 12:52), and first-half figures bear out that estimate. On basis of our knowledge of this new and ever-expanding field, it isn't unreasonable to forecast that this progression will continue, with 1958 sales in neighborhood of \$10,000,000.

ADLER DUBIOUS OF VHF REPEATER FEASIBILITY: Is FCC's mini-power vhf booster proposal an attempt to get off a political hot-seat, or does Commission have new evidence that cheap vhf repeaters can now be built with adequate anti-interference safeguards?

We asked the one man who probably knows more than anyone else about peanut-powered transmitters—Ben Adler of Adler Electronics, who heads EIA (RETMA) broadcast equipment section, formerly chaired its booster & satellite committee and is head of TASO's TV repeater committee. His company has produced every uhf translator now in use and was pioneer in booster-satellite research.

Reviewing technical standards proposed last week by FCC for "low power TV repeater station service" (Vol. 13:31), Adler told us: "They're asking for things which just haven't been invented yet. I don't know if it can be done, but even if it could, these on-channel vhf boosters would cost considerably more than uhf translators or community antenna systems."

FCC's proposed rules are studded with anti-interference safeguards. Adler agrees that these would be absolutely essential in a vhf booster service—but the very need for these safeguards probably will make any such new service an impossibility as a replacement for the extremely low-cost unlicensed boosters now operating in far west.

The 2 provisions which Adler sees as dooming any such system are:

- (1) The strict anti-interference monitoring required, both within and without booster's 6-mc bandwidth. This would require expensive equipment not yet developed, he says.
- (2) The maximum 80db amplifier gain provided in proposal. While such a rule is necessary to prevent oscillation and possible interference, he says, it would restrict output powers to a point too low to provide TV service except in strong signal areas—where boosters most likely wouldn't be needed.

Powers permitted in Commission proposal are much lower than unlicensed boosters are currently using, he said. Even if equipment could be made—cheaply—he doubts whether unlicensed booster operators would be any more willing to change over to the new service than to uhf translators.

Not that vhf boosters and translators aren't possible and practical. Adler is now making them for South America where vhf spectrum isn't tightly packed with TV assignments—but he says he believes their utility here is extremely limited, and their costs vastly increased, because of necessity of avoiding interference with allocated TV and safety & special service stations within vhf band.

ONE UHF STATION left air this week, and another received FCC authority to go off, though it hopes financial reorganization will permit it to continue telecasting. Suspending operation was KVVG, Tulare-Fresno (Ch. 27), which began in Nov. 1953 and notified FCC Aug. 6 it was going dark until Nov. 6. It's an independent outlet in area served by KFRE-TV (Ch. 12), KJEO (Ch. 47), KMJ-TV (Ch. 24). Station owner, it's 3rd, is independent movie producer James Stacy. CP expires Jan. 1, 1958.

KVDO-TV, Corpus Christi (Ch. 22), also in economic difficulty, decided to remain on air after receiving Commission permission to go off. It hopes to reorganize while continuing on air. Station was taken over last spring from Gabriel Lozano and associates by group of local businessmen headed by E. J. Healey and Hubert J. Schmidt (Vol. 13:14).

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

KPAC-TV, Port Arthur-Beaumont (Ch. 4) has 10-kw RCA transmitter, plans Sept. 15 programming with NBC-TV, writes sales mgr. Mack Newberry. It has studiotransmitter house nearly ready, is working on 702-ft. Ideco tower. Superturnstile 12-bay antenna is due Sept. 1. It's equally owned by Port Arthur College and Jefferson Amusement Co. (Vol. 13:22). Base hour is \$350. Rep is Raymer.

KUED, Salt Lake City (Ch. 7, educational), requesting site change to Oquirrh Mts., has changed programming target to Oct. 1, reports mgr. C. Richard Evans. It has 5-kw RCA transmitter on hand and 6-section antenna is due shortly. It will use 140-ft. Ideco tower.

WRIK-TV, Ponce, P. R. (Ch. 7), with 500-watt Du-Mont transmitter and Alford antenna due Aug. 15, plans Sept. 7 programming, reports 50% owner George A. Mayoral, also exec. v.p. of WJMR-TV, New Orleans, and WORA-TV, Mayaguez, P. R. Studio-transmitter building has been completed. WRIK-TV will use 100-ft. custombuilt tower. Base hour will be \$150. Rep will be Forjoe.

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Translator starts: K72AI, Libby, Mont. began equipment tests Aug. 3, repeating KREM-TV, Spokane. K71AC & K75AC, Farmington, N. M. began equipment tests July 29, repeating KOB-TV & KOAT-TV, Albuquerque. K77AF, San Saba, Tex. hopes to start Aug. 15, repeating KTBC-TV, Austin. It plans to add 2 more channels, reports mgr. Norman R. Phillips.

Britain's big movie-making J. Arthur Rank Organization, which hitherto has kept aloof from commercial TV, is leader of group tentatively awarded ITA contract to provide programs for upcoming Isle of Wight station, due to begin operations about mid-1958. New program contractor was formed by Rank Organization, Amalgamated Press and Associated Newspapers—the latter a part owner of Associated-Rediffusion, weekday program contractor for London station.

Florida legislature has passed bill providing \$500,000 for microwave network to link WTHS-TV, Miami (Ch. 2), WJCT, Jacksonville (Ch. 7), latter due on air soon, plus projected outlet in Tampa-St. Petersburg (Ch. 3) and those planned in Gainesville & Tallahassee. Bill also provides \$100,000 for system operation and expenses of State Educational TV Commission.

IN BACKWASH of FCC's omnibus before-vacation meeting last week (Vol. 13:31), disposition of several long-pending cases was announced this week. Notable was final decision granting Ch. 13 in Biloxi, Miss. to WMVI after hard-fought 3½-year battle in which there were charges that each group's top backer unlawfully served liquor and permitted gambling in his respective Gulf Coast hotel.

Initial decision in July 1954 picked WMVI; case was later reopened and WMVI was again recommended by examiner. Commission's decision last week picked WMVI on basis of greater experience and "substantial superiority" in ownership-management integration. Chairman Doerfer dissented, voting for WMOX.

Way was cleared for grant of Ch. 6, Butte, Mont., to Copper Broadcasting Co., owned by principals of radio KALL, Salt Lake City, when competing applicant Arthur W. Schwieder dropped out.

In split decisions, Commission reaffirmed 3 TV grants, rejecting petitions for reconsideration. They were to WSOC-TV, Charlotte, N. C. (Ch. 9), Doerfer dissenting, Craven abstaining; to WRAL-TV, Raleigh, N. C., Hyde dissenting and voting to reopen record, Bartley & Craven abstaining; to WFGA-TV, Jacksonville (Ch. 12), Bartley & Lee dissenting, Craven abstaining. Bartley's dissent in latter case favored limited reopening of record.

Young International Ltd. rep firm was taken over Aug. 1 by Intercontinental Services Ltd., headed by Harry M. Engel, owner of KUAM-TV, Guam, and Walter Staskow, owner of radio ZBM, Hamilton, Bermuda, in deal involving over \$50,000, according to Adam Young, pres. of Young Television Corp. and subsidiary Canadian Station Representatives Ltd. Stephen A. Mann is gen. mgr. of Intercontinental, 3 E. 54th St., New York 22 (Plaza 3-7930), which now represents KUAM-TV, Guam, WORA-TV, Mayaguez, P. R. and ZBM, Bermuda, which is building ZBM-TV.

New AIEE chairmen—among 56 named—include: TV and aural broadcasting systems, C. M. Braum, JCET; communications div., John Meszar, Bell Labs; communications theory, R. K. Hellmann, Hazeltine; radio communications systems, R. D. Campbell, AT&T; science & electronics div., J. G. Reid Jr., National Academy of Sciences; electronics, D. G. Wilson, Stromberg-Carlson; magnetic amplifiers, H. W. Lord, GE; solid state devices, S. J. Angello, Westinghouse; automation & data processing, G. W. Heumann, GE.

FCC's full-scale allocations review of 25-890 mc portion of spectrum, which includes TV & FM bands (Vol. 13:14) has been delayed again, Commission this time extending deadline for comments to Nov. 1. FCC announced its above-890-mc hearings will reconvene Sept. 30 to hear final witnesses—Raytheon's Sidney Topol and representative of Electronic Industries Assn. (formerly RETMA).

TV camera "tube saver" devised by pres.-gen. mgr. John H. DeWitt Jr. & chief engineer Aaron C. Shelton of WSM-TV, Nashville, will be marketed for about \$1200 by GE, which has acquired patent rights. Device is intended to prevent burn-in & sticking of images on tubes.

TASO's new Panel 6 on "level of picture quality"—charged with defining different grades of picture in presence of interference—will be headed by Hazeltine's Charles E. Dean. Panel members haven't been selected yet.

Copies of report, Revision of Atmospheric Noise Data, by International Radio Consultative Committee (CCIR Report No. 65) are available from office of Secretary General, International Telecommunication Union, Geneva.

Telecasting Notes: Persistent reports of impending spinoff by Columbia Pictures of its highly successful TV subsidiary Screen Gems were given more impetus this week with official announcement that Screen Gems will handle distribution of Universal's 600-feature backlog-thereby becoming largest TV distributor of feature films. Behind the feeling that spin-off may be imminent is fact that new pact ties 2 Hollywood majors, both of which are subject to the movie anti-trust case consent decree . . . Universal's guarantee in Screen Gems feature deal was somewhat higher than had been rumored previously: Minimum of \$20,000,000 over 7-year period, with Screen Gems to receive "graduated scale of distribution fees." Universal retains all foreign rights to the films, and all domestic rights other than TV distribution . . . Screen Gems lost no time in bringing out first package of Universal features, capitalizing on Universal's specialty of the 1930's-horror. First 52-film batch is labeled "Shock" and contains such nostalgic chillers as "Frankenstein," "Dracula," "Invisible Man," "The Cat Creeps" . . . Inflation in talent prices for the many variety shows scheduled next season is pointed up in Aug. 10 Sponsor by these examples: A singer whose price was \$1000 last year now is asking \$7500 per appearance; movie singer-dancer "who rated \$5000 a shot last year" is seeking \$55,000 for 4 appearances . . . More than half of NBC-TV's regular fall nighttime shows will be new programs, representing 121/2 hours of entertainment, 21 new properties . . . Civil rights debate on The Big Issue, simulcast July 23 by NBC from old Supreme Court cham-

national exposition in Belgium-no network commitment reported . . . Trans-Lux TV now in 48 markets with 700unit Encyclopaedia Britannica film library, latest sale being to WOR-TV, N. Y. . . . Producers' Council, building material trade group, will distribute free documentary series Building America this fall to more than 200 TV stations, council promising help in lining up local sponsors. NAFBRAT's annual report on childrens' TV-radio TV makes business for Sunday newspaper magazines, Aug. 3 Editor & Publisher reports in roundup by Philip N. Schuyler showing their advertising revenue increased 6.9%-42% in first half of 1957 compared with year earlier. "TV conditioned advertisers to the value of consistent advertising cycles," according to publisher Arthur H. (Red) Motley of Parade. "But TV is limited to the hours of the day. It is being further fragmented locally as new competing stations go on the air." So advertisers turn to newspapers & Sunday supplements as "the one mass media with real local impact" in "fantastic growth of 'interurbia."

Full control of TPA was assumed Aug. 7 by pres. Milton A. Gordon following his purchase of interest held by chairman Edward Small, who resigned as partner in big TV film production & syndication firm. At same time Gordon announced plan by which stars & producers of new features may acquire TPA stock to share over-all profits of company, which now has 14 programs on air. Gordon said Small's departure—"to have more time for the feature film schedule he now has under way"-was entirely amicable.

ber in Capitol, brought 2773 letters from viewers & listeners, according to network count this week-"only 3 of

them negatively critical of the program itself" . . . Cole

Porter signed for first TV job-at reported \$75,000-to

write music & lyrics for 90-min. "Aladdin" to be sponsored

by Du Pont on CBS-TV next Feb. 21. S. J. Perelman is

writing book for musical . . . Sen. Kennedy (D-Mass.) is

doing Aug. 12-13 stint for ABC-TV as technical adviser on

Navy Log episode based on his PT boat experiences during

1943 South Pacific campaign . . . Real public service:

Sicks' Rainier Brewing Co. sponsors 5 hours of Lake

Washington gold cup hydroplane races Aug. 11 on KING-

TV, Seattle, with no beer commercials whatever. Washing-

ton state regulations don't permit them on Sunday. Kaiser

Industries sponsors final hour of races on ABC-TV western

network . . . Prime community interest promotion: Minne-

apolis' WCCO-TV, Minn. Historical Society and Minn.

Statehood Centennial Commission are sponsoring \$1000

TV script-writing contest aimed at half-hour TV program

based on state's history . . . Showcase Productions plans

90-min. "Preview of the Brussels World's Fair" as 90-min.

spectacular next season, featuring musical, dramatic &

dancing acts in U. S. program to be presented at inter-

TV film was evidence this week in Miami murder trial of father convicted and sentenced to life imprisonment for killing his wife & 2 children. Judge Ray H. Pearson of Dade County Circuit Court permitted prosecution to set up screen & projector in courtroom to show stills of defendant taken by Fred Mooke of WTVJ immediately after slayings last Christmas. Arguing that defendant was insane, his counsel objected to film, which prosecution used to show his calm demeanor.

programs, covering 7 TV & 8 radio stations in Los Angeles in first week of May, lists 20% decrease in "excellent" & "good" shows compared with similar ratings year earlier (Vol. 12:29). "Evaluation committee," said to represent civic, religious & educational groups, counted 461/2 hours of favored programs vs. 58 hours in 1956, while 36 halfhour programs were found "objectionable" or "most objectionable." Among TV shows classed as "excellent" were Captain Kangaroo, Disneyland, Giant Step, Lassie, Gumby, The Jungle, Let's Take a Trip, Mickey Mouse Club, Youth Wants to Know, Zoo Parade. Among "most objectionable": Long John Silver, Superman, Tales of the Texas Rangers. Copies of report, along with booklet, Fifteen Reasons Why Crime-Westerns Are Not Acceptable TV Fare for Children, are available from National Assn. for Better Radio & Television, 882 Victoria Ave., Los Angeles 5, Cal.

Plagiarism suit for \$1,100,000 seeking halt to To Tell the Truth on CBS-TV was filed Aug. 6 by Art Linkletter's People Are Funny Productions in Santa Monica, Cal. Superior Court against CBS, Pharmaceuticals Inc., Goodson-Todman Enterprises Ltd., and KNXT, Los Angeles. Suit alleged To Tell the Truth is copy of similar show aired by plaintiff in 1948 & 1951.

United National Film Corp. is new name of Dallas Film Industries Inc., whose stockholders elected A. Pollard Simons as chairman at Dallas meeting. Other United National officers include Roy R. McKee, treas.; James N. Landrum & P. B. Garrett, v.p.'s. Robert L. Madden was named a director.

WYATT BUILDING, WASHINGTON S. D. C.

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Personal Notes: Lawrence H. (Bud) Rogers II, pres. & gen. mgr. of WSAZ-TV, Huntington-Charleston, W. Va., elected secy. of owner Huntington Publishing Co. (Huntington Herald-Dispatch and Advertiser) . . . Arthur C. Nielsen Jr. becomes pres. of A. C. Nielsen Co., succeeding father, who assumes chairmanship . . . John A. Wales promoted to local sales mgr. of WWJ-TV, Detroit, Walter A. Schwartz to local sales mgr. of radio WWJ . . . John B. Mauro joins rep Branham as research & promotion mgr.... Alexander C. Field Jr., ex-WLW-TV & WLW, Cincinnati, joins WGN-TV & WGN, Chicago, as special broadcast services mgr. . . . Robert C. Burris, ex-radio KSAN, San Francisco, named sales mgr. of KEYT, Santa Barbara . . . Wm. Boyd, ex-B. T. Babbitt, named business mgr. of Terrytoons div. of CBS TV Film Sales . . . Sig Mickelson, CBS v.p. for news & public affairs, received "great public service" award from Air Force Assn. for CBS-TV's Air Power series . . . Wm. Kreitner, from WRCA-TV, N. Y., named local sales mgr. of radio WRCA . . . Wm. Shafer promoted to western mgr. of American Research Bureau, headquartering in Monterey Park, Cal., replacing Roger Cooper, now station relations mgr. at Washington home office . . . Morrie Roizman resigns as supervisor of NTA short subjects to join Transfilm as editorial director . . . Duane X. Riley named news director of WWTV, Cadillac, Mich.... Donald L. Bennett named London representative of CBC . . . Wm. D. Hamilton named national ABC radio network program director for "live personality" shows in fall . . . Noel Rhys promoted to exec. v.p. of Keystone Bestg. System Inc., radio transcription service headquartering in N. Y.; Edwin R. Peterson elected senior v.p., Charles A. Hammarstrom named a v.p. . . . Clifford J. Barborka Jr. promoted to v.p. & Chicago mgr. of radio rep John Blair & Co., succeeding Paul Ray, who retires Sept. 1 . . . Abe I. Feinberg elected pres. of new Authors Research Corp., TV-radio-movies reference service, 1650 Broadway, N. Y.

Herbert T. Kalmus Award of Society of Motion Picture & Television Engineers (SMPTE) for "outstanding contribution" to color film development for TV & theatre use will be given to Wadsworth E. Pohl, technical director of motion picture div. of Technicolor Corp., Hollywood, at association's 82nd convention in Philadelphia Oct. 4. Inventor of processes in such fields as camera optics, Pohl has worked for Technicolor since 1930.

Irish TV programs will be offered to U. S. market by Broadcasting & Theatrical Productions Ltd., 40 Henry St., Dublin, chairman Eamonn Andrews said this week following 2-month visit here. Ireland now has no TV, but company supplying programs to Radio Eireann & commercial radio sponsors there is entering TV production, he said.

### Obituary

Ralph W. Hardy, 41, CBS Washington v.p., dicd Aug. 5 of heart attack after water skiing while on vacation in Ogden, Utah. Before joining CBS in 1955, he was govt. affairs v.p. of NARTB, having joined staff of the trade group as director of radio div. in 1949. He began his 20-year career in broadcasting at radio KSL in his home town of Salt Lake City. He was member of U. S. National Commission for UNESCO, v.p. of National Conference on Citizenship and member of national council of Boy Scouts of America, held several high positions in Mormon Church. He was culogized on Senate floor this week by majority leader Lyndon Johnson (D-Tex.) who called him "one of the most brilliant business executives of my acquaintance," and by Sens. Bennett (R-Utah), Watkins (R-Utah) & Javits (R-N. Y.).

Soap opera enthusiast Neil H. McElroy, who joined Procter & Gamble as junior clerk in adv. dept. in 1925 and rose to pres. of big TV-radio advertiser in 1948, was named by President Eisenhower Aug. 7 to succeed Charles E. Wilson as Defense Secy. He was in charge of Procter & Gamble promotion by 1929, became adv. & promotion mgr. in 1940 and v.p. for adv. in 1943, helped make soap opera a radio staple, song-&-dance commercial an American art form. McElroy was 1954-55 chairman of White House Conference on Education, once told critics of soap opera aesthetics: "The problem of improving the literary tastes of the people is the problem of the schools." He probably must dispose of holdings in Procter & Gamble and in GE & Chrysler-he's on boards of all 3 firmsbefore Senate confirms him in post which pays \$25,000 vs. his \$285,000 P&G salary.

Educational TV experiment at U of Detroit, where freshmen will be able to go to school at home next term (Vol. 13:8), merits "national attention" as possible solution to campus overcrowding, Jack Gould says in Aug. 4 N. Y. Times. Students who enroll for 5 courses telecast by educational WTVS (Ch. 56) will be offered special tuition rates along with package deals with regular dealers by which they can buy uhf-equipped 14-in. portable receivers for \$145 or convert vhf sets for about \$50. Students get regular credits for TV instruction, go to campus for examinations.

TV is "prime catalyst" of U. S. economy, NBC pres. Robert W. Sarnoff said in Aug. 4 N. Y. Herald Tribune, writing guest column for vacationing business & financial editor Donald I. Rogers. Restating network arguments against pay TV, he said TV commercials play big part in "creation of new mass consumption desires in a nation that consumes its way to prosperity, to growth and to strength."

TV techniques will be taught in new course starting in Sept. at American International College, Springfield, Mass., in cooperation with WWLP there. First semester classes in "Introduction to TV Broadcasting," carrying 3 hours' undergraduate credit, will be taught by asst. program director George J. Mitchell.

Big Jergens account, lost in June by Robert W. Orr & Assoc. (now a Fuller & Smith & Ross div.), goes to Cunningham & Walsh Dec. 1, with senior v.p. John S. Williams in charge. Bulk of Jergens advertising expenditures of about \$1,500,000 went to magazines in 1956, but company recently has been heavy TV investor.

Big demand for closed-circuit TV theatre rights to Sugar Ray Robinson-Carmen Basilio middleweight championship fight Sept. 23 in Yankee Stadium was reported this week by TNT, which said 51 theatres already had been cleared for telecast. About 100 more are expected to sign, according to pres. Nathan L. Halpern.

Norwegian state radio has been authorized by Parliament to resume TV tests next fall, with goal of starting regular telecasts by 1960 from stations in Oslo and Bergen.

ADVERTISING AGENCIES: David P. Kaempfer joins Lynch, Hart & Stockton as TV-radio director . . . George Johnston appointed media director of Brooke, Smith, French & Dorrance . . . Wm. L. Gillilan promoted to marketing director of Ketchum, MacLeod & Grove . . . Ralph C. Tanner, v.p. & director of Anderson & Cairns, named creative board chairman . . . Daniel M. Gordon, ex-Ruthrauff & Ryan, joins Donahue & Coe as media director.

Another agency merger: McManus, John & Adams takes over personnel & accounts of Ralph Yambert Adv., Los Angeles.

Financial & Trade Noies: Zenith reports profits of \$2,-398,137 (\$4.87 per share) on sales of \$66,486,222 in 6 months ended June 30, 1957, compared with \$2,530,824 (\$5.14) on sales of \$65,370,935 for comparable period in 1956. For quarter ended June 30, 1957, profits were \$747,-547 (\$1.52) on sales of \$29,827,712 vs. \$699,659 (\$1.42) on sales of \$27,455,617 in similar 1956 quarter. Zenith said second quarter unit and dollar TV sales were 16.8% higher than in similar 1956 quarter, those for the half were up 5.8% over year ago.

In report to stockholders, Zenith said its increase in TV volume resulted in company gaining "much larger percentage of the total industry volume than the company has achieved in the past. Report said increased phono and hi-fi sales brought second quarter radio-phono-hi-fi dollar volume to 30% above similar 1956 period. Zenith said it has scheduled "an aggressive production, advertising and merchandising program for the third quarter, which could result in record sales for that period." However, it noted increased cost of materials and labor may force fall price boost for TV-radio-hi-fi.

Motorola this week reported net earnings of \$3,409,778 (\$1.76 per common sharc) on sales of \$105,666,759 in year's first 6 months compared with \$3,066,207 (\$1.58) on sales of \$101,801,234 in similar 1956 period. Second quarter earnings were \$1,272,191 ( $66\phi$ ) on record second quarter sales of \$53,384,964 compared with \$1,053,331 ( $54\phi$ ) on sales of \$48,603,693 in same 1956 period. Pres. Robert W. Galvin told shareholders that only TV did not reach company's expected figures, but July 18 introduction of new line should be reflected in third quarter report. He said new fully transistorized, mobile 2-way radio, silicon rectifier and 2-way motorcycle police radios are now on market. He added Motorola expects good sales and earn-

Hoffman Electronics reports profits of \$864,299 (\$1.18 per share) on sales of \$21,126,038 in first 6 months of 1957 compared with \$783,972 (\$1.07) on sales of \$22,875,561 in similar 1956 period. Second quarter earnings were \$351,497 (48¢) on sales of \$9,632,439 vs. \$315,978 (43¢) on \$10,720,542 in second quarter last year. Pres. H. Leslie Hoffman said all divisions showed earnings in first 6 months of 1957, TV and semiconductor divisions reporting sales increases. He said acceptance of new TV line "has been gratifying and fall business should be at a good level." Letter to shareholders also said Defense Dept. "has indicated that expenditures for electronics equipment will nearly double by 1961."

ings in final 6 months.

Admiral reports \$316,513 loss on second quarter sales of \$36,451,382 compared with earnings of \$437,719 on sales of \$37,170,366 in similar 1956 period. For first 6 months of 1957 earnings were \$111,231 ( $5\phi$  per share) on sales of \$78,805,521 vs. \$1,748,055 ( $74\phi$ ) on sales of \$85,834,325 a year ago. Exec. v.p. John B. Huarisa said financial statement reflects cost of tooling and getting into production for 1958 TV-radio-hi-fi line. However, he listed substantial profits in June as nearly offsetting April and May operating losses. He also said Admiral inventories are at the lowest level in 5 years.

Dividends: Magnavox, 37½¢ payable Sept. 14 to stockholders of record Aug 23; Paramount Pictures, 50¢ Sept. 13 to holders Sept. 3; Eric Resistor, 10¢ plus 1% stock Sept. 15 to holders Aug. 30; Minneapolis Honeywell, 40¢ Sept. 10 to holders Aug. 16; General Tire, 50¢ Aug. 30 to holders Aug. 16; Tung-Sol, 35¢ Sept. 3 to holders Aug. 16; C&C TV, 1 share of National Phoenix Industries stock Aug. 9 to holders July 25 of 2 shares of C&C TV stock.

Time Inc., which took over 3 TV & 3 radio stations from Consolidated (Bitner) in May in \$15,750,000 deal (Vol. 13:21), earned \$7,351,000 (\$3.76 per share) on record revenues of \$125,362,700 in first 6 months compared with \$8,627,300 (\$4.43) on \$110,960,300 year earlier. Decline in earnings was attributed by pres. Roy E. Larsen to increase in costs in relation to higher revenue from advertising & circulation, but he said "outlook is good for the full year." Though there was no breakdown midyear report included revenue from newly-acquired WTCN-TV & WTCN, Minneapolis; WFBM-TV & WFBM, Indianapolis; WOOD-TV & WOOD, Grand Rapids. Time Inc. also owns KLZ-TV, Denver, and KTVT, Salt Lake City.

General Tire & Rubber, parent of RKO Teleradio Pictures Inc., which last month sold Mutual Broadcasting System (Vol. 13:30), but still retains profitable TV-radio station holdings along with film syndicate and Don Lee & Yankee Networks, will declare 3-for-1 stock split if proposal voted Aug. 6 by directors is approved by stockholders at meeting Sept. 5. Split would increase authorized common shares from 2,500,000 to 7,500,000. Stock went up to 89% from 88½ following announcement of directors' plan, but closed at 86%.

Loew's Inc. earnings dropped to \$34,017 (1¢ per share) on gross sales & operating revenues of \$33,952,000 in 12 weeks ended June 6 vs. \$808,418 (15¢) on \$40,553,000 in corresponding 1956 period, although income was \$2,763,265 (52¢) on revenues of \$121,200,000 in 40 weeks compared with \$2,693,261 (51¢) on \$127,992,000 year earlier. Slight gain for 40 weeks was credited by pres. Joseph R. Vogel to economies he instituted when he took over last Oct., but he said "we continue to feel the impact of pictures produced prior to my administration."

Storer Bestg. Co. earned \$3,143,038 (\$1.27 per share) in second quarter ended June 30 compared with \$1,395,202 (56¢) year earlier, reflecting capital gains of \$2,621,969 before taxes (\$1,966,477 or 79¢ per share after taxes) from sale of WBRC-TV & WBRC, Birmingham (Vol. 13:19) after capital loss deduction from sales of KPTV, Portland, Ore. (Vol. 13:18) and WGBS-TV, Miami (Vol. 13:15). For 6 months earnings were \$4,429,484 (\$1.79) vs. \$2,845,445 (\$1.15) in corresponding 1956 period.

Atlas Corp., big holder of Walt Disney Productions stock (Vol. 13:27), will offer 400,000 shares in secondary distribution to public late this month through underwriters headed by Goldman, Sachs & Co., Lehman Bros. and Kidder, Peabody & Co. Disney will then seek listing on N. Y. Stock Exchange, according to registration statement filed with SEC. At same time Atlas announced it will exercise option in Oct. to apply 153,000 purchase warrants for like number of Disney shares at \$22 per share.

Paramount Pictures reports consolidated earnings of \$2,359,000 (\$1.18 per share on 1,999,316 shares) in first 6 months this year compared with \$2,322,000 (\$1.12 on 2,085,716) in first 1956 half, for which profits did not include non-recurring capital gain of \$2,679,000 (\$1.28). For June quarter earnings were \$1,060,000 (53¢) vs. \$950,000 (45¢) year carlier.

Page Communications Engineers Inc. has sold all interests in subsidiary Rixon Electronics Inc., Silver Spring, Md., to James L. Hollis, exec. v.p. & gen. mgr. of Rixon, who assumes post of pres., holding all common stock. In transaction Aug. 5 Hollis sold his stock in Page and resigned as officer & director.

Tung-Sol earned \$1,602,697 (\$1.75 per share on 866,554 common shares) on sales of \$30,962,132 in 26 weeks ended June 29 compared with \$1,296,654 (\$1.80 on 661,101 shares) on \$25,433,558 in corresponding 1956 period.

Loew's Inc. management slate of 12 candidates for director at special stockholders meeting Sept. 12 was announced this week by pres. Joseph R. Vogel, who faces rebellion by 5 anti-management directors led by Joseph Tomlinson. Vogel's candidates are Loew's financial v.p. Robert H. O'Brien, ex-AB-PT; Helen Hayes; Francis W. Hatch, BBDO; Bennett Cerf, publisher; Gen. Omar Bradley, Bulova; J. Howard McGrath, ex-Attorney General; Charles H. Silver, N. Y. Board of Education; Ellsworth C. Alvord, Washington attorney; Charles Braunstein, importer; Benjamin Melniker, Loew's gen. counsel; George Muchnic, Loew's International v.p.; Benjamin Thau, Loew's v.p. & studio chief.

Collins Radio pres. Arthur Collins told stockholders company expects sales for year ended July 31 to total about \$120,000,000 compared with \$125,000,000 last year, per share earnings continuing at \$1.92 rate. He said order backlog was \$115,000,000 on June 30.

Decca Records earned \$1,742,600 (\$1.08 per share) in 6 months ended June 30 vs. \$1,536,521 (96¢) in corresponding 1956 half. Figures include company's share of undistributed earnings of subsidiary Universal Pictures.

Amphenol is buying Danbury-Knudsen Inc., Danbury & Brookfield, Conn. manufacturer of electro-mechanical connectors, coaxial switches, microwave components.

Capitol Records reports earnings of \$3,239,362 (\$6.80 per share) on sales of \$35,108,401 in year ended June 30 vs. \$1,599,367 (\$3.35) on \$25,647,468 year earlier.

National Theatres reports net income of \$1,365,820 (51¢ per share) in 39 weeks ended June 25 vs. \$1,378,974 (51¢) in similar period year earlier.

Varian Assoc. earned \$661,725 ( $50\phi$  per share) in 9 months ended June 30 compared with \$223,007 ( $20\phi$ ) in corresponding period year earlier.

Gabriel Co. earned \$242,072 on sales of \$5,824,086 in 3 months ended June 30 vs. \$30,213 on \$4,698,036 in comparable 1956 period.

ELECTRONICS PERSONALS: Adm. Frederick R. Furth (ret.) named research & engineering director of IT&T . . . Dr. Thomas H. Johnson resigns Oct. 1 as AEC physical sciences research director to join Raytheon as research div. mgr. . . . Harold F. Wiley named director of new analytical & control instrument div. of Consolidated Electrodynamics . . . Ray Hoover promoted to v.p. of Western Union in charge of plant & engineering . . . G. P. Adamson named engineering mgr. of Canadian Westinghouse electronics div., succeeding S. S. Schenider, appointed switchgear products mgr. . . . Stephen F. Keating named head of new Minneapolis Honeywell military products group, continues as v.p. in charge of aeronautical group . . . Wm. P. Hindman, works mgr. of Milton, Pa. plant of ACF Industries, appointed v.p. of new advanced products div. . . . Roy Baker Snapp elected v.p. of American Machine & Foundry atomics div., headquartering in Washington . . . Dr. Thornton C. Fry named v.p. & Univac engineering director of Sperry Rand's Remington Rand div. . . . Arthur F. Jones, ex-Motorola, appointed Avco v.p.-defense planning . . . P. C. Covich promoted to Sylvania mid-eastern distributor sales mgr.-electronic products, headquartering in Pittsburgh . . . Ralph Dinsmore promoted to International Resistance Philadelphia sales office mgr.; Evon Wells to asst. mgr. ... Wm. E. Lowery promoted to mgr. of new reliability section of Raytheon Wayland labs . . . Joseph Bambara promoted to v.p. of CBS Labs electronics systems . . . Howard C. Briggs, ex-Hoffman Labs, named Collins Radio govt. relations director, Washington.

Nems-Clarke Inc., Silver Spring, Md. designer and manufacturer of electronic equipment (including some TV broadcast gear), will be acquired in late Aug. by Vitro Corp. of America, Canonsburg, Pa., diversified firm in fields of atomic energy, metallurgy and weapons systems. Nems-Clarke stockholders have already approved the acquisition which will be effected by exchange of 115,000 shares of Vitro common (worth about \$3,000,000) for all assets of Nems-Clarke, which showed profit of \$177,000 on \$4,000,000 sales last year.

Sanders Assoc. Inc., Nashua, N. H. manufacturer of electronic equipment, offered new issue of 100,000 shares of Class "A" common stock for public sale at \$15 per share this week through syndicate headed by Kidder, Peabody & Co. At same time employes were offered additional 10,000 shares at \$13.80. Company plans to reduce bank indebtedness, increase working capital to develop & market flexible printed cabling. Sanders earned \$146,380 (58¢ per share) on revenues of \$4,439,642 in 10 months ended May 27.

Litton Industries reports earnings of \$1,750,000 (\$1.47 per share) on sales of \$27,700,000 in fiscal year ended July 31 vs. \$1,019,703 ( $97\phi$ ) on \$14,920,050 year earlier. Backlog totaled \$49,000,000 compared with \$35,000,000 at end of fiscal 1956, according to pres. Charles B. Thornton. He said sales now are at annual rate of \$34,000,000 and that he is "confident this rise will continue."

General Dynamics earned \$18,479,197 (\$2.32 per share on 7,972,887 shares) on sales of \$726,081,499 in first half compared with \$11,135,145 (\$1.40) on \$414,443,947 year earlier, pres. Frank Pace Jr. noting that income gained 66% and sales 75% in 1957 period despite bigger expenditures for research & development. Backlog June 30 was \$1.989 billion vs. \$2.195 billion at end of 1956.

Muntz TV has been ordered, as part of Chapter X reorganization, to pay \$10,000 to the District Director of Internal Revenue by Sept. 30 in connection with past-due taxes. Order, by Federal Judge W. G. Knoch, calls for balance of tax bill to be paid in 3 monthly installments.

Recommended standards for electronics industry, approved by industry representatives, are available through Electronic Industries Assn. Engineering Dept., 11 W. 42nd St., N. Y. 36, N. Y. (minimum order \$1): RS-189—Encoded Color Bar Signals, 30¢; RS-192—Definitions and Dimensional Characteristics of Quartz Crystal Units, 50¢; RS-193—Designation System for Cathode Ray Tubes, 25¢; RS-194—Microwave Relay System Towers, 40¢; RS-195—Mechanical Characteristics for Microwave Relay System Antennas and Passive Reflectors, 50¢.

New IT&T plant for manufacture of semi-conductor & other electronic devices has been opened by components div. at 815 S. Antonio Rd., Palo Alto, Cal. Robert M. Van Valkenburgh is plant mgr. of operations serving 11 western states, supplementing IT&T semi-conductor production at Clifton, N. J.

Science teachers from high schools in 8 states are completing 8-week research study at MIT under \$20,000 general assistance program of Westinghouse Educational Foundation, financed by Westinghouse Electric Corp. Recipients of study grants were 24 teachers from New England, Middle Atlantic States and south.

Siegler Corp. plans to offer 200,000-250,000 shares of common stock for public sale in Oct. to raise \$4,500,000 working capital if stockholders approve merger with Hufford Corp. & Unitronics Corp. (Vol. 13:22) at meeting Sept. 11, according to pres. John R. Brooks. Underwriter would be Wm. R. Staats & Co., Los Angeles.

Trade Report August 10, 1957

TUBE SALES HERALD BIG TV OUTPUT BOOST: The cheerful talking by TV setmakers lately isn't just for press-release purposes. With a confidence unmatched in the last few years the TV manufacturer this year is really putting his money where his mouth is.

Picture tube sales to manufacturers provide an excellent indicator of future set production trends, being reflected 2-6 weeks later in receiver output. We learn that in June tube manufacturers sold 750,000 picture tubes to TV makers -- 60% more than the 465,000 sold in May. To put this rise into proper perspective, let's look at record for May & June 1956: May's picture tube sales were 590,000, June's 560,000 -- a decline of about 2%.

These figures are even more significant when you consider that TV production for first 7 months of 1957 was nearly 700,000 sets below similar period of 1956, or 3,752,000 last year & 3,082,000 this year. Of particular interest in this connection is authoritative estimate that TV production in the vacation month of July was 360,000, compared with 337,000 in July 1956 -- first time this year that set production has exceeded corresponding month of last year.

All this indicates better inventory position this year -- with production increase due to pipeline-filling following introduction of new models. Inventories at all levels June 30 totaled 2,350,000 -- lowest end-of-June figure in 3 years.

\* \* \* \*

Comments of industry suppliers reflect increase in purchasing by setmakers. For example, we talked this week to one of largest independent picture tube makers, who told us his plant is "going like mad," but he still can't come within 1000 tubes a day of filling all orders from manufacturers. "All of our big customers are behind in their orders," he said, "and they're working overtime to fill them."

Tube season has changed, this tube maker told us. Whereas heavy production season used to extend from Oct. to Feb. or March, this year the pickup began in June, "and our plant was running at top speed for the 2 non-vacation weeks of July." He added: "Right now there's a shortage of quality tubes, and of quality guns."

Tube replacement market is now almost as big as original equipment market, he added parenthetically -- "about 6,500,000 each this year, for 13,000,000 tubes; that's healthy." He predicted that industry would finally standardize on 110-degree tubes, in 17 & 21-in. sizes, with a few 24s & 14s. "And we're going to think twice before we change over to anything else -- unless it's something radically new like a flat tube, a simple color tube or a transparent-phosphor tube." Freezing of sizes & shapes, he predicted, would restore healthy profit margins to tube business.

Table Models Decline: Production mix for July shows portable percentage remaining close to last year -- 105,000 sets or 29% of total, vs. 102,000 or 30% in July 1956.

Brunt of this year's production drop was borne by table models, with only 1,000,000 sets made in first 7 months -- just slightly more than half the 1,952,000 in similar 1956 period. Consoles & combinations dropped from 1,372,000 Jan.-July last year to 1,168,000 this year. Only portables went ahead, 915,000 vs. 428,000.

Retail Sales: TV retail sales in June showed effect of summer doldrums, dropping to second lowest total in year's first 6 months -- June's 389,770 higher only than April's low of 337,965. June retail sales figure also was lower than comparable figure for last year when 439,362 were sold. Radio retail sales, meanwhile, enjoyed the second highest month in June for home radios. Total sold in June was 729,421, topped only by 730,584 in March. March of 1956 also was only month in last year's first half to exceed June 1957 total.

Following is a recapitulation of TV and home & auto radio sales for first 6 months of 1957:

	TV Ret	<u>ail Sales</u>	Home Rad	<u>io Sales</u>	Auto Rad	io Sales
	1957	1956	<u> 1957</u>	1956	1957	1956
January	623,359	614,213	563,363	531,206	521,624	519,648
February	525,437	530,554	525,029	454,867	522,859	437,611
March	534,115	544,411	730,584	527,649	597,532	478,272
April	337,965	347,630	543,092	471,193	380,452	299,253
May	399,757	392,080	547,480	566,357	396,151	282,611
June	389,770	439,362	729,421	839,830	416,058	296,256
Totals	2,810,403	2,868,250	3,638,969	3,391,102	2,834,676	2,313,651

**Production:** TV output was 117,438 week ended Aug. 2, compared with 123,522 preceding week and 128,157 in corresponding week one year ago. It was year's 31st week and brought TV production to year to date to about 3,200,000, compared with 3,905,365 in same period of 1956. Also this week, Electronic Industries Assn. (formerly RETMA) officially estimated <u>first half year production at 2,722,139 compared with 3,415,202 in similar 1956 period.</u> June production was 543,778 (72,766 uhf), compared with 342,386 (41,596) in May, 553,025 (78,512) in June 1956.

Radio production was 180,608 (61,537 auto) week ended Aug. 2, vs. 234,034 (84,394) preceding week and 205,697 (132,121) in corresponding week year ago. Radio output for 31 weeks totaled about 7,977,000 (3,158,000) vs. 7,473,574 (2,561,738) in 1956 period. First 6 months' production was placed at 7,187,294 (2,834,676) compared with 6,659,165 (2,313,651) in similar period last year. June production totaled 1,088,343 (416,058), compared with 1,023,771 (396,151) in May and 1,073,775 (296,256) in June 1956.

Trade Personals: Richard T. Orth resigns as Westinghouse v.p. & gen. mgr., electronic tube div. to take executive post with Sanders Associates Inc., Nashua, N. H.; he's one time RCA tube div. v.p.; B. W. Sauter, mgr. of Westinghouse's Bath, N. Y. receiving tube plant, succeeds him ... Charles A. Daly, Jr. promoted to RCA gen. purchasing mgr.; Thompson H.Mitchell, pres., RCA Communications, adds post of gen. mgr. of new telecommunications div., RCA industrial electronics products; A. R. Hopkins promoted to mgr., industrial electronics marketing dept. . . . Richard F. Gorman promoted to new post of Admiral adv. mgr. . . . David G. Cowden promoted to mgr., special purpose tube operations, Sylvania TV picture tube div. . . . Jerome G. McCormick promoted to DuMont Labs asst. gen. credit mgr. . . . Joel J. Zimmer promoted to asst. national sales mgr., Symphonic Radio & Electronics Corp. . . . Edward Moreau promoted to Olympic regional sales mgr. for 11 western states . . . John J. Moran, ex-Jet Ignition Co. and Philco, named asst. to Norge v.p. Harold Bull . . . James Ewing named sales v.p. of Gabriel Co., succeeding Wm. Klein, appointed merchandising v.p. . . . Wilfred G. Caldwell, ex-National Cash Register, onetime RCA attorney and formerly with Lippincott & Smith, San Francisco-where he authored patent application for Lawrence color tube, appointed CBS-Hytron senior patent attorney.

Sylvania is stepping up radio-hi-fi production—aiming, says TV-radio gen. sales mgr. Robert L. Shaw, at "greater sales to our present distribution and . . . units for other manufacturers." John R. Suor was named product mgr., radio and hi-fi, for new program. Initial step will be introduction in early fall of 3 new transistor portable radios.

New chairman of Electronic Industries Assn. service committee is Kenneth II. Brown, Westinghouse, who succeeds Joseph A. Hatchwell, DuMont Labs.

DISTRIBUTOR NOTES: Emerson appoints Cincinnati Appliance Wholesalers, 3920 Reading Rd., Cincinnati, replacing Johnson Electric Supply Co. . . . Sylvania appoints Charles Ilfeld Co., 200 First St. N. W., Albuquerque, N. M. (Frank Mapel, pres.) for TV-radio-hi-fi in 24 N. M. counties including Albuquerque, 11 W. Texas counties including El Paso area, 4 southwest Col. counties; G. M. Nutter Inc., 2905 Chester Ave., Cleveland (Emory F. Kloha, pres.) for Cleveland-Akron and 18 northeast Ohio counties; Emory-Waterhouse Co., 1111 Candia Rd., Manchester, N. H. (Charles Hildreth, pres.) for 12 Vt. and 2 N. H. counties . . . Hoffman appoints Bohman-Warne Inc., Hagerstown, Md. (A. H. Warne, pres.) for TV-radiohi-fi in western Md., eastern W. Va., north-central Va., 3 counties in southern Pa. . . . Westinghouse appoints Ackermann Radio Sales, 3861 N. 35th St., Milwaukee, for CR, receiving and industrial tubes . . . Elliott-Lewis Corp., Philadelphia, appoints Leonard Schwartz sales mgr. of its Motorola div. . . . Penn Appliance Distributors (Motorola), Harrisburg, Pa. promotes James B. Spangler to gen. sales mgr., Motorola div. . . . Westinghouse Appliance Sales names Charles N. Bock N. Y. TV sales mgr., replacing Jules Roth, resigned.

GE award for TV servicemen, based on outstanding community service, includes trophy and \$500 check for charity or public service to be given to 11 servicemen selected by panel of judges. Called "1957 All-American Awards," selection will be determined by benefits to public in 2 years prior to Sept. 30, 1957. Nominations, by individuals or organizations, should be addressed to All-American Awards Committee, GE, Owensboro, Ky. before Oct. 19, 1957.

GE Appliance Park, Louisville, is on 3-week shutdown, Aug. 5-24 first two weeks for vacation, third week for inventory adjustment. Some 12,000 production workers are affected.

Topics & Trends of TV Trade: TV electrocution of 6-year-old child (Vol. 13:29-31) was tentatively blamed on damage to set during factory assembly this week. Engineering committee of blue ribbon jury in Howard Erenstein inquest found set defective and reported its belief that "during the factory assembly, the 135-volt DC bus was accidentally pinched and wedged between the mounting bracket and the vertical holding control."

Herbert Riegelman, gen. mgr., GE TV receiver div. which made set, issued statement saying ". . . we have been unable to determine how this could have escaped our rigid factory tests, but we are proceeding in a positive fashion to eliminate any possibility of recurrence."

Riegelman went on to say that "we have added extra checks to the stringent manufacturing controls already in existence at the factory. Our distributors, and through them our dealers, are prepared to make an electrical check at no charge on any GE TV portable brought to them, and we urge all owners of our portables to use this opportunity to assure themselves about the safety of their sets."

Other facets of case: (1) UL spokesman said it was "premature to make statement now," that he hadn't received coroner's report. (2) Setmakers continued to describe extra safety precautions beyond UL requirements. (3) Meeting with South Bend Mayor resulted in understanding proposed restrictions on sale of portable TVs would be cancelled (Vol. 13:29) and none imposed without further consultations with Electronic Industries Assn. (4) Westchester County (N.Y.) officials reported spot check of childrens' amusement rides, such as rocket ships, horses, planes, etc., following April electrocution of child, showed 26% dangerous, 49% potentially hazardous, 25% safe; Washington, D. C. officials ordered tests of similar devices in Nation's Capital.

Full text of Cook County Coroner McCarron's verdict in electrocution death:

Howard Erenstein came to his death on the 14th day of July A.D., 1957 in St. Francis's Hospital, Evanston, Illinois, from and as the result of electrocution by contact with a television set (in kitchen) of the home of the deceased herein, by the deceased—premises commonly known and described as 9356 North Tripp Avenue, Skokie, Illinois, on July 14th, A.D., 1957—at or about 12:30 p.m.

From the testimony presented, we—the jury find said occurrence to have been accidental:

However, in view of the circumstances surrounding this occurrence, and the many factors involved therein plus our responsibilities as jurors at this inquest—we, the

Changing pattern in discount house operations is reviewed in Aug. 4 N. Y. Times article. It recalls Masters Inc. statement several years ago that the discount house's cost of operation was only 11.2% of sales compared to about 33% for NRDGA members. Citing from stock prospectus, story says "Two Guys from Harrison" discount chain lists 1952 operating costs at 8.8%, 1954 at 10.9%, 1956 at 15.4% and 8 months ended April 30, 1957, at 16.5%. Contributing to discounters' problems, item said, are higher salary costs, advertising expenditures, general decline in sales of major appliances in last 2 years.

Sears, Roebuck's new catalog list prices about same as in spring book: 21-in. table models, \$115-\$190; 21-in. console, \$130-\$250; 24-in. console, \$260-\$280; combinations, \$300-\$310; 17-in. portables, \$93-\$143.

Two-hour closed-circuit telecast is planned Sept. 4 to introduce new RCA color line and announce NBC fall color programming plans. Show will originate in N. Y.

jury make these additional findings and or recommendations:

- (1) The television set involved in this accident was found to be defective, in such manner that lethal voltages exist between its cabinet and ground. The probability is very great that the deceased died of electric shock from simultaneous contact with the television set and the grounded metal trim on the kitchen counter-top.
- (2) Since many kinds of portable electrical appliances are being used in the American home in ever increasing numbers, and since many new types of portable appliances are marketed, it is desirable that the safety codes and practices used by the industry be strengthened.
- (3) The public should realize that, in spite of all safety measures, there always remains the possibility for an accident.
- (4) As far as electric shocks are concerned, certain locations in the house are more hazardous than others, namely, the kitchen, bathroom, laundry, basement, and utility room. Any room in which grounded objects, such as water or gas pipes are located, makes possible a low resistance return path for electric current. Therefore, portable appliances should be used with care in such locations.
- (5) In case of electric shock, the immediate application of artificial respiration is of great importance, while waiting for the arrival of a physician. The public is urged to become familiar with methods of artificial respiration.

Full text of report of engineering committee of "blue ribbon jury":

Statement of Facts—The set was found defective.

A metal part of the case of the vertical holding control was found squeezed through the insulation of the 135-volt DC bus. The connection thereby established caused a combination of DC and 120-volt AC supply voltage to appear between the outside metal cabinet of the television set and ground.

The cabinet was found with the upper right rear corner dented and a supporting brace in the interior out of position.

In comparing a new set with the one involved in the accident, the corresponding 135-volt DC bus was found to be in a slightly different position.

Interpretation of findings—The committee found no relationship between the mechanical damage to the cabinet and the observed electrical defects. The Committee believe that, during the factory assembly, the 135-volt DC bus was accidentally pinched and wedged between the mounting bracket and the vertical holding control.

Sylvania has doubled the number of its TV dealers in past 7 months, Robert L. Shaw, TV-radio div. gen. sales mgr., told Aug. 8 sales seminar sponsored by Research Institute of America at New York's Waldorf-Astoria Hotel. He said "Sylvania's leadership in the development of 110-degree TV sets and our unique marketing and sales promotion methods" also resulted in record first-half factory sales. Shaw gave credit for upsurge to "buy now" approach in advertising, putting emphasis on retailer, and monthly factory promotions designed to increase retail traffic.

Excise tax committee has been set up by NEDA to tell Congress of "hardships that excise taxes have created on the electronic distributor." Alex Brodsky, Allied Radio Corp., is chairman.

TV Week is being observed in Canada Sept. 8-14-same time as in U. S.—by Canadian Assn. of Radio & TV Broadcasters and Canadian Broadcasting Corp.

BOOM IN TRANSISTORS gets bigger, record month by record month. It's heading toward volume which by end of 1957 may be nearly 24 times what it was 3 short years ago.

Figures released Aug. 8 by Electronic Industries Assn. (formerly RETMA) show transistor unit sales for first 6 months this year shot up close (11,199,300) to 12,840,000 total for all 1956, compared with 3,647,000 in 1955 & 1,318,000 in 1954. And any cautious projection of industry statistics indicates 1957 total should reach 30,000,000.

Transistor unit sales hesitated momentarily in April in up-&-out spread this year, according to EIA chart which otherwise shows steady monthly advance from 1,436,000 in Jan. (vs. 572,000 year earlier) to 2,245,000 in June (vs. 1,130,000).

Dollar volume of sales is nearly as spectacular: \$31,249,000 for first half of 1957 compared with \$37,352,000 total for all 1956. In 1955 total was \$9,860,000; in 1954, \$4,760,000.

Increases in unit production are being accompanied by reductions in prices. Latest announced cuts by manufacturers include 15% slice by Motorola in automobile radio power transistors; 33% cut by Philco in high frequency microalloy transistors, 31% cut in entire Philco line of power transistors in production quantities.

Prediction of billion-dollar annual sales within 10 years in over-all tube-replacing semiconductor field, including transistors, came this week from marketing mgr. James H. Sweeney of GE's semiconductor products div.

He told Air Force Reserve Officers Assn. in Dayton Aug. 6 that total semiconductor sales this year alone should top \$140,000,000—increase of 82% over \$77,000,000 last year, 40% more than what most market analysts predicted last Dec. for 1957.

Here is EIA's compilation of transistor sales for first half of 1957, compared with similar 1956 period:

	1957 Sales (units)	1957 Sales (dollars)	1956 Sales (units)
January February March	1,436,000 1,785,300 1,904,000	\$ 4,119,000 5,172,000 5,321,000 4,880,000	572,000 618,000 708,000 832,000
April May June	1,774,000 2,055,000 2,245,000	5,636,000 6,121,000	898,000 1,130,000
TOTAL	11,199,300	\$31,249,000	4,758,000

Cumulative manufacturers' sales of receiving & TV picture tubes declined in first half of 1957 compared with corresponding 1956 period, according to EIA. Totals for receiving tubes in 6 months this year were 221,175,000 worth \$190,461,000 vs. 227,656,000 worth \$184,856,000; for picture tubes, 4,814,659 worth \$86,987,031 vs. 5,152,743 worth \$94,795,945. June was up over May this year, however. EIA's monthly breakdown:

	Picture Tubes		Receivi	ng Tubes
	Units	Value	Units	Value
January February March May May June	760,860 728,363 833,257 629,838 758,328 1,104,013	\$13,594,525 13,134,778 14,850,847 11,394,043 14,031,519 19,981,319	37,571,000 44,460,000 43,010,000 27,970,000 32,836,000 35,328,000	\$31,170,000 36,631,000 37,007,000 25,384,000 28,955,000 31,314,000
Total	4,814,659	\$86,987,031	221,175,000	\$190,461,000

Sylvania TV cabinet plant at High Point, N. C. was sold this week to Dwight L. Phillips, Charlotte builder and investor, for \$325,000. Sylvania plant mgr. R. C. Jenkins will continue as plant mgr. for new owner.

TV-electronics servicing will be \$8 billion business by 1975, RCA tube merchandising mgr. H. F. Bersche predicted this week. He also told Texas Electronic Assn. that replacement tube market may hit 185,000,000 in 1957.

COLOR TV story in Aug. Fortune describes RCA as reorganizing for profit—"for the kind of profit that will make the corporation the blue chip RCA must be if it is to raise the money that will be needed for leadership in this growth industry."

Article by Wm. B. Harris is fourth and final in series on electronic industry. It says RCA admits loss of \$14,000,000 before taxes on color last year—bringing total RCA cost of color to over \$100,000,000.

New RCA pres. John L. Burns is quoted as giving this estimate of his job: "(1) To get color off our backs. (2) Institute a major internal profit improvement program. (3) Plan where we go from here."

Story details battle over color with RCA on one side, GE, Philco, DuMont on the other, so-called "neutral" manufacturers preferring to sit on sidelines until winner is named. Article says "GE, while working independently on its own color system, has also bought a license on Philco's one-gun tube, called Apple."

"Make-or-break" year for RCA color drive could be 1957, as story points out up to 130,000 color sets had been sold up to this year—110,000 by RCA. "If 225,000 sets are sold up to this year—110,000 by RCA. "If 225,000 sets are into homes, it would require only modest sales increases over the next three years to give the country one million sets in use sometime in 1960."

Million mark, article says, is probably close to magic figure that will attract advertisers and force nearly full-time broadcasting of color. Story then envisions rapid growth to production rate of 750,000 color sets a year, adding that "unless GE-Philco axis can bring its system to market well before 1960, its chances of cutting down RCA are slim. By 1960, RCA should have improved product enormously and reduced prices radically..."

One advantage already gained by RCA color drive, says story, is that 257 of nation's broadcasting stations, reaching 96% of TV homes, have color-broadcasting facilities.

Radio station sales and transfers reported this week: KLAD, Klamath Falls, Ore. by Phil Jackson for \$175,000 to Burt Levine and associates (Levine is gen. mgr. & principal owner of WROV, Roanoke, Va., also principal in KOA, Oklahoma City) ... KEOK, Ft. Dodge, Ia. by H. W. (Dutch) Cassill and associates for \$150,000 to American Bestg. Stations Inc., licensee of WMT, Cedar Rapids (Wm. B. Dolph, pres.), which has interlocking ownership with WMT-TV, Cedar Rapids and radio stations KJBS, San Francisco & KMYR, Denver . . . WABR, Winter Park, Fla. 60% by Ray H. Gunkel Jr. for \$126,500 to James H. Sawyer, increasing holdings from 40% to 100%; WABR also holds CP for WEAL-TV, Orlando (Ch. 18) and Sawyer controls radio WKKO, Cocoa, Fla. . . . WWRI, West Warwick, R. I. by Paul Oury for \$109,000 to Grelin Bestg. Co., its principals being Melvin C. Green, now with Time's Twin State Bestg. Inc., and Lester W. Lindow, on leave from WFDF, Flint, as exec. director of AMST . . . KSON, San Diego, by C. Fredric & Dorothy Rabell (keeping KSON-FM) to Jack O. Gross, ex-KFMB-TV & KFMB stockholder, in deal which involves swap of KSON for Gross' KXOC, Chico, with Rabells also getting \$60,-000 ... KHUB, Watsonville, Cal. by Wm. & Dorothy Morgan for \$60,000 to F. T. Crennan of San Francisco. Brokers: KLAD & KEOK, Blackburn & Co.; KHUB, Hamilton, Stubblefield, Twining & Assoc.

BC BOUGHT WJAS-AM-FM, Pittsburgh, this week, filling out its ownership limit of 7 radio & 7 TV stations under FCC rules and giving network a Pittsburgh outlet for first time since Westinghouse withdrew KDKA affiliation in June 1956 (Vol. 12:28).

On air since 1921, 5000-watt WJAS was purchased from pres. H. Kenneth Brennen of owner Pittsburgh Radio Supply House Inc. for reported price of \$725,000, subject to FCC approval.

NBC also owns WRCA-TV & WRCA, N. Y.; WNBC & WKNB, New Britain-Hartford; WBUF, Buffalo; WRC-TV & WRC, Washington; WNBQ & WMAQ, Chicago; WRCV-TV & WRCV, Philadelphia; KRCA, Los Angeles; radio KNBC, San Francisco.

Los Angeles wired pay-TV franchises for Skiatron and International Telemeter-Fox West Coast Theatres were held up by city council after Skiatron Electronics & TV (developer of pay-TV system being promoted by separately incorporated Skiatron TV) urged that it look into anti-trust angles of Telemeter-Fox application. Council has scheduled receipt of formal bids on the franchises for Aug. 21, but wire from Skiatron Electronics—citing fact that both Telemeter's parent Paramount Pictures and Fox West Coast's parent National Theatres were operating under anti-trust consent decrees—prompted it to postpone receipt of bids until after special council hearing Sept. 18.

Surprise walkout by NABET members in 5 cities temporarily disrupted ABC-TV night network schedules Aug. 5, forcing substitution of western movie for Lawrence Welk Show originating in Hollywood. Union technicians started "writing grievances" in N. Y., Chicago, Philadelphia, Hollywood & San Francisco in protest against local handling of network premiere of American Bandstand from WFIL-TV, Philadelphia, NABET complaining station employes took work away from network-employed union members under contract. Dispute was settled before midnight.

"Operation Shoestring"—do-it-yourself closed-circuit TV set-up for less than \$3000 in Euclid Elementary School, Schenectady—was described this week by Bernard F. Haake, asst. to supt. of schools, as answer to educators who think \$20,000-\$40,000 investment is needed for system. School employes themselves installed cables for GPL vidicon camera with interchangeable lenses, picked up 3 used TV sets for \$40 each, utilized existing movie sound amplifier for independent sound system. Special lessons were televised in one classroom, carried to 3 other classrooms, with 150 sixth grade children participating.

MBS changed hands officially Aug. 8, RKO Teleradio Pictures turning over radio network to group headed by mgr. Paul Roberts of KRKD-FM, Los Angeles, and Los Angeles oilman Armand Hammer (Vol. 13:30), former becoming pres., latter chairman. Other directors are treas. H. Roy Roberts (no relation), Ojai, Cal. oil & real estate operator; secy. Frank B. Barton, Los Angeles lawyer; exec. v.p. Bertram J. Hauser, ex-MBS & NBC; Arthur Brown, pres. of Starrett Corp., N. Y.; L. M. Halper, pres. of Halper Construction Co., Los Angeles.

Failure of negotiations with AFM by major motion picture producers for reduction of 5% fee on TV sales of post-1948 features was reported this week. AFM pres. James C. Petrillo, was said to have told producers he could make no concessions in existing contracts, calling for payment of 5% of gross sales into union's Music Performance Trust Funds, unless they made concessions in employment of musicians. Talks may be resumed.

TV spot expenditures totaled \$118,870,000 in second 1957 quarter for 320 stations compared with \$116,935,000 for 321 surveyed in first quarter (Vol. 13:21), according to TvB. On gross-time rate basis TvB found 10% increase over corresponding 1956 quarter in spot spending on 279 stations reporting for both quarters. Biggest increase was in partic. expenditures. "Many advertisers are taking advantage of plan discount buys available on most stations, pres. Norman E. Cash observed. Top 5 TV spot spenders in second quarter were Procter & Gamble (\$6,518,900), Brown & Williamson Tobacco (\$3,322,300), Continental Baking (\$2,695,000), General Foods (\$2,419,000), Sterling Drug (\$2,197,300). Complete quarterly report is available from TvB, 444 Madison Ave., N. Y. 22.

TV's audience is up, radio's down, TvB reported this week in analysis of Nielsen figures for March showing "4,300,000 more families tuned to TV each week and 1,000,000 fewer families to radio" compared with year earlier. "Despite radio's larger number of homes (47,400,000 vs. 39,300,000 in March 1957), TV reached more than twice as many homes per minute in a 24-hour period (9,500,000 vs. 4,200,000 homes)," TvB report said. This estimate of TV gain over radio was in apparent contradiction to trend noted last week by Sindlinger & Co., which said radio listeners (71,335,000) outnumbered TV viewers (68,967,000) in week of July 6, that radio audience has continued to surpass TV's this summer (Vol. 13:31).

FTC consent order approved this week prohibits Schick Inc. from misrepresenting "free" home trials of its shavers and from selling used razors as new in promotion campaigns on TV and in other media. In agreeing to order, based on FTC complaint issued April 30, 1956, Schick did not admit any violation of Federal Trade Commission Act alleged by Commission, which had charged that all dealers were not required to provide "free" trials and that company advertised reconditioned shavers as new & unused. Case predated FTC's TV-radio monitoring drive against fraudulent advertising on air (Vol. 13:31).

NARTB will enter precedental "equal-time" libel suit in Jamestown, N. D. as friend of court, filing brief next month. Background of case: Farmers Union is appealing district court ruling which cleared radio WDAY of libel charge based upon statements made by 1956 minor party congressional candidate speaking over station under equal-time rules of Communications Act (Sec. 315). NARTB chief attorney Douglas Anello will participate in arguments scheduled for Oct., with final decision due by late fall.

Two applications for TV stations and 7 for translators were filed with FCC this week, bringing total to 120 (34 uhf) for stations, 43 for translators. Station applications: For Duluth, Ch. 10, by principals of WREX-TV, Rockford, Ill., which is being sold to Bob Hope & associates; for Idaho Falls, Ida., Ch. 8, by radio KIFI. Translator applications were for Ukiah, Cal. (2); Durango & Salida, Colo.; West Richmond, Wash.; San Saba, Tex.; Cottage Grove, Ore. [For details, see TV Addenda 25-B herewith.]

Senate confirmed appointment of Frederick W. Ford to FCC by unanimous consent Aug. 5. He probably won't be sworn in until late this month, however, since Commission won't resume meetings until Sept., and because of necessity to complete his work at Justice Dept., where he is asst. deputy attorney general.

NTA is negotiating for purchase of KMGM-TV, Minneapolis-St. Paul, now 75% owned by investment group headed by TV film distributor Sy Weintraub, 25% by Loew's Inc. NTA refused comment this week on deal.

# THE AUTHORITATIVE

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



**Wyatt Building** 

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# SUMMARY-INDEX OF THE WEEK'S NEWS — August 17, 1957

OVER-HORIZON TV HOP to Cuba may be ready for World Series, full TV operation by year's end. Mexico striving for live link in time for series (p. 1).

PHILCO PROTESTS renewal of NBC Philadelphia stations, questioning fitness because of anti-trust charges against RCA, must-buy, option-time (p. 2).

JACKSONVILLE'S WFGA-TV goes on air Sept. 1 as NBC-TV affiliate, bringing third outlet to city. TV stations now total 504—90 uhf. (p. 5).

PUBLIC SERVICE PROGRAMS grow in advertisers' favor; Monsanto's \$2,000,000 sponsorship of CBS-TV's new science series shows acceptance trend (p. 4). RETAIL TV SALES at July record, considered upswing sign; 7-month figures show declines of 200,000 in inventory, production 18%, sales 3% (p. 6).

TV PRODUCTION hits weekly high level for year in week ended Aug. 9. Week's total of 169,148 shows setmakers' confidence in fall sales (p. 6).

NARDA SURVEY shows average TV-appliance salesman makes \$102.50 weekly on salary-commission basis; average monthly net sales \$6664 (p. 6).

CBS INC. HAS BEST FIRST HALF in history with consolidated earnings up to \$10,199,193, nearly double income in 6 months of 1956 (p. 7).

'SCATTER' TV LINK TO CUBA 'BY FIRST OF YEAR': The "when" of U. S.-Cuba live TV link is still uncertain, but it seems almost sure thing by first of 1958, might even be tried for World Series in Oct. That's what we gleaned from trip to Miami this week to inspect 185-mi. "scatter" link which goes into operation for telephone Sept. 12.

The joint AT&T-IT&T venture will handle TV all right, said AT&T general methods engineer Fred G. Hollins, "but we're in no position yet to entertain TV requests for time." Nonetheless, AT&T this week filed TV tariff with FCC, calling for \$600 first hour, \$150 for each additional hour. Hollins stated that "we expect to get TV quality as good as the TV networks."

Networks are champing at the bit to use link for TV. NBC's Wide, Wide World topkick Barry Wood told us he's "dying to do it," said the "potential is fantastic." Emanuel Sacks, NBC-TV v.p. for network programs, said "we've been thinking about it" but that regular U. S.-Cuban programming isn't likely until "around the first of the year" at least. At any rate, NBC-TV will give baseball-mad Cubans World Series if facilities are ready—and the betting is that they will be. Spokesmen for CBS-TV & ABC-TV expressed wait-&-see attitudes toward project.

Joint system costing \$3,000,000 will be operated on 840 & 880 mc by AT&T at Florida City, 35 mi. south of Miami, and by Radio Corp. of Cuba (IT&T) from Guanabo, 14 mi. from Havana. Sites will have conventional microwave to Miami & Havana, respectively.

System is capable of carrying 200 telephone calls and 2 TV programs in each direction, will be limited initially to 36 phone circuits (supplementing 50 existing cable circuits) and one TV channel.

"New era in international communication" was hailed by pres. Henri Busignies of IT&T subsidiary Federal Telecommunications Labs which engineered much of the over-horizon equipment. "The perfection of the technique to a point where we will have world-wide TV," he said, "is no longer an idle fancy."

IT&T is now building these additional non-TV scatter systems; Sardinia-Minorca, Puerto Rico-

www.americanradiohistory.com

Dominican Republic, Spain-Morocco, Norway-Arctic, NATO countries in southern, central & northern Europe—latter 3 military.

A competitive scatter system to Cuba has been authorized by FCC, but its principals are silent on progress. Grantee is Florida Micro Communications Inc., headed by Miles DuKet of Miami, proposing 800-mc link from Tavernier, Fla. to Matanzas, Cuba (Vol. 13:22). It said it would charge \$500 an hour.

Mexico, too, is anxious to complete network circuit to U. S. before World Series begins. However, plans now are tentative and are being studied by engineers, completion expected in week.

Survey is being made to determine feasibility, but if current plans work out country's 5 interconnected stations will be able to carry programs from U. S. for first time. As disclosed to us by officials of Telesistema Mexicano, Mexico's TV chain plan is to install receiver and microwave transmitter at Ciudad Victoria to pick up off-air transmissions from Harlingen, Tex.—about 220 mi. away.

Ciudad Victoria microwave would then beam signal to 8000-ft. Mt. Zamorano TV transmitter near Queretaro. From there, signals would be picked up off-air at 14,000-ft. Cortez Pass transmitters, thence by Mexico City's local stations.

Series thus would be available to 10 or 11 of Mexico's most populous states via 5 TV stations. If installation is found feasible, Telesistema intends to maintain it permanently with hopes of making link reversible so that special programs from Mexican capital may be seen in U. S., Canada & Cuba.

PHILCO CONTINUES NEEDLING RCA-NBC: Resuming jabbing at RCA, Philco began new round this week. Having started \$150,000,000 treble-damage anti-trust patent suit against RCA in Jan. (Vol. 13:3), Philco probed for new opening this week by filing protest with FCC against renewal of licenses of NBC's WRCV-TV-AM-FM, Philadelphia.

NBC isn't a fit licensee on its own or as subsidiary of RCA, Philos charged, iterating patent-monopoly charges against RCA by Justice Dept., questions of "pressure" by NBC against affiliates on option-time and must-buy practices, etc.

Philco insists that hearing must be held on NBC Philadelphia stations' renewals. Reason that only Philadelphia stations were picked, among all NBC owned-&-operated stations, apparently, was that it was "ripe" (protest must be filed within 30 days of FCC action) and because it's in Philco's home town. Philco pioneered the TV station as WPTZ, later sold it to Westinghouse (claims NBC forced it), which in turn sold it to NBC.

Whether FCC is absolutely obligated to hold hearing on Philco allegations isn't certain. Up to now, in similar cases, Commission has held that Justice Dept. has primary jurisdiction on anti-trust matters and has granted license renewals in questioned cases contingent on outcome of Justice action. Philco asserts law requires Commission to act on its own in such cases, irrespective of Justice moves. Law requires FCC to make up its mind within 30 days on such protests; Philco's was filed on Aug. 14.

Basically, Philco alleges that it "is injured both as a manufacturer competing with RCA in the sale of its products and as an advertiser affected by the restrictive practices of NBC and the broadcasting stations which NBC owns and operates." It claims that NBC stations "afford RCA a vast amount of preferential publicity which is not available to Philco or other manufacturers who compete with RCA."

For example, Philco says: (1) NBC stations play up news of RCA activities out of proportion to their news value. (2) NBC constantly refers to RCA as the "pioneer and developer of compatible color." (3) "Today" program emphasizes its origination in "RCA Exhibition Hall." (4) NBC stations include "RC" in their call letters.

In addition, Philco alleges, NBC's option-time and must-buy practices have "rendered the sponsorship of a network program in the preferred listening periods prohibitively expensive, and has foreclosed the use of those periods to Philco on any non-network basis other than spot advertising." Protest goes on to list all litigation pending against RCA—by Zenith, Justice Dept., ASCAP, et al. It also refers to Congressional committee questions raised about network practices.

Philco's conclusion: "It is clear that the Commission is required by statute... to find affirmatively that the public interest will be served by any renewal such as was here granted without hearing. That responsibility can not be shifted to the Dept. of Justice and the courts simply because there is an anti-trust litigation problem involved."

Commissioners (only Lee & Mack on hand) and staff are naturally cautious about commenting on protest. Our guess is that there will be a split vote, more likely against holding hearing than for it. Commission usually hates to get into middle of these things.

Personal Notes: Ralph S. Hatcher promoted to national mgr. of ABC-TV station relations . . . Leslie A. Harris promoted to new post of national spot sales coordinator for ABC-TV o-&-o stations . . . Oliver Treyz, head of ABC-TV, named chairman of Brand Names Week (April 13-20) . . . Gunnar O. Wiig resigns as exec. v.p. of radio KQV & TV City Inc., Pittsburgh, to join WROC-TV, Rochester, N. Y., as gen. mgr. . . . Wm. Bloom, ex-20th Century-Fox & Columbia Pictures, joins NTA as exec. producer . . . Ben Baylor resigns as gen. mgr. of WANE-TV, Ft. Wayne; R. Morris Pierce, managing director, assumes his duties; John Keenan, ex-WNEM-TV, Bay City-Saginaw, named sales director . . . James J. Kilian, program mgr. of WAAM, Baltimore, named operations mgr. of Westinghouse station which becomes WJZ-TV in Sept.; Joel Chaseman succeeds him as program mgr. . . . Charles W. Brodhead, ex-CKLW-TV, Windsor-Detroit, named program director of upcoming WLWI, Indianapolis (Ch. 13), due in Sept. . . . James T. (Jim) Ownby, owner of radios WJXN, Jackson, Miss., and KONI & KELA, Phoenix, named MBS station relations field director . . . Joseph Kahnke named engineering director of WTCN-TV, Minneapolis; Warren Fritze succeeds him as chief engineer . . . Byron (Barney) Ogle, ex-NARTB station relations, joins Hamilton, Stubblefield, Twining brokerage firm, headquartering in Chicago as midwest & northeastern rep, succeeded at NARTB by Russ Severin who has served on staff of several TV & radio stations . . . Mike Schaffer, ex-WDBJ-TV, Roanoke, named promotion director of upcoming WAVY-TV, Portsmouth-Norfolk (Ch. 10), due in Sept. . . . Charles Payne, ex-Bloom Adv., Dallas, heads new Dallas office of rep Peters, Griffin, Woodward at 335 Merchandise Mart (Riverside 7-2398) . . . Clarke Bradley, ex-Holdrege (Neb.) Daily Citizen, named sales development director of KSBW-TV, Salinas-Monterey, and KSBY-TV, San Luis Obispo . . . Dale L. Moudy, ex-Mid-Continent Bestg. Co., joins ABC as radio network director of special stations services . . . Benjamin B. Bauer, ex-Shure Bros. Inc., Chicago, heads audio & acoustical research section of CBS Labs . . . Aaron Beckwith resigns as business development director of NTA . . . John D. Hymes resigns as research-merchandising director of KGO-TV, San Francisco, to join Gordon-Hymes & Staff public relations firm.

#### Obituary

Wm. T. Kilborn, 59, Pittsburgh industrialist who was a director of American Broadcasting-Paramount Theatres, died Aug. 14 in West Penn Hospital there. He was pres. of Fort Pitt Mfg. Co., Pittsburgh, and Flannery Mfg. Co., Bridgeville, Pa. His widow survives.

Charles M. Gowdy, previously legal asst. to former FCC chairman George C. McConnaughey, named compliance officer of Federal Housing Administration.

Radio Station Sales Reports: WTMV, East St. Louis, Ill. by On The Air Inc., also licensee of WGBF, Evansville, Ind. (Alvin Eades, pres.) for \$212,500 to Robert W. Day (90%) of Albert Frank-Gunther Law N. Y. adv. agency and Donald H. Richardson, D. C. realtor . . . KANV, Shreveport, by Travis T. Hailey for \$100,000 to John M. McLendon, also 100% owner of radio KOKY, Little Rock and 50% of WNLA, Indianola & WOKJ, Jackson, both Miss. . . . KTKT, Tucson, 50% by Thomas J. Wallace for \$90,000 to Art Linkletter & John Guedel . . . KAFP, Petaluma, Cal. by partners A. T. Shields, Corinne Shields, G. M. Hauser & A. D. Thomas for \$75,000 to Dr. A. T. Shields (50%), v.p. & mgr. of radio KYA, San Francisco, Irving C. Phillips (25%), Cal. drug chain owner Thomas J. Long (12.5%); Hamlin Co. real estate (12.5%), controlled by O. D. Hamlin, Federal District Court Judge, San Francisco . . . WSKI, Montpelier, Vt. by Paul Perrault for \$75,000 to Ellis E. Erdman & Nayte Schoonover, each also owner of 25% of WEBC, Owego, N. Y.; Erdman also owns 32% of WTKO, Ithaca, N. Y. . . . WLBG, Laurens, S. C. by J. R. Dalrymple Jr. and associates for \$63,000 to Charles W. Dowdy, ex-owner of AMs in Bainbridge, Ga. & Gainesville, Fla. . . . KTNM, Tucumcari, N. M. 55% by David R. Worley, Lloyd Hawkins & Bruce Zorns for \$63,000 to KTNM mgr. Howard L. Maudlin, who will hold control, 4 minority owners retaining stock . . . KHAM, Albuquerque, by Rex A. Tynes for \$50,000 to 1/3 owners J. L. Anderson, KHAM mgr. and Carl Hedges and son Carl, local businessmen. Brokers: WSKI & WLBG, Allen Kander & Co.

Speaker's guides on key broadcasting questions have been sent to TV-radio members by NARTB. TV topics: "Advertising and the General Welfare," "Freedom Under License," "In the Public Interest," "The Public's Right to Know," "The Business of Broadcasting," "Careers in TV," "The TV Code," "The TV Generation," "TV Looks to the Future." Similar radio topics are included.

Big merger afoot: Ruthrauff & Ryan Inc. and Erwin, Wasey & Co. were reported in negotiations this week for one of biggest mergers in advertising industry which would make combined agency one of 10 largest in country. Each billed estimated \$40,000,000 in 1956.

Ga. Assn. of Bostrs. elects these officers: John W. Jacobs Jr., WDUN, Gainesville, pres.; Frank Gaither, WSB, Atlanta, 1st v.p.; Ralph N. Edwards, WWGS, Tifton, 2nd v.p. Ben Williams, WTOC-TV & WTOC, Savannah, was named a director.

Caravel Films Inc. opens new production center in Sept. at 20 W. End Ave., N. Y. Midtown headquarters will include offices, 75x100-ft. stage, facilities for set construction, animation, special effects, cutting, etc.

Henry Geller leaves FCC litigation div. to join Justice Dept. appellate branch, anti-trust div., Sept. 3.

Telecasting Notes: Growing sponsor acceptance of "poorcousin" public service programming is underscored by sale this week (for reported \$2,000,000) of 10 Conquest shows on scientific achievement to Monsanto Chemical Co. by CBS-TV for upcoming season. National Academy of Sciences & American Assn. for Advancement of Science are cooperating in 60-min. program series supervised by CBS public affairs director Irving Gitlin. Other indications of new recognition by advertisers that public service can pay: Eastman Kodak is likely sponsor of Let's Take a Trip in fall, Prudential Insurance is underwriting forthcoming Twentieth Century series, both on CBS-TV . . . "Multi-million dollar" daytime deal has been closed by ABC-TV with Sweets Co. of America (Tootsie Rolls, etc.) for 4 action-adventure series starting in fall. Sweets will be partic. sponsor of Superman, alt. sponsor of Wild Bill Hickok, The Buccaneers, Tales of the Texas Rangers . . . Million-dollar house ad campaign on NBC-TV sustaining shows and o-&-o stations features network's "August Theme" promotion for fall programs. Dozen one-min. filmed spots clipped from kines of past & upcoming shows repeat: "Remember what was on last year? But stop! Let's look ahead . . . There's something for everyone!" . . . 50-Girls-50: "Miss America" contest will get live CBS-TV coverage in Atlantic City's Convention Hall Sept. 7, Sat. 10:30 p.m.-midnight, sponsored by Philco thru BBDO. "For the first time," CBS-TV announces, "TV audiences will see in person all of the beautiful contestants." . . . "Business Service TV"-giving employers chance to catch employes in their homes Sat. mornings to talk things over-is unique proposal offered by WOR-TV, N. Y. Idea is to sell pre-program schedule hours to companies whose business messages would be carried to home sets

Electronic bird calls, deadliest lure yet for geese & ducks in hunting season, probably will be banned by Fish & Wildlife Service, according to grim story by James A. Reynolds in Aug. 15 Wall St. Journal. Tape recordings of babble of waterfowl while feeding, amplified & played back across hunting grounds through directional speakers, are so effective that "preservation of the species" is threatened, Asst. Interior Secy. Ross L. Leffler says. Use of recordings by hunters at one east coast spot last fall brought 2000 geese hovering over blind, where limit was downed in 90 minutes. Other hunters lured geese from federal bird refuge 500 yards away by playing calls. Journal story says "typical outfit" in electronic bird call market is Electronic Engineering Co., Easton, Md., which produces transistor-equipped device distributed by Animal Trap Co., Lititz, Pa.

Survey of classroom TV uses will be conducted by National School Boards Assn. under \$68,000 grant by Ford Foundation's Fund for the Advancement of Education.

Single unit closed-circuit TV camera weighing 12 lbs. is offered by GPL (Model PD-500) for \$1250. Designed to complement GPL's Model PD-150 camera chain, self-contained unit is  $5x7\frac{1}{2}x12$ -in.

New rep: KTLA, Los Angeles, to Peters, Griffin, Woodward Aug. 15 (from Raymer).

LE ELECTRONICS REPORTS

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instead of to closed-circuit screens in hotels, theatres, etc. Unlike regular closed-circuit operation, audiences wouldn't be selective, but WOR-TV thinks there'd be public relations advantages for business groups in letting public in on intra-company workings. And station may provide scrambling device if privacy is required. Brochure put out to adv. agencies offers 30 min. for \$1500, hour for \$2500, 2 hours for \$4000 . . . Invasion from Mars, which came close to panicking country when Orson Welles did it on CBS radio network Oct. 20, 1938 in dramatization of H. G. Wells' War of the Worlds, will be reenacted in "The Night America Trembled" on Studio One sponsored by Westinghouse on CBS-TV Sept. 9, Mon. 10-11 p.m. Edward R. Murrow will be narrator for show written by Nelson Bond . . . Durable consumer goods: Rock of Ages Corp., Barre, Vt., buys 6 one-min. partics. on NBC-TV's Today starting Sept. 20, thru Harold Cabot & Co., Boston, urging viewers to look for its brand name first when buying tombstones . . . Queen Elizabeth II makes first North American TV-radio appearance Oct. 13 on CBC, Ottawa, addressing nation on visit to Canada with Prince Philip; no U. S. network pickup has been scheduled yet, according to Canadian Embassy in Washington . . . Foreign TV market now accounts for 20% of gross business of CBS TV Film Sales, which reports 12 recent deals in 5 countries . . . Cops & robbers chase was filmed this week for news show on WBZ-TV, Boston, by victim-station's own cameraman Phil Galligan. He saw 2 youths breaking into his parked car, chased them to subway station, shooting film as he ran until 2 policemen cornered them.

CBS-TV Affiliates Assn. directors meet Aug. 29-30 in Colorado Springs.

Jack Benny's radio show, unsponsored 2 years in period when sales of half-hour or hour nighttime radio programs to single sponsors have been rare, resumes on CBS Sept. 29, Sun. 7-7:30 p.m.—fully sponsored by Home Insurance Co. "This may well mark a high point in network radio's upsurge," said John Karol, v.p. in charge of radio network sales, pointing also to \$5,000,000 CBS-Ford package radio deal in May (Vol. 13:18). Price of Benny radio series, which will repeat earlier shows, wasn't mentioned. Comedian's TV show will continue to be sponsored on CBS-TV by American Tobacco Co.

TV solves overcrowding at Bethel Lutheran Church, Madison, Wis., where GE closed-circuit system carries services to two 24-in. receivers in adjoining chapel and to third-floor nursery room. Camera equipped with viewfinder & 3-lens rear-controlled turret is mounted on control console in church balcony. Church was built in 1941 to seat 750, but parish has grown from 1100 to 5073 members.

NARTB kit, containing promotion and program ideas for National TV Week, goes to each of 3 networks and 503 TV stations for use in Sept. 8-14 campaign. Broadcasters' theme is "Television—a Member of the Family" (Vol. 13:28). Other sponsors are Electronic Industries Assn. (formerly RETMA), NARDA, TvB.

New KIRO-TV, Seattle (Ch. 7), becomes primary CBS affiliate effective next Feb. 8.

Pu Dii Su MARTIN CODEL, Editor and Publisher; ALBERT WARREN, Senior Editor; ROBERT CADEL, Business Manager;
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New and Upcoming Stations: WFGA-TV, Jacksonville, Fla. (Ch. 12) started test pattern operation 3 p.m. Aug. 14, makes debut as NBC-TV affiliate Sept. 1. It's third outlet in city already served by pre-freeze WMBR-TV (Ch. 4) and WJHP-TV (Ch. 36), which began in Dec. 1953. On-air total now stands at 504 (90 uhf).

WFGA-TV's new building at 1070 E. Adams St. houses 50-kw transmitter and equipment includes 2 live and 2 film color cameras. It has 900-ft. Ideco tower with 12-section superturnstile antenna. Owners are contractors George H. Hodges & Alexander Brest, each with 26%; Harold Cohn, 19% (also owner of Jacksonville radio WRHC); Wolfson-Meyer Theatre Enterprises Inc., 10% (same interests operate WTVJ, Miami); Mitchell Wolfson, 5%; Sidney Meyer, 5%.

Jesse H. Cripe, ex-asst. operations mgr. WTVJ, is gen. mgr.; Ralph W. Nimmons, ex-mgr. of WFAA-TV, Dallas, gen. sales mgr.; Willard (Bill) Franker, ex-sales mgr. of WJHP-TV, local sales mgr.; Carl Bruton, ex-WTVJ, production & acting program mgr.; Harold S. Cohn, v.p. for news, sports & public affairs; Harold Baker, ex-WSM-TV, Nashville, news & special events director; Bill Walker, ex-KBTV, Denver, promotion mgr.; H. L. Wingfield, chief engineer. Base hour is \$600. Rep is Peters, Griffin, Woodward Inc.

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

WTIC-TV, Hartford, Conn. (Ch. 3), with Sept. 1 target for start as independent, notified FCC it began equipment tests Aug. 16. It has 25-kw RCA transmitter and 440-ft. self-supporting Ideco tower with 100 ft. 6-section superturnstile antenna on Talcott Mt., 7 mi. W of downtown Hartford. Temporary TV and radio studios on 6th floor of 2 adjoining buildings owned by grantee Travelers Insurance Co. connect with transmitter via microwave. Base hour will be \$800. Rep will be Harrington, Righter & Parsons.

WAVY-TV, Portsmouth-Norfolk (Ch. 10), has Sept. 1 target for ABC-TV programming, reports exec. v.p. & gen. mgr. Carl J. Burkland. It has 12-section superturnstile antenna installed on 1050-ft. Ideco tower and 50-kw RCA transmitter was due to be wired this week. Base hour will be \$700. Rep will be H-R Television.

WBOY-TV, Clarksburg, W. Va. (Ch. 12) now plans to be on air late in Oct. with NBC-TV and ABC-TV, reports Peter Lyman, production mgr. It has requested change to 131.04-kw using 25-kw RCA transmitter on Pinnickinnick Mt., where transmitter house and tower base for 380-ft. Ideco tower are nearly completed. It's part of Friendly Group (Jack N. Berkman, pres.), operator of WSTV-TV, Steubenville, O. (Ch. 9) and KODE-TV, Joplin, Mo. (Ch. 12). Base hour will be \$250. Rep will be Avery-Knodel.

WEEQ-TV, La Salle, Ill. (Ch. 35) will be outfitted as a "complete entity, capable of broadcasting from its own studios," reports v.p.-gen. mgr. Fred C. Mueller of parent WEEK-TV, Peoria (Ch. 43). It will operate as affiliate rather than out-and-out satellite of WEEK-TV. Mueller adds: "When we built WEEK-TV, everybody was eager for us to get on the air with WEEQ-TV. We are going thru this experience again and our work in the LaSalle area convinces us that we would make a mistake to simply feed everything from WEEK-TV to WEEQ-TV." WEEQ-TV, with summer target, has studio-transmitter building ready for 1-kw GE transmitter. Stainless 400-ft. tower and antenna are up. WEEK-TV hour is \$475. Rep is Headley-Recd.

KDUH-TV, Hay Springs, Neb. (Ch. 4), planned as satellite of owner KOTA-TV, Rapid City, S. D., has ordered 6-kw RCA transmitter and 25-kw Standard Electronics amplifier, reports KOTA-TV business mgr. Wm. F. Turner, who doesn't give target date. KDUH-TV will have studio film chain, 500-ft. Ideco tower. KOTA-TV base hour is \$150. Rep is Headley-Reed.

KTWX-TV, Sheridan, Wyo. (Ch. 9) now plans Nov. 1 programming, reports Burt I. Harris, pres. of owner Harriscope Inc., also owner of KTWO-TV, Casper, Wyo. (Ch. 2). It hasn't ordered transmitter, will use 30-ft. Ideco tower on mountain top. Rep will be Meeker.

Tri-Cities Bestg. Co., holding CP for Ch. 9, Monahans, Tex. expects to get on air first part of 1958, reports J. Ross Rucker, pres.-gen. mgr. & 1/3 owner, who also is pres. & owns 36% of Monahans radio KVKM. Transmitter hasn't been ordered, but station will use 619-ft. Ideco tower. Rep not chosen.

WMVS-TV, Milwaukee (Ch. 10, educational) has changed target to Oct., reports H. E. Barg, asst. executive director. RCA 10-kw transmitter is being installed in transmitter house near WITI-TV at Port Washington & Donges Bay Rds. Alford 4-bay antenna is to be sidemounted soon at 700-ft. level of WITI-TV tower.

WMUB-TV, Oxford, O. (Ch. 14, educational) will be delayed until summer of 1958, grantee Miami U having filed application to change transmitter location from campus to Oak at Spring St., where new building to house radio WMUB (FM) and TV is planned. RCA 1-kw transmitter and other equipment is on hand. It will use 320-ft. Truscon tower with 6-section helical antenna.

CFTM-TV, Trois-Rivieres, Que. (Ch. 13), planned as CBC French Network affiliate, expects to start Nov. 1, reports pres.-gen. mgr. Henri Audet, who has been CBC regional engineer for Quebec. Experiment hasn't been reported, but it will have 300-ft. tower on Mont Carmel, site of studio-transmitter building. Rep not chosen.

RCA shipped two 10-kw transmitters, one for standby, Aug. 15 to upcoming WHDH-TV, Boston (Ch. 2), due in fall; 25-kw transmitter Aug. 16 to upcoming WINR-TV, Binghamton, N. Y. (Ch. 40), due in Sept.; 6-section superturnstile antenna Aug. 12 to KVSO-TV, Ardmore, Okla. (Ch. 12), which got permission this week to change site.

John Day, Ore. translator K77AC began Aug. 10 repeating KIDO-TV, Boise, giving community 2nd outlet—K72AG having started June 2.

Foto-Video Labs appoints new reps: Peninsula Assoc., Redwood City, Cal.; K & M Electronics, Minneapolis; Moore Sales, Detroit.

Japanese TV helps spark country's "almost unbelievable comeback" from World War II, Aug. 16 Printers' Ink reports in roundup on commercial progress reflected by 6-fold increase in advertising investment percentage of national income in past 10 years. Introduced in 1953, commercial TV now takes only 2.5% of total Japanese advertising budget, but "TV is certain to occupy in Japan the same position it now holds in the U. S.," according to Juichi Odani of Dentsu Adv. Ltd., Tokyo. Printers' Ink says 90% of TV programs on commercial stations are sponsored, that Japanese sets-in-use are expected to total more than 1,000,000 by end of year.

Saudi Arabian TV station being constructed at Dhahran by Arabian American Oil Co. will be represented for program material and other services by Intercontinental Services Ltd., 3 E. 54th St., N. Y., which recently took over Young International Ltd. rep firm (Vol. 13:32).

Trade Report August 17, 1957

JULY RETAIL SALES RISE TO RECORD HIGH: Another sign of hoped-for upturn in set sales made appearance this week in preliminary estimate of about 425,000 July TV sales at retail -- best July since record keeping started in 1951.

<u>July figures compare with these for previous years: 1956</u>, 414,587; 1955, 387,509; 1954, 368,634; 1953, 340,406; 1952, 235,038; 1951, 280,525.

The July record marks third time this year retail sales have exceeded comparable 1956 month. Jan. had 623,359 vs. 614,213 in 1956; May had 399,757, compared with 392,080 in May 1956.

July is no great shakes as retail sales month, of course, but this year's nice surge is considered significant by industry statistical experts who feel it's prelude to big fall-winter season. They tell us it may well be first harbinger of trend reversing last year's deceleration -- which saw lower retail sales Aug. through Nov., compared with similar 1955 months.

Healthy inventory figure of about 2,250,000 for all levels of industry at end of July also brings smiles from the graph watchers. Last year it was 2,450,000. Production for first 7 months is down 18% from 1956 but sales are off only 3%.

Many industry leaders are predicting 7,000,000 set sales for 1957, compared with 6,804,000 in 1956. At end of July, sales amounted to about 3,235,000, meaning some 3,765,000 are needed to be sold in last 5 months to reach 7,000,000 -- or an average of about 750,000 per month, not much higher than last year's.

**Production:** TV output hit new weekly peak for year with 169,148 week ended Aug. 9, compared with 117,438 preceding week and 146,546 in corresponding week one year ago. New high mark tops weekly production totals for every week back to Nov. 16, 1956 and is another sign of setmakers' confidence in sales prospects for balance of year. It was the year's 32nd week and brought TV production for year to date to about 3,369,000, compared with 4,058,597 in same period of 1956. Radio production totaled 192,877 (61,299 auto) week ended Aug. 9, vs. 180,608 (61,537) preceding week and 261,937 (42,491) in corresponding week year ago. Radio output for 32 weeks totaled about 8,171,000 (3,220,000) vs. 7,721,286 (2,611,260) in 1956 period.

Topics & Trends of TV Trade: NARDA survey, based on reports from 141 dealers, shows salesmen average \$102.50 per week income with range running \$80-\$122.50. Average dealer had 4.12 salesmen.

Average monthly sales volume after trades was \$6664 per salesman with most dealers (73) paying salary plus commission; 32 pay straight commission; 13 salary only; 12 salary and annual bonus; 11 commission, salary and annual bonus. Paid vacations were offered by 94% of dealers, 75% group insurance, 12% paid sick leave, 6% retirement plans.

Majority of dealers reported no varying commission scale between TV, major appliances, etc. Most stores based compensation on net sales where trade-ins were included. Few offered long range plans to hold salesmen, only 26 of 95 dealers having definite programs.

Most of salesmen covered (403) work both inside and outside on sales, 162 inside only, 25 outside. Car allowances are provided by 48 dealers, 85 do not. Expense accounts are supplied by only 14 of the respondents.

Transparent phosphor "Penetron" tube, including 2-color version, designed for military & industrial uses, will be shown by GE at WESCON in San Francisco Aug. 20-23.

Sales exceeding expectations are reported for new DuMont TV-hi-fi line by pres. David T. Schultz, adding that operations in year's last half "are expected to produce a profitable result for the full year in our receiver operations." He said that DuMont factory inventory was at lowest point in years; that distributor sales to dealers increased for each of last 8 weeks; that last 6-month production quotas will be reached by Nov. 1. He added that sets were moving through normal trade channels, with no liquidations or specials, thus offering "opportunity for normal profit" at all levels.

Sales of \$46,593,000 were chalked up by 41 TV-radio-appliance exporters in 1954, reports U. S. Census Bureau. Operating expenses were 7.7% of sales, including \$1,501,000 for year's payroll. Report also shows there were 13 TV-radio-appliance importers with total sales of \$12,888,000 in same year, operating expenses of 14.9% of sales, annual payroll of \$819,000.

Distributor sales of TV-radio-appliances-electronic parts for first 6 months of 1957 are estimated by U. S. Commerce Dept. at \$1.9 billion compared with \$1.87 billion for similar 1956 period. Sales of retail stores for first half of 1957 are estimated at \$1.85 billion vs. \$1.87 billion in like 1956 period.

Trade Personals: Arnold M. Henderson promoted to Emerson director of sales . . . O. R. Coblentz, ex-Westinghouse and DuMont, appointed Hoffman Radio div. marketing mgr. . . . Robert F. Bender elected IT&T exec. v.p.finance . . . John J. Kingan, ex-Canadian Marconi v.p.-gen. mgr., appointed RCA Victor Ltd. v.p. and asst. to pres. P. J. Casella; John Moulding, ex-Canadian Westinghouse, named v.p.-technical products, replacing J. L. McMurray who is retiring but continuing as consultant to pres. . . . Morris Sobin, Olympic Radio-TV pres., named N. Y. area chairman of National TV Week promotion . . . Robert T. Scott returns to Westinghouse as community relations mgr. . . . Arthur F. Baldensperger Jr., ex-Sylvania, appointed CBS-Hytron management development coordinator, sales . . . Charles G. O'Brien promoted to Zenith district sales rep for territory including Cincinnati, Jackson, Little Rock, Louisville, Memphis, New Orleans.

Policy committee of Electronic Industries Assn. marketing data dept., appointed this week: Chairman Frank W. Mansfield, Sylvania; Robert S. Bell, Packard-Bell; Russell E. Cramer Jr., Radio Condenser Co.; D. W. Gunn, Sylvania; W. J. Morlock, GE; C. B. Thornton, Litton Industries; Lester Bogen, David Bogen Co.; Bruce R. Carlson, Sprague Electric; James E. Harrison, Texas Instruments; D. J. McCarty, RCA; W. S. Parson, Globe Union; E. R. Sliger, Westinghouse.

New trade association, "Producers of Associated Components for Electronics Inc." (PACE) has been formed in N. Y. as successor to informal Sales Managers Club. Officials of 150-member group: pres., Sidney Harmon, Harmon-Kardon; exec. v.p., David Susser; 1st v.p., Leonard Carduner, British Industries Corp.; 2nd v.p., Edward Rothenstein, Arco Electronics; secy.-treas., Walter Jablon, Mark Simpson Mfg. Co.

Demonstration fee of \$15 for color TV is being charged by Bruno-N. Y., RCA distributor, payment credited toward cost if set is bought. Bruno spokesman said public is hesitant to accept free offers, that experiments with \$15 fee had worked well.

Financial & Trade Notes: CBS Inc. earned \$10,199,193 (\$1.33 per share on 7,651,461 shares outstanding) on revenues of \$186,798,814 in 26 weeks ended June 29 compared with \$5,308,990 (71¢ on 7,487,337) on \$174,274,387 in first 6 months of 1956, when approximately 35¢ per share was applied to losses on discontinuance of CBS-Columbia set manufacturing div. Revenues & sales for period, representing 7% gain over corresponding 1956 half, were highest in CBS Inc. history. Earnings were highest for any first 6 months, second only to record \$10,-974,472 in second 1956 half.

Magnavox reports sales of about \$87,500,000 in year ended June 30 compared with sales of \$70,529,646 for comparable period year ago. Profit figures were not available, pres. Frank Freimann said, but noted that 9-month earnings were \$3.53 per shares vs. \$3.04 in similar 1956 period. He attributed sales increase to nearly 20% jump in TV set sales for year, saying June sales—up 30% from preceding June—were record for month. Fourth quarter sales, he said, were about \$19,000,000, an increase of more than \$500,000 from similar 1956 quarter.

Wells-Gardner showed net loss of \$250,000 on sales of \$4,300,000 in first half of 1957 compared with earnings of \$264,000, sales of \$9,677,000 in similar 1956 period, as disclosed in report to SEC.

DISTRIBUTOR NOTES: Hoffman appoints Billings & Schattinger, Fresno, for TV-radio-hi-fi in San Joaquin Valley, replacing discontinued Hoffman Sales div. of Fresno; Momsen Dunnegan Ryan Co., Phoenix, for Ariz. ... Westinghouse appoints John F. Tigue as north Pacific radio sales mgr., succeeding Lee Chism, transferred to Westinghouse Appliance Sales, Portland, Ore., as sales mgr. of TV, room air conditioners and vacuum cleaners . . . Raymond Rosen & Co. (RCA), Philadelphia, v.p. & cofounder Joseph Wurzel resigns . . . Whirlpool Elisha Grav award goes to Elmer A. Hamburg, pres. of Hamburg Bros., Pittsburgh, for "outstanding individual contribution to the Whirlpool Corp. success"... Gough Industries (Sylvania) appoints James Smith acting mgr. of San Diego branch . . . Bruno-N.Y. (RCA) adds RCA Whirlpool kitchens.

TV dumping by companies which discontinued operations was blamed by Trav-Ler pres. Joe Friedman for company's loss of \$370,736 last year (Vol. 13:31). He told stockholders meeting this week that "we are bucking unrealistic competition" in this dumping and added that industry also suffered from production exceeding sales. Small group of stockholders offered resolution making officers' pay ceiling \$12,000. Friedman—who owns more than half of company stock and earns \$75,000 per year—said next board meeting would consider suggestion.

Independent service group formed in Detroit area to handle manufacturers and distributors warranty service, Telectro Service Assoc., 8225 Woodward Ave., reports contract for service on Philco units distributed by Graybar in 5 Mich. counties.

"First exclusive RCA Whirlpool and RCA Victor dealer in America" is claim of Delgato's Home Appliances, Buffalo, which says it is displaying every RCA model produced.

Bombay TV station, proposed by Indian Ministry of Information and Broadcasting, has been called off due to economy drive, reports U. S. Commerce Dept. Foreign Commerce Weekly.

General Precision Equipment earned \$2,662,253 (\$2.10 per share on 1,125,806 shares outstanding) on sales of \$93,299,678 in 6 months ended June 30 vs. \$1,154,559 ( $84\phi$  on 1,066,579) on \$74,124,196 in first 1956 half. June quarter earnings were \$1,554,521 (\$1.25) on \$49,762,065 compared with \$807,585 ( $64\phi$ ) on \$41,445,373 in corresponding period last year. Backlog totaled \$165,660,000 June 30 vs. \$167,660,000 at end of 1956, according to pres. Hermann G. Place.

Dividends: CBS Inc. "A" & "B," 25¢ payable Sept. 13 to stockholders of record Aug. 30; Magnavox, 37½¢ Sept. 14 to holders Aug. 23; Cornell-Dubilier, 30¢ Sept. 23 to holders Sept. 12; General Precision Equipment, 60¢ Sept. 15 to holders Aug. 28; Famous Players Canadian, 37½¢ Sept. 12 to holders Aug. 22; Indiana Steel Products, 30¢ Sept. 10 to holders Aug. 23.

Texas Instruments reports profit of \$1,719,406 (52¢ per share) for first 6 months compared with \$1,029,847 (31¢) in similar 1956 period. Second quarter earnings were \$930,010 (28¢) vs. \$488,275 (15¢).

Airborne Instruments Labs earned \$190,498 (96¢ per share) in period ended June 30, 1957, compared with \$154,000 (78¢) in smilar 1956 half year.

Eitel-McCullough earned \$533,515 (68¢ per share) in first 6 months of 1957 compared with \$817,167 (\$1.04) in similar period last year.

Spectrum-use analysis by special 3-man commission is unnecessary, Office of Defense Mobilization director Gordon Grav has informed Sen. Potter (R-Mich.) and Rep. Bray (R-Ind.), sponsors of bill to establish commission (Vol. 13:16). He said that group would duplicate work already being done; that study of 50-300 mc by special group showed Govt. could give no more vhf to TV; that Govt. needs what it has. However, he said, if Congress wants to study spectrum anyway, it should also examine non-Govt. uses. Rep. Bray tells us he's not satisfied with Gray's answer; that he's sure military has designs on TV Ch. 2-6; that "a professor in Indiana alerted me to it"; that he was unaware military spokesman had flatly denied such intentions (Vol. 13:15); that he was thinking of asking Secy. of Defense point-blank whether military wants to get TV channels; that he wanted to "smoke out" the military.

One application for station and 3 for translators were filed this week, producing total of 121 (35 uhf) pending for stations, 46 for translators. Station application was for uhf Ch. 34, Los Angeles, sought by theatre seat salesman Frederick J. Basset and food firm personnel mgr. Wm. E. Sullivan, latter ex-WKNX-TV, Saginaw. Two translators for Cottage Grove, Ore., on Ch. 74 & 77, were sought by South Lane TV Inc. (F. L. Morris, pres.), while Ch. 75 application for N. Warren, Pa. was resubmitted by Conewango Valley TV Inc. [For details, see TV Addenda 25-C herewith.]

Grant of Ch. 6, Butte, Mont. to KOPR is recommended in initial decision issued this week by FCC examiner J. D. Bond after competitor Arthur W. Schwieder dropped out on payment of \$7500 for expenses. Note: Last week's report of decision granting Ch. 13, Biloxi, Miss. to WVMI should be corrected to indicate that Comr. Bartley was the dissenter, favoring WLOX.

Experimental Ch. 6 station in Miami is sought by WITV, Ft. Lauderdale (Ch. 17), which seeks to emulate WJMR-TV, New Orleans. Latter received FCC permission to compare vhf-uhf propagation from same transmitter site; WITV asks same with newly assigned Ch. 6. It specifies construction costs of \$228,275, yearly operating \$70,000.

Newsweek's purchase of 46.22% of KFSD-TV, San Diego (Ch. 10) & KFSD from Fox, Wells & Co. interests in deal involving \$1,502,900 (Vol. 13:30) was approved this week by FCC. Fox, Wells & Co. retains 34.15% of stock, but keeps control by means of stock pooling agreement with minority owners who hold other 19.63%.

Single sideband transmission will be tried experimentally by WABC, N. Y., ABC engineering v.p. Frank Marx stating system provides equivalent of double power, increased fidelity, less distortion in fringe area signal fading.

FTC stipulation agreed to this week by radio KGBX, Springfield, Mo., that it was first to operate there "or otherwise represent its relative position with other stations not in accordance with the facts." Agreement did not constitute admission by station that it violated any law.

First Scottish TV station of ITA system begins transmission Aug. 31 at Black Hill, Lanarkshire, using Marconi equipment. It's fifth ITA station, serves Edinburgh, Glasgow, Dundee, central industrial belt of Scotland.

Cancelling its CP for KSPS, Hot Springs, Ark. (Ch. 9), grantee Video Independent Theatres told FCC it concluded market couldn't support the station.

Upcoming WINR-TV, Binghamton, N. Y. (Ch. 40), due on air Oct. 1, will be optional affiliate of NBC-TV.

MPO TV Films Inc., headed by Judd L. Pollock, has taken over ATV Film Productions Inc.

Advertisers are signing less-than-52-week contracts with TV networks despite "impression" among some national sponsors that full-year agreements are "unalterable requirement," Assn. of National Advertisers reported Aug. 15. Survey in which 69 advertisers responded to questionnaires showed 67 instances in which they "were obliged to make a firm commitment for facilities on a 52-week basis," but in 17 instances agreements were for 26, 35 or 39 weeks. Asked if they preferred shorter periods, 61 said "yes," 3 "no," with 13-week agreements favored by 27. NBC commented that "52-week contracts are normally desired, both by advertiser & network, for prime time periods & programs," but that "naturally, all networks have certain time periods & programs which need not have a 52-week contract."

Pay-TV baseball would have 40% of N. Y. home viewers as customers if it is startd there, according to Pulse sampling of 800 TV homes among 5,000,000 in that No. 1 market. No similar poll has been undertaken by Pulse on west coast, where Dodgers & Giants may move for ventures into pay TV (Vol. 13:29-31). But rating service, applying results of N. Y. survey, figures that Dodgers may find "a mint" in No. 2 market in Los Angeles (2,600,000 TV homes) and Giants may find "a mirage" in No. 7 market in San Francisco (1,350,000). Pulse estimates Dodgers would gross \$20,000 more per game through pay TV in Los Angeles than they do now at Ebbetts Field from ticket sales & TV-radio rights, whereas Giants would earn \$10,000 less than they average now at Polo Grounds.

Plumping for toll-TV tests, Aug. 14 Variety editorializes: "To condemn it for the reason that it may ultimately affect free video, simply because it'll catch on with the public, is hardly in the spirit of American free and competitive enterprise. There are plenty of considerations on which home-toll can be legitimately attacked but to argue that it should not be tried since it could affect established methods of sponsored telecasting may be doing the anti-toll cause more harm than good."

Regional uhf strategy conference on repeal of 10% manufacturers' excise tax on all-channel TV sets (Vol. 13:29) at next session of Congress will be held Aug. 28 in Erie, Pa. by Committee for Competitive TV. CCT chairman John W. English, treas. Tom Chisman (WVECTV, Hampton-Norfolk), exec. director Wallace Bradley and pres.-gen. mgr. Wm. L. Putnam of WWLP, Springfield, Mass., will lead sessions for uhf operators of Pa., Ohio, N. Y., Ill. and New England.

Rate increases: WTTG, Washington, Sept. 1 raises base hour from \$720 to \$1000, min. going from \$132 to \$120. WDSM-TV, Duluth-Superior, July 1, raised hour from \$400 to \$450, min. \$80 to \$101.25. WJTV, Jackson, Miss. Sept. 1, hour \$360 to \$400, min. \$80 to \$90. WMAZ-TV, Macon, Ga. Sept. 1, hour \$360 to \$400, min. \$72 to \$80. Spot increase: WISN-TV, Milwaukee, has raised base min. from \$200 to \$240.

"Man in white suit" TV commercials by American Chicle Co. for "Rolaids" alkalizer, cited as false by FTC's TV-radio monitoring unit (Vol. 13:20), neither misrepresent product nor disparage competing preparations, company said this week in formal answer to complaint filed by agency May 13. American Chicle asks FTC to dismiss charges.

National TV network advertising increased 2% in first 6 months of year compared with similar period in preceding year, Aug. 16 *Printers' Ink* reports. During same period all national measured media went up 4%. June activity generally was unchanged over May, but TV network showed 3% decline.

# THE AUTHORITATIVE

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# SUMMARY-INDEX OF THE WEEK'S NEWS — August 24, 1957

- ABOUT 100 NEW STATIONS in sight, based on CPs outstanding and applications pending. Only drastic change in economics seen changing prospects (p. 1).
- GIANTS MOVE TO SAN FRANCISCO said to have wired pay-TV factor, but nothing is clarified. Jerrold new contender for Bay area cable franchise (p. 2).
- TOOLS FOR ADVERTISING industries provided in excellent and exhaustive compilations published by Advertising Age and Printers' Ink (pp. 3 & 5).
- DYNAMIC GROWTH of TV station-network revenues & profits delineated in official FCC figures for 1956. Revenues up 20.4%, profits 26.2% (p. 4).
- BMI ASSAILED IN SENATE as music monopoly; Sen. Smathers demands ban on broadcasters engaging in music publishing or recording (p. 8).

- BREAKDOWN OF PICTURE TUBE SALES—new-set, replacement, export, size. Tube makers' evaluation. No increase in deflection angle seen (p. 10).
- TV WEEKLY PRODUCTION hits new high for second straight week with total of 179,615, gain of 19,000 over similar 1956 week (p. 10).
- TV SHIPMENTS to dealers total 2,503,966 in first half of 1957, some 220,000 less than production; 1956 first-half shipments were 2,775,022 (p. 10).
- WTIC-TV, HARTFORD, plans Sept. 23 start as independent after month of test patterns; other upcoming station reports (p. 7).
- PAY-TV PROMOTERS scored by Sen. Potter for "aggressive & calculated" campaign to turn TV into "domestic slot machine operation" (p. 14).

TV ECONOMICS POINT TO 600-STATION CEILING: The vhf spectrum has been squeezed almost dry, in terms of today's station economics. Matter of fact, there's still question whether U.S. could support any huge addition to the 504 stations (vhf & uhf) operating now.

Careful study of existing grants and applications indicates only about 100 more vhi stations in prospect in addition to the 414 vhi operating—if demand by applicants is any criterion, and we think it's the best one going.

Uhf is another story. There are 90 uhf stations on air, plus 123 CPs unbuilt and 37 applications pending. As everyone knows, it would take something drastic to augment the uhf on-air total noticeably—despite ready availability of uhf channels in substantial markets.

Free play of economic forces hasn't had chance to operate fully in TV because of built-in ceiling caused by vhf channel scarcity in desirable markets. So far, however, analysis by CBS economist Sidney Alexander 2 years ago holds up surprisingly well. At that time (Oct. 1955, Vol. 11:42), he estimated country would support only about 600 stations (vhf and uhf), regardless how you sliced engineering standards to drop in more vhf stations. He doesn't look wrong yet.

As of today, only 105 additional vhf stations are in sight. These comprise the 58 vhf CPs unbuilt and 47 channels sought by 85 vhf applicants. Thus: 504 operating stations (vhf & uhf) plus 105 vhf possibilities equal 609. (New uhf construction is likely to be negligible.)

Most of the 47 channels being sought today are in smaller cities. Here's FCC's latest list of cities for which final decisions are yet to come: Alliance, Neb.; Beaumont, Tex. (2 channels); Bowling Green, Ky.; Buffalo, N. Y.; Butte, Mont.; Cheboygan, Mich.; Elk City, Okla.; Elko, Nev.; Flint, Mich.;

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Greenwood, Miss.; Hatfield, Ind.; Lubbock, Tex.; Mayaguez, P. R.; Ogden, Utah; Parma, Mich.; Rochester, N. Y.; Toledo, O. Sole uhf hearing listed is for Baton Rouge's Ch. 18.

In addition to foregoing, quite a few significant whi channels are being litigated in Court of Appeals. However, almost all grantees have been permitted to build and operate pending resolution of litigation. Furthermore, blunt fact is that FCC almost never reverses itself, regardless how badly it gets spanked by court. Incidentally, one long-litigated case washed out this week, when Hartford Telecasting moved to dismiss its appeal against grant of WTIC-TV, Hartford (Ch. 3).

. . .

Mere numbers of stations are only part of the story, of course. Where they are counts more. Addition of 25 vhf stations in the 25 top markets might be dynamite, while same number in prairie towns would have little impact on TV's economics.

ABC-TV's "full network status" is good evidence of that. Within last 1-2 years, it's beefed up its major-market full-time affiliations to point where it can really talk clearances with sponsors. ABC's fast footwork in Washington to reach this status isn't generally appreciated. It did this through promotion of mergers in dragged-out hearings, vhf drop-ins, vhf channel shifts, deintermixture, etc.

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CBS's Alexander based his 600-station ceiling on number of homes needed to support stations. He figured 4-station market needed minimum of 139,000; 3-station, 83,000-139,000; 2-station, 50,000-83,000; 1-station, 22,000-50,000. Then, discussing shorter radii of stations (possible through mileage-power-height cuts or shift to uhf), he said: "Larger radii permit fewer stations to cover a given area, and shorter radii reduce the number of market centers that can support a station. That is, many market centers which can support a station with a 50-mi. radius of coverage can no longer support one with a 25-mi. radius of coverage . . . If the power is to be reduced, or uhf to be generally adopted, while more stations would be needed to cover the country, fewer could be supported economically."

GIANTS GO WEST—BUT PAY TV REMAINS FOGGY: The muddled pay-TV situation in San Francisco & Los Angeles remains muddled—as N. Y. Giants baseball team finally announced plans to move to San Francisco and its pres. Horace Stoneham said pay TV was a factor in decision to move, though not necessarily a big one. Meanwhile, Sen. Potter (R-Mich.) assailed pay-TV proponents for "one of the most aggressive & calculated publicity campaigns" in industrial history (see p. 14).

Jerrold Electronics Corp. this week went into competition with Skiatron and the combination of International Telemeter & Fox West Coast Theatres as a seeker to wire up San Francisco for pay system, said it has a "practical" proposal, in contrast with the "irrational" concepts of others.

Puzzler in situation is who is to wire the city and how. Mayor George Christopher has indicated city is prepared to grant "non-exclusive" franchises for those prepared to put in cable systems. Does this mean any number of promoters can duplicate each other's work, as far as city is concerned? Apparently.

Actually, Pacific Telephone & Telegraph Co. will have to provide answers, for it has the poles to which to attach cables—and it would be silly for anyone to put up his own poles. Real situation is simple: PT&T doesn't know what to do yet, is sitting tight, "studying."

Jerrold emphasized intention of tieing up with movie exhibitors in San Francisco, just as it did with Video Independent Theatres in Bartlesville, Okla., where town is wired up ready to go with feature movies Sept. 3. Jerrold pres. Milton J. Shapp, after talking to Mayor Christopher, stated cautiously:

"Because of our experience in the cable TV business, we recognize the enormous complication of wiring a city such as San Francisco and the tremendous problems facing the telephone company in making technical decisions in this respect. Contrary to the irrational statements issued by others, we do not feel that the job can be done with a handful of dollars and within a few months' time. There is no magic promotional wand that can be waved over the Bay area to create this service for the residents of San Francisco immediately. To construct a system of this size will take time." He proposes flat monthly fee to subscribers, as in Bartlesville.

Skiatron v.p. Jerome Doff, after Giants' announcement, said company will be ready with system at start of 1958 baseball season if city grants franchise. City council is due to act about Sept. 16.

Skiatron has indicated inexpensive open-wire system will do trick in San Francisco & Los Angeles (Vol. 13:30), but Bell System's best TV brains view idea with great skepticism. One of its ablest and most respected engineers tells us: "I don't see how we could go for it. Theoretically, if you ran open wire in a straight line in open country, it would be fine. But with turns, with taps, with outside interference, you'd have to raise the level above FCC's radiation limits. I know of no one of responsibility in the Bell System who'd buy it."

Video Independent Theatres, meanwhile, kicking off drive for customers in Bartlesville, is easing into project slowly, pres. Henry S. Griffing asserting: "From our past experience with community antenna systems, we know this thing won't go off all at once like a firecracker. The people of Bartlesville are going to have to be sold on it, one family at a time, and it will take a while. We're sure it will be a year or more before the public learns the pleasure of telemovies in the home." To date, VIT is only organization known to have commitments from movie producers for first-run features—backbone of programming fare, and presumed to be backbone of any pay-TV project, cable or telecast.

FCC plans to take up question of toll-TV test authorization Sept. 17 but there's absolutely no telling when final decision will come. Roughly speaking, commissioners are split 3-3 on concept, so new member Frederick Ford may wind up the tie-breaker. Leaning in favor of tests are Chairman Doerfer, Lee, Craven; against—Hyde, Bartley & Mack. But these aren't all firm or fixed.

Informed that he may be key man, Ford expressed surprise. "You can be sure, if that's the case," he said, "I'm going to study this thing mighty carefully before I vote. Actually, I haven't had any time to study FCC problems. This office [at Justice Dept.] is at its busiest now, with Congress winding up session; it has the liaison with Congress." Ford is due to be sworn in Aug. 29; he'll take vacation then, doesn't know how long, says he hasn't had one for 2 years.

From the advertising fraternity, that group so strangely unperturbed by prospects of pay TV, came a comment this week. For those commercial-baiters among TV critics who've been panting for commercial-less toll TV, here's remark from Wm. B. Lewis, pres. of Kenyon & Eckhardt ad agency, quoted in Aug. 17 Editor & Publisher: "What has interested me as a bystander in all this argument is that neither side has considered the possibility of combining commercially-sponsored TV with pay TV. Why not run advertising with pay TV? That seems logical, and certainly worthy of study." Paramount's International Telemeter, for one, has given it study, considers it logical (Vol. 13:23).

**PROFILES' OF THE TOP 100 ADVERTISERS:** Advertising Age Magazine has come up with a tour de force in its Aug. 19 issue—exhaustive "marketing profiles" of nation's 100 largest advertisers in 1956.

Handy reference runs nearly 100 pages, includes not only specific breakdowns of spending by top 100 in "measured" media of TV, newspapers, magazines, outdoor, but investments in "unmeasured" media such as radio, direct mail, point-of-purchase.

Beyond advertising statistics themselves, study includes short description of companies, ranking in respective industries, new products & campaigns, personnel changes, marketing programs & organization.

General Motors again led advertisers by "country mile," study shows—having spent \$162,499,248, a drop from the \$170,381,860 in 1955. Procter & Gamble again was runner-up with \$93,000,000 vs. \$85,000,000 in 1955. Ford was close third, up to \$88,650,000 from \$72,942,694 in 1955. (For 1956 & 1955 estimated expenditures of the top 100, see p. 5).

1)

"Much of the information in the 100 profiles has never been published before," magazine says, reporting that trade biography material was gathered directly from firms & agencies—or from "great variety of sources to fill in the gaps" when they were reluctant to furnish some information for competitive

reasons. (Copies of issue are available for 15¢ from Advertising Age, 200 E. Illinois St., Chicago, or 480 Lexington Ave., N. Y.)

Printers' Ink is out, too, with its "Advertisers' Guide to Marketing for 1958," showing that total U. S. ad expenditures are expected to reach \$10.2 billion, 7.7% above last year's \$9.9 billion.

Magazine tallies 1956 expenditures of top 100 advertisers in 7 major media—magazines, newspapers, farm papers, network radio & TV, spot TV, business publications, outdoor: General Motors, \$115,899,205; Procter & Gamble, \$79,355,592; Ford, \$56,649,005; Chrysler, \$48,293,288; Colgate-Palmolive, \$44,480,906; General Foods, \$41,761,075; General Electric, \$38,937,754; Lever Bros., \$30,208,313; R. J. Reynolds, \$23,607,526; Distillers Corp.-Seagrams, \$23,145,742.

Included in "Guide" are compilations covering direct mail, outdoor, transportation, budgeting, salaries, TV-radio, mail order, business & farm publications, list of 374 million-dollar advertisers, etc.

FCC FIGURES EMPHASIZE TV AS GROWTH INDUSTRY: Though telecasting industry has been fairly "mature" for several years, in terms of audience reached and increase in number of stations, it remains one of the most dynamic growth industries in the country. Fact is clearly emphasized in FCC's official revenue-expense-profit figures for 1956, released this week.

No word other than "dynamic" can be applied to a big industry that increases its revenues 20.4%, profits 26.2%—in one year. Specifically, total network-station revenues rose from \$744,700,000 in 1955 to \$896,900,000 last year, while profits before federal income taxes went from \$150,200,000 to \$189,600,000.

Figures released by Commission this week include only major breakdowns. Detailed tables, which enable individual operators to match their performance with others in similar markets, are due in 4-6 weeks—as fast as FCC staff can process them.

Standing out in Commission's compilation is fact that exceptional improvement was achieved by networks themselves, post-freeze vhf stations and even uhf operators—while pre-freeze stations' improvement was good but more modest.

For example, the 3 networks and their 15 stations had before-tax profits of \$85,400,000 in 1956—compared with \$68,000,000 in 1955, \$36,500,000 in 1954. The 95 pre-freeze vhf stations, by contrast, had profits of \$89,700,000 in 1956, up only modestly from the \$81,900,000 in 1955, \$67,600,000 in 1954.

Post-freeze vhfs are coming into their own. They brought in \$16,400,000 profits in 1956, as against \$4,800,000 in 1955, loss of \$3,800,000 in 1954.

The uhf operators, garnering bigger chunk of business while holding expenses down, cut total losses to \$1,900,000 last year, compared with loss of \$4,500,000 in 1955, \$10,000,000 in 1954. Thus, there's every indication that 1957 will see uhf operators, as a group, breaking even or achieving small profit.

(For FCC's complete table, see p. 7).

Acquisition of KWK-TV, St. Louis (Ch. 4) by CBS, which would in turn relinquish CP for Ch. 11, is under discussion, no agreement yet. Advantages are that CBS would gain ready-made station, wouldn't have to build, while KWK-TV, now holding CBS affiliation, would avoid exigencies of independent operation. KWK-TV came to CBS with the idea. Informed of plan, the 3 losers of Ch. 11 hearing who have appealed decision giving Ch. 11 to CBS are considering whether to merge to take over Ch. 11 CP from CBS. If they don't, there's legal question whether Ch. 11 is then up for grabs.

Hi-fi recording companies and AFM will join in producing single long-play disc of dozen or more versions of "Star Spangled Banner" by nation's top symphony orchestras. Public service project, intended to supply TV & radio stations and public schools with first hi-fi record of national anthem, is sparked by industrialist Louis Schweitzer, who recently bought WBAI (FM), N. Y. Listening to playing of "Star Spangled Banner" at sign-off time, he found that station used recording from old shellar disc; that hi-fi records weren't produced because music takes less than 3-in. grooving.

Television Digest

LALE ELECTRONICS REPORTS

WHAT BUILDING, WASHINGTON 5, D. C.

MARTIN CODEL, Editor and Publisher; ALBERT WARREN, Senior Editor; ROBERT CADEL, Business Manager;
DAVID LACHENBRUCH, Associate Editor; JAMES S. CANNON, Trade Reports Editor

Editorial Associates: Paul Stone, Wilham J. McMahon Jr., Wilbur H. Baldinger

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THE 100 LEADING national advertisers in 1956, as estimated by Advertising Age in its Aug. 19 issue (see page 3), are tabulated below. Total expenditures of each, in both measured and unmeasured media, are shown—compared with estimated 1955 outlays of each. Table is copyrighted by Advertising Publications Inc., reprinted by special permission. Here are the figures, with advertisers ranked according to expenditures:

	Estimated Total Expenditures		
Rank Advertiser	1956	1955	
1. General Motors Corp 2. Procter & Gamble Co	\$162,499,248	\$170,381,860	
3. Ford Motor Co.	93,000,000 88,650,000	85,000,000 72,942,694	
4. General Foods Corp.	77,700,000	75,000,000	
5. General Electric Co.	74,096,940	60,632,197	
6. Colgate-Palmolive Co.	67,000,000	62,000,000	
7. Lever Bros. Co.	60,100,000	52,500,000	
8. Chrysler Corp.	60,093,289	68,629,722	
9. National Dairy Products Corp	37,470,000	31,112,000	
10. Radio Corp. of America	35,173,000	30,773,000	
11. Westinghouse Electric Corp	32,000,000	25,000,000	
12. Distillers CorpSeagrams Ltd	31,547,043	30,413,125	
13. General Mills Inc.	31,000,000	29,000,000	
14. R. J. Reynolds Tobacco Co	30,000,000	27,000,000	
15. American Home Products Corp	29,000,000	22,000,000	
15. American Tobacco Co	29,000,000	27,000,000	
15. Coca-Cola Co.	29,000,000	26,000,000	
15. Gillette Co.	29,000,000	27,851,887	
19. Schenley Industries Inc.	26,991,369	25,396,030	
20. Swift & Co	26,000,000	22,000,000	
20. Philco Corp.	26,000,000	25,228,799	
22. Borden Co.	24,150,000	23,000,203	
23. E. I. du Pont de Nemours & Co	23,500,000	23,323,150	
24. Warner-Lambert Pharma. Co.	23,000,000	23,243,184	
25. National Distillers Products Corp. 26. Liggett & Myers Tobacco Co	22,100,300 22,000,000	18,450,000 20,000,000	
27. Goodyear Tire & Rubber Co	21,000,000	20,440,680	
27. Bristol-Myers Co.	21,000,000	17,000,000	
27. Armour & Co.	21,000,000	17,000,000	
27. Sterling Drug Inc.	21,000,000	17,000,000	
31. National Biscuit Co	20,900,000	20,200,000	
32. American Tel. & Tel. Co	20,645,957	13,635,617	
33. Brown & Williamson Tob. Corp.	20,000,000	9,000,000	
33. Campbell Soup Co	20,000,000	17,000,000	
33. Eastman Kodak Co.	20,000,000	17,000,000	
36. Philip Morris Inc.	19,000,000	14,750,000	
37. Standard Oil Co. (New Jersey)	18,696,000	14,000,000	
38. Kellogg Co.	18,000,000	17,000,000	
38. Pillsbury Mills	18,000,000	16,000,000	
40. Standard Oil Co. (Ind.)	17,500,000	16,000,000	
41. Johnson & Johnson	17,000,000	16,000,000	
42. Standard Brands Inc.	16,567,174	12,000,000	
43. Texas Co.	16,197,008	13,900,000	

Former President Truman heads list of speakers at 8
NARTB regional conferences Sept. 16-Oct. 25. He'll share
platform with pres. Charles N. Kimball of Midwest Re-
search Institute at Region 5 meeting Oct. 10-11 in Muehl-
bach Hotel, Kansas City. Other speakers at sessions which
will have theme of "A Time for Decision": Governor
Averell Harriman of N. Y. & GE chairman Philip D. Reed
-Region 1, Van Curler Hotel, Schenectady, Sept. 16-17;
Sen. Charles E. Potter (R-Mich.) & Ben R. Donaldson,
director of Ford institutional advertising-Region 4, Hotel
Statler, Cleveland, Sept. 19-20; Rep. Hugh Scott (R-Pa.) —
Region 5, Grove Park Inn, Asheville, N. C., Sept. 23-24;
Sen. Warren G. Magnuson (D-Wash.) & Gov. Robert D.
Holmes of Ore.—Region 8, Hotel Multnomah, Portland,
Ore., Oct. 14-15; Sen. Gordon Allott (R-Colo.) & ABC
radio network pres. Robert E. Eastman-Region 7, Brown
Palace, Denver, Oct. 17-18; Sen. Ralph Yarborough (D-
Tex.) & v.p. Arthur A. Smith of First National Bank of
Dallas-Region 6, Baker Hotel, Dallas, Oct. 22-23; Rep.
Oren Harris (D-Ark.) & Frank R. Ahlgren, editor of
Memphis Commercial Appeal-Region 3, Peabody Hotel,
Memphis, Oct. 24-25.

Canadian TV billings gained bigger share of all-media advertising investment in 1956, grossing 16.6% of \$204,580,522 total reported by 100 agencies compared with 13.5% of \$177,240,355 in 1955, according to Dominion Bureau of Statistics. In 1954, TV billings were only 5.5% of Canadian advertising budget. Radio's share in Canada last year slipped to 10.3% from 11.9% in 1955.

		ited Total
Rank Advertiser	_	nditures
	1956	1955
44. Quaker Oats Co.	16,047,709	15,807,298
45. Revion Inc. 46. Borg-Warner Corp. 47. Miles Laboratories Inc.	15,503,079 15,348,463	7,500,000 15,647,000
47. Miles Laboratories Inc.	15,100,000	8,500,000
48. Sperry Rand Corp.	15,000,000	12,994,600
48. Sperry Rand Corp. 49. P. Lorillard Co.	14,873,000	15,829,000
50. Shell Oil Co.	14,750,000	12,550,000
50. Shell Oil Co	14,500,000	13,000,000
51. American Motors Corp.	14,500,000	18,000,000
Jo. Carter Floducts Inc.	14.000.000	8,000,000
54. Union Carbide Corp.	13,828,372	11,426,535
55. Chesebrough-Pond's Inc.	13,000,000	12,107,620
55. Hiram Walker-Good'ham & Worts 57. Studebaker-Packard Corp. 58. Jos. Schlitz Brewing Co.	13,000,000	12,000,000 13,275,209
58 Jos Schlitz Proving Co.	12,841,674	
59. American Cyanamid Co.	12,605,035 12,501,874	11,560,000
60 Anneliser-Rusch Inc	19 500 000	9,229,510 11,234,000
61. Socony-Mobil Co. 62. Continental Baking Co.	12,351,750	10,560,721
62. Continental Baking Co.	12,225,000	7,301,000
63. Gulf Oil Corp	12,000,000	10,000,000
63. S. C. Johnson & Son	12,000,000	11,000,000
65. Nestie Co.	1.1 527 000	9,518,336
66. B. F. Goodrich Co.	11 500 000	11.500.000
67. Pepsi-Cola Co.	11,164,000	10,100,000
67. Pepsi-Cola Co. 68. U. S. Rubber Co.	11,000,000	9,000,000
68. Corn Products Renning Co	11,000,000	8,000,000
70. Scott Paper Co.	10,798,790	8,619,080
71. Carnation Co. 72. Falstaff Brewing Co.	10,527,674	9,329,577
73. Helene Curtis Industries Inc.	10,200,000 10,000,000	8,000,000
74. Pharmaceuticals Inc.	9,180,000	8,000,000 7,920,000
75. United Merchants & Mfg. Co	9,171,452	6,183,668
76. Sunbeam Corp.	9,000,000	6,700,000
76. Sunbeam Corp. 76. Monsanto Chemical Co.	9,000,000	8,000,000
78. Best Foods 78. H. J. Heinz Co. 80. U. S. Steel Corp.	8,500,000	8,000,000
78. H. J. Heinz Co	8,500,000	7,000,000
80. U. S. Steel Corp.	8,215,404	7,515,527
81. Pabst Brewing Co 81. Wm. Wrigley Jr. Co 81. Ralston-Purina Co. 81. Wesson Oil & Snowdrift Co. Inc	8,000,000	7,000,000
81. Wm. Wrigley Jr. Co.	8,000,000	8,000,000
81. Raiston-Purina Co.	8,000,000	7,500,000
81. Wesson Oil & Showdrift Co. Inc	8,000,000	4,250,000
21 Aluminum Co of Amorico	8,000,000	6,000,000
81. Aluminum Co. of America 81. Armstrong Cork Co. 88. Reynolds Metals Co.	8,000,000 8,000,000	6,000,000 4,200,000
88 Reynolds Metals Co	7,750,000	7,500,000
		6,700,000
90. Bulova Watch Co. 91. Kimberly-Clark Corp.	7.481.334	6,259,720
91. Kimberly-Clark Corp.	7,481,334 7,300,000	8,500,000
		4.492.498
93. Prudential Insurance Co	6,616,570	4,326,674
93. Prudential Insurance Co	6,093,843	5,011,370
95. Avco Mig. Co.	5,975,000	7,592,712
95. Avco Mfg. Co	5,750,000	5,250,000
97. Max Factor & Co.	5,500,000	3,500,000
98. General Tire & Rubber Co	5,400,000	4,600,000
99. Hunt Foods & Industries 100. Grove Laboratories Inc.	5,124,534 5,074,292	6,250,000
Too. Grove Haboratories Inc	3,017,292	3,810,553
mom		
TOTAL	\$2,079,623,406	\$1,850,223,172

Estimated Total

Hassle over TV rights threatened this week to cancel Sugar Ray Robinson-Carmen Basilio middleweight championship fight scheduled for Yankee Stadium Sept. 23. Trouble arose suddenly Aug. 20 when Robinson said he would withdraw from bout because International Boxing Club had signed closed-circuit TV theatre contract with TNT (Vol. 13:32), whose pres. Nathan L. Halpern guaranteed equivalent of 250,000 admissions. Robinson said he hadn't consented to arrangement, wanted to sign with Teleprompter instead because Teleprompter pres. Irving Kahn "offered me more money" on 400,000-seat basis. N. Y. Athletic Commission summoned principals to meeting Aug. 26 to try to settle argument. Halpern told newsmen he already had signed 161 theatres with seating capacity of 413,500 seats. Kahn stated: "Based on my discussions with exhibitors, I believe it's possible for us to line up 500,000 seats."

Newspaper market surveys made by newspapers themselves, newspaper groups and ANPA's Bureau of Advertising are catalogued in 30-page Newspapers at Your Service, published by Bureau and available to agencies & advertisers at its N. Y., Chicago, San Francisco & Los Angeles offices.

Mutual TV Purchasing Corp. has been organized by TV Clearing House Inc. as subsidiary with resident buyers in N. Y. & Hollywood for pool buying of TV station equipment & furnishings. Louis J. Dahlman, majority stockholder in parent firm of program consultants, is pres. of new company.

Personal Noies: Joseph H. Ream, 1947-52 CBS exec. v.p. who retired to Florida farm in 1952, returns to CBS as Washington v.p., succeeding late Ralph Hardy. Ream is native of Iowa, 1925 graduate of U of Kansas, 1927 graduate of Yale, joined CBS in 1934 as general attorney, became secretary in 1938, vice president in 1942. For past year he has been deputy director of the National Security Agency in Washington . . . Harry C. Folts, from ABC Radio, and Aaron Beckwith, ex-NTA, named ABC-TV account executives . . . Robert Schultz named film service sales supervisor for California National Productions' Calnatron system . . . Manfred Gottfried appointed by Time Inc. to develop news resources in TV, radio & film; Emmet J. Hughes succeeds him as chief of correspondents in foreign news service . . . Eliot Hyman elected pres. of Associated Artists, succeeding Louis Chesler, who continues as chairman . . . Larry Surles promoted to mgr. of NBC-TV new spot business . . . Richard W. Hubbell, ex-Carlos Franco Assoc., named INS business representative in N.Y. & New England areas; John A. Buning, ex-radio WHOO, Orlando, appointed INS business representative in southern div., Atlanta . . . James J. Hawkins promoted to gen. mgr. of KTVW, Tacoma . . . Dave Dash, ex-Cornell Films, named pres. of newlyorganized Carousel Films . . . A. H. (Chris) Christensen, from Westinghouse radio KEX, Portland, Ore., named adv. & sales promotion mgr. of WJZ-TV (WAAM), Baltimore . . . Wells H. Barnett Jr. promoted to station operations mgr. of radio rep John Blair & Co., N. Y.; Albert C.

ADVERTISING AGENCIES: Charles V. Skoog Jr. elected pres. of Hicks & Greist, replacing E. Harold Greist, named chairman to succeed H. Leslie Hicks, now vice chairman ... Robert C. Mack promoted to Grant Adv. v.p. in charge of TV-radio, Detroit . . . Jerome J. Cowen, senior v.p. of Cunningham & Walsh, named gen. mgr. of San Francisco office; Franklin C. Wheeler continues as exec. v.p. there . . . Hal James, ex-Ellington & Co., joins Doherty, Clifford, Steers & Shenfield as v.p. & TV-radio programming & production director.

Sale terms for KCOP, Los Angeles (Ch. 13), being sold to Kenyon Brown-Bing Crosby group in \$4,000,000 deal (Vol. 13:22) are revealed in application filed with FCC this week. They're paying \$150,000 down, paying Dorothy Schiff \$537,931 still owed by Copley Press, then \$3,312,068 in 32 installments. New owners, each with 25%, will be Bing Crosby Jr., chairman; Kenyon Brown, pres.; George L. Coleman, v.p.; Joseph A. Thomas, v.p. June 30 balance sheet for Television div. of Copley Press Inc. lists cumulative profit from operations at \$26,384, with additional profit from operations since Jan. 1 at \$12,326. It had \$344,943 current assets, \$960,652 investments & fixed assets, \$270,-372 prepaid and/or deferred charges; \$281,740 current liabilities, \$530,358 long term liabilities, \$989,350 investment by Copley Press.

Kenyon Brown-Bing Crosby group is selling KFEQ-TV, St. Joseph, Mo. (Ch. 2) & KFEQ for \$841,091 to Jesse D. Fine theatre family, former owners of WFIE-TV, Evansville, Ind. (Ch. 14). Jesse D. Fine will be pres. & 32.5% owner; Isadore J. Fine, v.p., 20%; Oscar K. Fine, treas., 32.5%; Eugene P. Fine, secy., 12.5%; Marvin Cohen, director, 2.5%. Combined KFEQ-TV & KFEQ balance sheet for June 30 shows earned surplus of \$31,338, with additional surplus earned up to June 30 of \$27,984. It lists \$92,981 current assets, \$567,292 broadcasting investment (\$442,050 for TV); \$12,454 current liabilities, \$552,-677 long term debts.

Long to sales development director, Mary H. Mason to sales development station service mgr. . . . Wm. R. Nutt promoted to promotion & publicity director of KGW-TV & KGW, Portland, Ore. . . . Rex King promoted to regional sales mgr. of upcoming WBOY-TV, Clarksburg, W. Va. (Ch. 12), due in Oct., coming from Pittsburgh sales office of owner WSTV-TV, Steubenville . . . Allen M. Woodall, prcs. of WDAK, Columbus, Ga., named exec. committee chairman of RAB . . . H. Dewitt (Judge) Landis elected a v.p. of Hamilton, Stubblefield, Twining & Assoc. brokerage firm . . . Gerald W. Elbers joins NARTB public relations staff, resigning as asst. to exec. director of President's Committee on Education Beyond the High School ... S. Wm. Aronson promoted to administrator of ABC cost control unit . . . Jack M. Barrington named public relations director of Theatre Owners of America . . . Leon Kagan, ex-ABC Film Syndication, joins NBC International Ltd. as Latin American operations mgr., headquartering in Mexico City.

Sid Shalit is resigning as TV-radio news editor of N. Y. Daily News after nearly 25 years with paper to enter music business as executive of independent-label record firm. Miss Kay Gardella, feature writer in News dept., succeeds him in No. 2 job under critic Ben Gross. Meanwhile, TV-radio critic John Crosby of N. Y. Herald Tribune Syndicate, who will conduct CBS-TV's upcoming Seven Lively Arts program, was reported planning to shift to general news column after he returns from vacation.

NTA has purchased 75% of KMGM-TV, Minneapolis (Ch. 9) for undisclosed price from United Television Inc. (Sy Weintraub, pres.), which acquired it as KEYD-TV, with radio KEYD, from Morris T. Baker's Minneapolis Tower Co. in 1954 for \$1,500,000, then sold radio KEYD for \$35,000 (Vol. 12:21). Loew's Inc. retains 25% acquired in 1956 for about \$750,000 (Vol. 12:44). Sellers include Thomas P. Johnson and Larry H. Israel (gen. mgr. of WJZ-TV, Baltimore), who also have holdings in WENS, Pittsburgh (Ch. 16); Oliver Tyrone Corp. (Wm. H. Rea, pres.), which has minority interest in WENS and WMTW, Poland Spring, Me. Oliver Tyrone ownership interlocks with WABI-TV & WABI, Bangor, Me.

Mrs. A. Scott Bullitt will own 40%, her KING Broadcasting Co. 60% of KREM-TV, Spokane (Ch. 2) and AM & FM affiliates, it's revealed by transfer application filed this week. Louis Wasmer, who is getting \$2,000,000 for properties (Vol. 13:28), will remain as pres. of new KREM Bestg. Co., but without stock interest. KREM stations balance sheet dated June 30 lists \$244,382 current assets, \$438,041 fixed assets; \$55,263 current liabilities; \$629,250 proprietorship.

Suit over sale of KERO-TV, Bakersfield (Ch. 10) for \$2,150,000 to Wrather-Alvarez Bestg. Inc. (Vol. 13:29) has been settled out of court, terms undisclosed. Robert K. Straus, 10% owner of WITI-TV, Milwaukee, had filed suit, alleging existence of prior contract to sell station to him. Sale has been approved by FCC.

KSHO-TV, Las Vegas (Ch. 13) has been sold for "around \$200,000" to Merv Adelson, Las Vegas market chain operator, by Albert Zugsmith interests, according to pres. Frank Oxarart. Selling group acquired station in late 1956 from Moritz Zenoff (Vol. 12:48).

Grant of \$25,000 to Metropolitan Educational TV Assn., N. Y., for operating expenses was awarded this week by N. Y. Foundation, which made same contribution in 1956 & 1955.

Notes on Upcoming Stations: WTIC-TV, Hartford (Ch. 3) began Mon.-Fri. test pattern schedule Aug. 23 (9 a.m.-1100n & 7-9 p.m.), with programming scheduled to start Sept. 23. It will be independent outlet in area already served by CBS's WHCT (Ch. 18), NBC's WNBC (Ch. 30) and Triangle Publications' ABC-TV affiliate WNHC-TV, New Haven (Ch. 8). We're not counting it on air yet, so on-air score remains 504 (90 uhf). WTIC-TV has 25kw RCA transmitter and 440-ft. self-supporting Ideco tower with 100-ft. 6-section superturnstile antenna on Talcott Mt. Studios in downtown Hartford, scheduled to be ready Sept. 10, connect via microwave with Talcott Mt., 7 mi. W. Owner is Travelers Insurance Co., also operator of radio WTIC. Base hour will be \$800. Rep will be Harrington, Righter & Parsons.

WOWL-TV, Florence, Ala. (Ch. 15), authorized to change Sept. 6 from Ch. 41, expects to have 1-kw GE transmitter wired and ready by Sept. 15, and hopes to begin before end of month, reports pres.-gen. mgr. & 25% owner Richard B. Biddle. It has 300-ft. tower due from U. S. Tower Co. Sept. 1 and GE antenna was scheduled to arrive Aug. 24. Studio-transmitter building at 800 Cyprus Mill Rd. has been ready 3 months. Network affiliation hasn't been announced yet, nor has base hourly rate been reported. Rep will be announced Sept. 1.

WIPR-TV, San Juan, P. R. (Ch. 6) has again changed target: it's Nov. 1 now, reports R. Delgado Marquez, gen. mgr. of TV-radio for Puerto Rico Dept. of Education. It has 25-kw RCA transmitter, which was to have been ready this month. RCA 6-bay antenna has been installed on

CC FINANCIAL DATA on station & network Pperformance in 1956 are final and official. First table, covering over-all figures, is the only one released this week. Other tables, giving exhaustive breakdowns of stations by markets, market size, revenues, loss or profit station, etc., will follow in 4-6 weeks. Herewith is Commission's comploto Table I.

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16.4 (1.9)	(4.5)	(10.0)	
	\$356.9 171.0 527.9 145.0 34.4 \$707.3 Bro (Before \$ 85.4 89.7	### Broadcast Expe   ### \$356.9	

<sup>( )</sup> Denotes loss.

200-ft. Blaw-Knox tower at site of elaborate TV-radio plant 15-mi. from San Juan.

CHCA-TV, Red Deer, Alta. (Ch. 6) expects to order Canadian GE equipment, plans early Nov. start-earlier if microwave connection is completed on schedule-writes G. A. Bartley, pres. of CHCA Television Ltd. It expects to use 300-ft. Stainless tower with 2-slot coaxial antenna. Base hour not set. National sales rep not chosen; regional reps will be John N. Hunt (Vancouver) and A. J. Messner (Winnipeg).

KXGN-TV, Glendive, Mont. (Ch. 5) plans test patterns by Sept. 15, programming by Sept. 30, reports gen. mgr. Dan C. Palen for owner Lewis Moore, local theatreman, also owner of radio KXGN. It has 5-kw DuMont transmitter wired and ready and 1-bay GE antenna has been installed on 192-ft. Fisher tower. Network affiliation is being negotiated. Base hour will be \$125. Rep will be Grant Webb.

RCA shipped 25-kw transmitter Aug. 22 to upcoming KGHL-TV, Billings, Mont. (Ch. 8), which hasn't reported starting date; 25-kw transmitter Aug. 20 to WESH-TV, Daytona Beach (Ch. 2), planning boost to 100-kw.

Facility changes: WJTV, Jackson, Miss. (Ch. 12) began with 316-kw Aug. 19; WALB-TV, Albany, Ga. (Ch. 10) began using new 12-section superturnstile antenna Aug. 17.

RCA shipped 3-V color film camera Aug. 20 to upcoming WLWI, Indianapolis (Ch. 13), due in Sept.

WISN-TV, Milwaukee (Ch. 12) begins telecasting Aug. 26 from new \$1,250,000 two-story Broadcast Center.

Radio station sales and transfers reported this week: WOBS, Jacksonville, by Robert W. Rounsaville for \$500,000 to new owners of WSTN, St. Augustine, Fla.-Simpson R. Walker Jr., Harry C. Powell Jr. & Lawrence R. Picus . . . WMRY, New Orleans, by Lester Kamin and associates (also with interest in uhf CP WCKG, there) for \$250,000 to Robert W. Rounsaville, operator of southern radio chain and holding uhf CPs for WATL-TV, Atlanta; WQXL-TV, Louisville; WQXN-TV, Cincinnati . . . KTBS, Shreveport & KTBS-FM, by owners of KTBS-TV (E. Newton Wray, pres.) for \$200,000 to B. R. McLendon and associates-McLendon family also being principal stockholders of KLIF, Dallas; KILT, Houston; KTSA, San Antonio . . . WSLB, Ogdensburg, N. Y. by St. Lawrence Bestg. Corp. (Joseph R. Brandy, pres.) for \$190,000 to George W. Bingham (56%) and associates—Bingham also holding control of WKIP, Poughkeepsie and WGNY, Newburgh, N. Y. . . . KLIL, Estherville, Ia. by Wm. E. & Edward Schons and A. G. Bush for \$15,000 (plus 10 year lease aggregating \$120,000) to station mgr. Jack W. Turnbull & wife. Bush (Minnesota Mining & Manufacturing Co.) is board member of KSTP-TV, St. Paul, and with Schons owns WKAI, Macomb, Ill.; Schons also have interest in KRSI, St. Louis Park, Minn. and KRBI, St. Peter, Minn. ... WMEG, Eau Gallie, Fla. 50% by Washington attorneys Scymour Krieger & Norman Jorgensen for \$32,000 to gen. mgr. A. V. (Chic) Catterton and commercial mgr. Victoria C. Martin, increasing holdings to 50% each. Brokers: KTBS, Hamilton, Stubblefield, Twining & Assoc.; WMEG, Paul H. Chapman Co.

Correction: Sports Network Inc. listing on p. 317 of TV Factbook No. 25 should indicate following personnel: Richard E. Bailey, pres.; Roylance H. Sharp, v.p.; Thomas J. Schilling, secy.-business mgr.; Wm. N. Creasy Jr., director of publicity; Marie C. Wilber, asst. business mgr. Organization specializes in TV & radio regional sports networks. Saul J. Turell has no connection with company.

<sup>1 1954</sup> data cover 4 networks and 16 owned and operated stations; 92 pre-freeze and 302 post-freeze stations (177 VHF and 125 UHF).

<sup>&</sup>lt;sup>2</sup>1955 data cover 4 networks and 16 owned and operated stations; 93 pre-freeze and 328 post-freeze stations (225 VHF and 103 UHF). Three networks after September 15, 1955 when DuMont ceased network operations.

<sup>\*</sup> Includes two post-freeze stations (UHF).

Telecasting Notes: Upcoming TV season may look like "dull stuff" to viewers, but for industry it "promises to go down as the most bitterly competitive programming year in history," Variety said this week. And "reputations as well as millions" will be "riding on every rating point." Witness: NBC-TV "starting virtually from the ground up," ABC-TV offering "immensely sharpened competition," CBS-TV facing dire threats from both . . . Add sponsored public service: Bell System's science series on NBC-TV next season includes "The Unchained Goddess," Frank Capra's explanation of what makes weather . . . Former President Truman would conduct network TV seminars in history—complete with pictures, maps & charts—in series which National Farmers Union wants to sponsor. He's been cool to previous network TV offers . . . Shock therapy: Universal-International's "Shock!" package of 52 old horror films (Boris Karloff, Bela Lugosi, Lon Chaney, Peter Lorre et al.), distributed by Screen Gems, has been bought for about \$750,000 by KTLA, Los Angeles, and for reported similar price by WABC-TV, N. Y. . . . Anybody for pool? One-shot "Pocket Billiards Stars" will be tried out by ABC's WBKB, Chicago, Sept. 8, Sun. 10-11 p.m., to see if it can stir viewer interest as bowling did few years back... Walt Disney starts 4th year on ABC-TV Sept. 11, Wed. 7:30-8:30 p.m., with "spectacular" performance of "Peter & the Wolf." New 26-program season includes Thc Saga of Andy Burnett, adventure series starring Jerome Courtland & Jeff York . . . Extra-period running time stretched to 75 min. planned for first of five 60-min. Lucille Ball & Desi Arnaz shows sponsored by Ford on CBS-TV in fall. Arnaz insists yet-untitled opening film, already edited to 75 min., can't be cut without impairing continuity . . . International party line is planned by co-producers Edward R. Murrow & Fred W. Friendly of CBS-TV's See It Now for new Small World film series tentatively scheduled by

**B**MI "monopoly"—already attacked in court by ASCAP and denounced in House by Celler anti-trust subcommittee (Vol. 13:23)—was subjected to fresh assaults Aug. 21 on Senate floor.

Excoriating networks and stations for holdings in BMI, Sen. Smathers (D-Fla.) introduced sweeping bill (S-2834) to prohibit broadcasters from engaging "directly or indirectly" in music publishing or recording business.

BMI's "musical empire" represents "beginning of the end of the public's freedom to listen to all types and kinds of music unrestricted by monopolistic practices," Smathers asserted

Member of Senate Commerce Committee, Smathers said "our entire musical heritage" is threatened by continued existence of BMI under "broadcasters' influence & control."

"This legislation is designed to save them [TV & radio broadcasters] from their own excesses," he told Senate. It would amend Sec. 310 of Communications Act to bar FCC from granting CPs—and station owners from holding licenses—if applicants or licensees have any interests in music publication or in manufacturing or selling records.

Chairman Magnuson (D-Wash.) of Commerce Committee welcomed Smathers' bill as "matter which has long been considered to be a subject necessary to be gone into" by Committee, to which it was referred.

"This is a matter of such importance to the people of America that I am sure by next Jan. there will be very favorable consideration by the Committee at least with network to start in Oct., Tue. 10:30-11 p.m. Eric Sevareid would be moderator of telephone-hookup show in which participants might be in Hollywood, London, Far East where they'd be filmed as they talk . . . Another Mike Wallace? Martin Agronsky starts new live interview show -Look Here!—on NBC-TV Sept. 15, Sun. 3:30-4 p.m. His purpose is to "get at the wellsprings of a subject's personal philosophy," to find out "why he is what he is and acts the way he does" . . . Still ticking: Beat the Clock, reported running down few weeks ago on CBS-TV Fri. 7:30-8 p.m., is wound up again for Sun. 6-6:30 p.m. starting Oct. 6 as replacement for The Last Word, which CBS-TV may reschedule for Sat. 7-7:30 p.m. Stunt program also gets daytime CBS-TV run Mon.-thru-Fri. 2-2:30 p.m., effective Sept. 16 . . . Another casualty: Kukla, Fran & Ollie is discontinued by ABC-TV Aug. 30, succeeded by Sports Focus starting Sept. 2, Mon.-thru-Fri. 7-7:15 p.m. . . . British commercial TV goes western, too, new imports of U. S. films for ITA in fall including Sheriff of Cochise & Zane Grey Theatre along with such staples as Rosemary Clooney Show. British viewers already get Wyatt Earn, Roy Rogers, Gun Law . . . "She was my first love," says caption under blow-up of Shirley Temple, aged 8, in newspaper promotion this week by NTA for Oct. 20-Dec. 8 Sun. showings of "Rebecca of Sunnybrook Farm," "Heidi," "Wee Willie Winkie," "Capt. January"-child star's "greatest motion picture triumphs." Free copies of photograph, "suitable for framing," are offered in ads . . . Ballyhoo stunts, ranging from sky-writing to tour of newspaper offices by troupe (giant, dancing girl, midget) bearing refreshments, won first prize for KTTV, Los Angeles, in NTA Premiere Performance film series exploitation contest. Trip to Paris for 2 goes to publicity director Reavis Winckler; adv. & promotion director Jack O'Mara gets tickets for 2 to Bermuda.

regard to having hearings and discussing the bill fully," Magnuson said.

Spokesmen for CBS, NBC & ABC said at week's end that networks had no comment.

Fresh TV appraisals are needed by advertisers for fall spot buying in which "old yardsticks will be out the window," pres. Edward Petry of rep Edward Petry & Co. said this week in review of these factors: (1) "ABC-TV has at last come into its own." (2) "All-out program reshuffle" by 3 networks. (3) "New looks in local programming." (4) "Deluge of new film." (5) Most coverage data for other seasons is "completely obsolete" now. Petry urged advertisers to "take a longer look" at each station's: standing in its community; fall programming plans; local talent stature; "press ties, promotion prowess, and merchandising muscles;" "honesty, reputation & sincerity" of management.

Retaining 2 TV stations, John H. Perry Jr. has disposed of his remaining 3 radio stations in Fla. in \$550,000 sale negotiated by Blackburn & Co. WDLP, Panama City & WCOA, Pensacola, are being sold as \$400,000 package to Denver T. Brannen, also owner of WDEB, Gulfport, Miss. and KCIL, Houma, La. Perry's WTMC, Ocala, has been sold for \$150,000 to Ray Herbert Gunkel, who awaits FCC approval of his sale of 60% of WABR, Winter Park & CP for WRAL-TV, Orlando (Ch. 18) to James H. Sawyer (Vol. 13:32). Perry stations now comprise WJHP-TV, Jacksonville (Ch. 36) and WESH-TV, Daytona Beach.

Venard, Rintoul & McConnell moves Los Angeles office to 1901 W. 8th St. (Dunkirk 8-4151).

Trade Report August 24, 1957

PICTURE TUBES—EVALUATION OF OUTPUT & SALES: Pursuing picture tube production and sales, two of the industry's better indexes to manufacturers' evaluation of the market, we've obtained from EIA some further breakdowns of first 6 months' sales, along with comment from cross-section of tube producers.

EIA reports that sales of 4,815,000 tubes during first 6 months comprised 3,008,000 for new sets, 1,408,000 for renewal market, 399,000 export. This compares with 5,153,000 total for similar 1956 period, breaking down to 3,492,000 for new sets, 1,397,000 renewal, 264,000 export.

These do not include sales by tube rebuilders -- estimated by EIA at 1,500,-000 in first half of this year, 1,264,000 same period of 1956.

Here's EIA's size breakdown for this year: 21-in., 1,903,000; 17-in., 714,-000; 15-in. & under, 252,000; 24-in. & over, 139,000. For last year's first half: 21-in., 2,346,000; 17-in., 456,000; 15-in. & under, 420,000; 24-in. & up, 270,000. EIA does not provide breakdown by deflection angle.

\* \* \* \*

Here's current sizeup of tube production by some top producers:

L. Berkley Davis, gen. mgr. of GE electronic components div., reports 60% of GE's output is 21-in., most of balance divided between 17-in. & 14-in. -- with 17-in. having slight edge -- plus "very small number of 24-in." All GE's production for new sets is 110-degree, he said, and new-set production outnumbers replacement output by 2-1.

Davis noted that industry had some difficulty adapting 110-degree tubes; that there had been some trouble with focusing & sweep. However, he said, public's excellent acceptance of 110-degree sets demonstrates its willingness to overlook slight technical difficulties.

"Industry will stay put with 110-degree tubes," he said, adding that he could see no advantage in greater deflection because slight gains would be achieved only at much greater cost.

\* \* \* \*

W.W. Watts, RCA exec. v.p.-electronic components, also reported that RCA's production is heavily 110-degree tubes for new-set market but added that "we're continuing to build all sizes, shapes and deflection angles for replacement."

No significant price changes are in prospect, Watts said. Tube makers have about all the business they can handle at the moment, he reported, but was quick to add: "No one is getting rich in the kinescope business; few are making any money -- and those few are making very little."

There's overcapacity in the business, on year-round basis, Watts said, with capacity at 15,000,000 and demand at 12,000,000. Export market, which he termed "a rat race of the first water," is an outlet for some overproduction. He said he'd heard of few imports, noting "it's not economical to ship a lot of glass and air."

No increase in deflection angle above 110-degree is seen by Watts, who said there'd be no gain in appearance by making TV sets shallower.

D.W. Gunn, gen. sales mgr. of Sylvania TV picture tube div., reported company's production is 35% 110-degree, 65% 90-degree. James Rolando, of Sylvania International div., reported receipt of European orders for samples of 110-degree, said company's exports of 21-in. 90-degree tubes "have grown markedly."

The only price increase mentioned by the foregoing is boost of about 5% on aluminized tubes for replacement market, effective about Sept. 5.

**Production:** TV output again advanced to new high ground for year with total of of 179,615 for week ended Aug. 16, compared with 169,148 preceding week and 160,479 in corresponding week one year ago. It was year's 33rd week and brought TV production for year to date to about 3,548,000, compared with 4,211,829 in same period of 1956. Radio production totaled 294,091 (96,206 auto) for week ended Aug. 16, vs. 192,877 (61,299) preceding week and 256,777 (53,599) in corresponding week year ago. Radio output for 33 weeks totaled about 8,465,000 (3,316,000) vs. 7,968,998 (2,660,782) in 1956 period.

Topics & Trends of TV Trade: Shipments of TVs to dealers totaled 2,503,966 in first half of 1957, when production was 2,722,139, according to EIA state-by-state report. They compare with shipments of 2,775,022, production of 3,415,202 in first six months of 1956. June shipments were 382,699, compared with 333,921 in May and 388,914 in June 1956. Here's 6-month report (county-by-county tables available to EIA members):

State	Total	State	Total
Alabama	38,609	New Jersey	88,039
Arizona	15,471	New Mexico	10,386
Arkansas	22,283	New York	297.382
California	241,253	North Carolina	49,884
Colorado	21,079	North Dakota	8,417
Connecticut	41,449	Ohio	140,700
Delaware	5.920	Oklahoma	26,815
District of Columbia	24.806	Oregon	26,082
Florida	89,341	Pennsylvania	168,141
Georgia	52,246	Rhode Island	13,978
Idaho	7,879	South Carolina	21,192
Illinois	147,044	South Dakota	8,597
Indiana	62,017	Tennessee	43,628
Iowa	26,719	Texas	140,532
Kansas	27.543	Utah	10,992
Kentucky	41,613	Vermont	5,126
Louisiana	48,534	Virginia	39,878
Maine	12,998	Washington	38,845
Maryland	34,909	West Virginia	24,988
Massachusetts	73,713	Wisconsin	40,714
Michigan	96,175	Wyoming	5,421
Minnesota	36,035		
Mississippi	23,023	U. S. TOTAL	2,496,792
Missouri	55,632	Alaska	
Montana	12,100		
Nebraska	17,817	Hawaii	5,477
Nevada	3,995		
New Hampshire	6,852	GRAND TOTAL	2,503,966

NATESA members were told at last week's Chicago convention that two most important things in managing a service business are wages and materials. R. C. Hansen, service coordinator, RCA Service Inc., basing figures on his own experience, said minimum for wages should be 40% of income, maximum 45%. Materials should be held to 20% minimum, 25% maximum, he declared, adding that other costs should range: rent, insurance, light, etc., 12-15%; truck-car, 6-8%; employment benefits, 5-7%. E. P. Atcherley, asst. mgr., Sylvania electronic products distributor sales dept., opined TV servicemen need "fewer or a single strong nationally known organization" to insure adequate exchange of ideas and information about rapidly expanding electronics industry. Convention adopted resolution reiterating its opposition to pay TV, calling it violation of viewers' rights and threat of competition for servicing sets. Group was told FCC now recognized NATESA as representative of service, asked its help on TASO. Directors voted unanimously to participate, sending out questionnaire on reception conditions.

New NATESA pres. is Russell Harmon, Weber's TV, Cincinnati, who succeeds Robert Hester, Hester TV, Kansas City. Others elected at annual convention in Chicago's Sheraton Hotel: Secy.-gen., Mac Metoyer, A-One TV Service, Kansas City, succeeding Bob Koepner, Certified TV, Houston; Nclson Burns, Memphis, Tenn. and Frank Moch, Chicago, chosen again as treas. and excc. director, respectively.

RCA adds 24-in. 110-degree picture tube (RCA-24AHP4) with 15%-in. length, 28-lb. weight.

Denial of FTC charge of unlawful price discrimination (Vol. 13:6) was filed this week by Hamburg Bros., RCA distributor in Pittsburgh, saying "any difference in the prices it charges customers is justified by its selling costs." Firm says FTC Feb. 5 complaint fails to allege facts which constitute a violation of the amended Clayton Act. Complaint charged Hamburg with giving some customers \$2-\$32 reduction per set, contending this "may lessen competition." Hamburg replied that its pricing practices promote rather than destroy competition; that variances result from "differing methods and quantities" of sets sold; that some prices were made in good faith to meet competition. Saying it would be forced out of TV business if it had to discontinue pricing practices, company asked that effective date of any order forbidding it to continue its pricing be postponed until its competitors are subject to same orders.

Big upsurge in business is reported by Olympic pres. Morris Sobin, saying first 6 months' dollar volume is 30% higher than for comparable period last year and that profits—when figures are available—probably will show corresponding increase. He described fall production as "geared to turn out 80% more units than our output in the comparable period last year and 1957 will easily be Olympic's biggest year." Company has order backlog of more than 6 weeks production and has just added 100,000 sq. ft. of warehouse space, Sobin said.

Govt. is understood to be devising new rules for govt. agencies using business advisory committees in effort to make Senate action unnecessary on House-passed (Vol. 13:28) bill spelling out functions of such committees. New rules are expected to be announced before Congress returns for Jan. session. Main objection raised to such committees was that they could exert influence in policy matters without being held accountable. Opponents of House bill said its red tape would discourage membership.

Local campaigns for National TV Week are in the works for 47 major cities in 29 states, reports NARDA exec. v.p. A. W. Bernsohn who is also chairman of the manufacturing-retailing steering committee for the Sept. 8-14 drive. Saying "this is the largest number of local campaigns the retailing phase of National TV Week has ever had," he predicted successful promotion for the event. Meantime, campaign and publicity plans were sent to local chairmen in major cities.

Tape-maker ORRadio and its founder Herbert Orr are profiled in Aug. 26 *Time* business section which reports company sales are expected to hit \$2,500,000 this year, up from \$1,600,000 last year, likely to quadruple next year. Magazine reports that Orr will shortly announce new tape designed for storage of valuable documents; it's supposed to last up to 100 years, be unerasable.

Cigarette lighter radios is the newest wrinkle being introduced by RCA. Table model set has pop-up lighter in cabinet top, automatic turn-off fuse in case of overheating, \$40 list (model 9XL1). RCA also is marketing swivel-base table model at \$35 (model 9X10).

Trade Personals: Dale O. Akridge promoted to adv. & sales promotion mgr., GE TV receiver div., replacing Thomas Fielder, resigned . . . Richard D. Kennedy promoted to adv. & sales promotion mgr., GE receiving tube dept.... Stanley Seltzer promoted to Olympic Radio & TV national field sales mgr., succeeded by Jack Wolff, ex-Emerson of Providence, as northeast regional sales mgr. ... Robert M. VanBrundt, ex-Motorola, named adv. mgr. of Zenith hearing aid div. . . . Dr. L. Malter, RCA semiconductor div. chief engineer, also becomes engineering programs coordinator; D. H. Wamsley promoted to mgr., engineering dept.; R. M. Cohen, mgr., entertainment product development; Dr. R. B. Janes, mgr., industrial product development; L. R. Shardlow, mgr., engineering services; Dr. W. M. Webster, mgr., advanced development . . . John T. Jackson, director of IT&T planning & organization dept., elected asst. v.p. of IT&T . . . Richard A. Wilson, ex-Magnavox, elected Daystrom v.p. for new Avionics

### Obituary

Dr. Irving Langmuir, 76, died Aug. 16 at Falmouth, Mass., following Aug. 14 coronary thrombosis. Winner of 1932 Nobel Prize in chemistry, he had been on GE Research Labs staff from 1909 until retirement in 1950. His research was estimated to have saved American public \$1 billion yearly on electric bills. He helped accelerate growth of TV-radio broadcasting through development of high-vacuum power tube, pioneered in artificial rainmaking. His widow, son, daughter survive.

Dr. Donald MacKenzie, 69, who helped develop sound track for motion pictures while employed in Western Electric engineering dept. in 1920's, died Aug. 20 in hospital at Albuquerque, where he was patents mgr. for Sandia Corp. He joined Bell Labs in 1920 after teaching physics at Johns Hopkins, subsequently worked for Bureau of Standards and Electrical Research Products, for which he was consultant on film recording. Surviving are his widow, 2 sons.

Automation symposium Sept. 17-18 at Los Angeles Ambassador Hotel, under sponsorship of EIA, is called "Numerical Control Systems for Machine Tools." Closing day luncheon speaker will be Ralph E. Cross, exec. v.p., Cross Co. Other trade groups taking part: National Electrical Mfrs. Assn., National Machine Tool Builders Assn., Aircraft Industries Assn., Office Equipment Mfrs. Institute.

Admiral advertising plans are outlined by Edmond I. Eger, v.p.-adv., in Aug. 17 Editor & Publisher, listing ad budget as about 20% higher than last year's (Vol. 13:27), with 50% in newspapers, balance between magazines, outdoor billboards, radio & trade publications—and some local co-op money for spot TV.

Trav-Ler Radio pres. Joe Friedman expects fiscal year ending April 30 to be profitable, with sales up 10-15% over 1956 volume of \$13,045,460, basing optimism on new accounts and introduction of hi-fi models, expected to account for 20% of business in year's first 6 months.

Hallicrafters names Raytheon International Operations exclusive export distributor for communications equipment. George E. Magrath, ex-National Co., will head division handling Hallicrafters equipment.

Color sets being added to RCA line Sept. 4 reported to have brighter picture due to all-glass CR tubes and added circuitry. Spokesman also said use of darker safety glass will give better contrast.

DISTRIBUTOR NOTES: Admiral Distributors names Jack Somber sales mgr. for N. Y. metropolitan area . . . Canadian Admiral opens Winnipeg factory sales branch, 801 Berry St., St. James, replacing Allan Lyone as distributor in Manitoba-Lakehead area; Wm. O. Hoskinson named mgr. of new branch . . . Westinghouse Appliance Sales opens Columbus, O. district office (Neil C. Davis, district mgr.) . . . Warren-Connolly Co. (Motorola), N. Y., appoints Harry Schecter, ex-Motorola regional mgr. for N. Y., Philadelphia, Atlantic City areas, as gen. mgr.; he replaces Dan Jacobs who resigned to become partner in Louis R. Goldman & Co. national sales rep in N. Y. . . . Kenrow Inc. (Motorola), Atlanta, appoints Bruce Woodcox exec. v.p. . . . Olympic Radio & TV opens 12th factory branch, Olympic of Southern New England, 148 Amity Rd., Woodbridge, Conn. (Ted Bloom, gen. mgr.); also appoints Washington Wholesalers, 3515 V St. NE, Washington (M. David Dubb, pres.) . . . Sylvania appoints Swan Distributing Co., 724 Fifth St., Columbus, Miss. for tubes.

Magnavox has entered categorical denial to suit of National Sales Co., Rochester, N. Y. charging "conspiracy and agreement in restraint of trade" to eliminate competition between Magnavox and Sentinel Radio products. Magnavox asked U. S. District Court, Buffalo, to dismiss \$900,000 treble damage suit (Vol. 13:29) and award it costs of action. Magnavox answer also denies charges that it produced, sold or distributed defective sets to compel withdrawal of Sentinel TV from market or that its purchase of Sentinel tended to create a monopoly and lessen competition.

Preliminary list of imports for which valuation procedures will be unchanged under new Customs Simplification Act was published Aug. 22 by U. S. Treasury. List includes TV apparatus and parts, radio receiving tubes, radio phonographs made mainly of metal. Domestic manufacturers have 60 days to request additions to list—or deletions.

Times Square visitors can be sure of getting correct time, temperature, weather forecasts—courtesy of Admiral Corp.—for another 5 years. Admiral has renewed original 5-year sponsorship of 2600-sq. ft. electric sign at 47th St. & Broadway-7th Ave.

International dept. of Electronic Industries Assn. has same executive committee, section and subcommittee chairmen for 1957-58 with exception of Traffic Subcommittee where Paul E. Romberg, Philco International, replaced Howard Spellman, RCA, resigned.

Radios shipped to dealers in first 6 months of 1957 totaled 3,436,428 compared with 3,270,809 in similar 1956 period, EIA reports. June shipments were 765,719 vs. 503,693 in May and 798,414 in June 1956.

Unusually heavy TV sponsorship schedule by Los Angeles discount chain Wm. E. Phillips Co. calls for thriceweekly, 13-week series of 2½-hour feature film showings at cost of some \$90,000-\$100,000.

NARDA's "Costs of Doing Business Survey" (Vol. 13:24) is now available in booklet form at NARDA, 1141 Merchandise Mart, Chicago, at \$1 for 1-49 copies, 50¢ for 50-99, 25¢ for 100 or more.

Electronic Industries Assn. has reappointed its tax committee under chairmanship of Lewis D. Spencer of Motorola.

Jerrold announces new multi-set couplers—2-set couplers for strong signal areas at \$3.50, 2-set for fringe areas \$4.50, 4-set couplers \$5.75.

ELECTRONICS PERSONALS: Dr. Arne Wikstrom appointed special technical asst. to Avco research & advanced development div. pres. Dr. Lloyd P. Smith . . . Roswell C. Peavey resigns as administrative officer of U. S. staff for International Geophysical Year to join Page Communications Engineers as joint ventures mgr. in charge of international telecommunications projects in Korea, Libya, Southeast Asia . . . Quentin G. Turner, ex-Johns Hopkins Applied Physics Lab coordinator for Motorola & Convair work on Terrier missile, named asst. mgr. for organization of Motorola's western military electronics center, Phoenix . . . James B. Williams promoted to director of weapon system engineering, Philco Govt. & Industrial div.: Herman A. Affel to director of computer & control engineering; John Colocousis, chief mechanical engineer . . . John P. Taylor promoted to mgr., marketing plans and services, RCA Industrial Electronic Products; Herman R. Henken succeeds him as mgr., adv. and sales promotion . . . Albert Coumont, one-time EIA (RETMA) service coordinator, and Kenneth Price promoted to Sprague regional sales mgrs. . . . Borge Hansen-Moller, Cal. investment banker, elected a director of Paramount Pictures subsidiary Chromatic TV Labs and named exec. committee chairman to supervise organization of facilities for Lawrence color TV tube; Barney Balaban, Paramount pres., also named a Chromatic TV director . . . Dr. Dean Allen Watkins, Stanford U, receives IRE western regional electronic achievement award for "basic contribution in reducing noise in microwave electron tubes" . . . Thomas H. Armstrong, ex-Underwood Corp., named RCA Bizmac sales plans & programs mgr. . . . J. E. Schlener promoted to Sylvania semiconductor div. eastern district sales mgr., Woburn, Mass. . . . M. J. Leonard, ex-Hughes Aircraft, named Hycon v.p.-customer relations . . . Leonard T. Donnelly, ex-W. L. Maxson Corp., appointed DuMont Labs component sales mgr. . . . Howard S. Gleason promoted to asst. gen. mgr. of Stromberg-Carlson electronics div. . . . Henry Schumer promoted to chief engineer of Asheville, N. C. plant of International Resistance Co.; James Wilkes to quality control mgr. of Philadelphia plant.

Govt. contracts totaling more than \$10,000,000 have been awarded Admiral Corp. in 60-day period ended June 30, reports exec. v.p. J. B. Huarisa: Navy Bureau of Aeronautics, \$4,500,000 plus for airborne radio receiver-transmitters; Army Signal Corps, \$3,469,000 for receiver-transmitters for helicopters; Navy Bureau of Ships, over \$2,000,000 for radar system.

Tribute to electronic industry was paid Aug. 21 by Army Secy. Brucker in San Francisco speech to West Coast Electronic Mfrs. Assn. He said it is "vital to our national security to reduce to the absolute minimum the lead time between the inception of an idea and the moment when the item involved is ready to be put to work for our defense."

Forward scatter link using 2180 mc has been operated successfully in tests in 124-mi. path from transmitter at Cedar Grove, N. J. to receiver at Somers, Conn., DuMont Labs reports. Transmitter capable of 72 voice channels with 2.5-mc bandwidth has dish 18 feet wide mounted on 24-foot tower, utilizes Eimac 1-kw klystron tube. Receiver has two 10-foot dishes on 25-foot towers.

Changing to a weekly Jan. 1, Electronics Magazine (McGraw-Hill) will alternate business and engineering issues. Early this year, magazine went from monthly to thrice monthly, adding 2 business editions to its basic engineering issue. Electronic Design (Hayden) goes bi-weekly, from twice monthly, starting Jan. 8.

Basic radar patent under which Govt. has royalty-free license has been awarded to Col. Wm. R. Blair (ret.) of Signal Corps 20 years after he first demonstrated complete workable set, Army announced Aug. 20. Blair conceived pulse-echo method of direction finding & ranging in 1920's, developed it in '30's at Signal Corps Labs, Ft. Monmouth, N. J., showed Congressmen how it worked in 1937. Plans for set then were turned over to manufacturers to build equipment for Army, but due to "high degree of secrecy" surrounding device, Signal Corps didn't file Patent Office application until June 1945. Patent had been pending since.

Litton Industries is combining subsidiaries Litton Components and U. S. Engineering to promote USECO brand line of standardized electronic hardware, printed circuits, precision potentiometers, microwave components. Sales director will be Richard W. Griffiths, ex-Graybar. Production, engineering, administration and sales will be in Los Angeles, manufacturing and shipping in Culver City & Glendale, Cal., Mt. Vernon, N. Y.

Electronics research reports, Common-Base Transistor Equivalent Circuits for Wideband Amplification by J. M. Mathias of Stanford U for Office of Naval Research (PB 121752, 50 pp., \$1.25), and The Backward Wave Amplifier, A Voltage Tunable Microwave Amplifier by D. G. Dow, Wright Air Development Center (PB 121797, 16 pp., 50¢), are available from Commerce Dept.'s Office of Technical Services, Washington 25, D. C.

Integrated Bizmac system—"first commercial network installation" of kind—will be made by RCA for Travelers Insurance Co., Hartford. When completed in 1963, installation will include 4 Bizmac units with own computers, linked in central exchange. RCA states it will reduce months of insurance paper work to minutes of electronic processing.

Army Signal Supply Agency has ordered some \$10,000,000 worth of FM multi-band radio relay units and parts from Philco govt. & industrial div. for use as connecting stations for multi-channel field telephone circuits where cable is not practical.

RCA was awarded CAA contract for 20 airborne transponder radar beacons for delivery early next year, to be used in evaluation study to determine applications in air traffic control.

Electronic components plant costing \$20,000,000 is to be built by Western Electric 15 mi. SE of Kansas City, Mo., construction to start early next year. Plant will also produce 2,000,000 telephones per year, employ 3500-4000.

Industro Transistor Corp. opens initial transistor manufacturing facilities at 87-31 Britton Ave., Elmhurst, N. Y.

Amphenol buys 48-acre site at Broadview, Ill. for \$1,000,000 from Broadview College & Theological Seminary.

Clarostat Mfg. Co. reports earnings of \$110,376 (26¢ per share) on sales of \$3,658,655 for first 6 months of 1957 compared with \$76,817 (18¢) on sales of \$3,511,990 in similar 1956 period.

Fleetwood Securities Corp. has filed statement (File 2-13543) with SEC seeking registration of 3 systematic investment plans aggregating \$15,000,000 for accumulation of Electronics Investment Corp. shares.

American Electronics has acquired assets of Atlantic Instrument Corp., Norwood, Mass., through exchange of 30,000 common shares, will operate Atlantic as whollyowned subsidiary.

Financial & Trade Notes: Electronics Investment Corp., San Diego, in quarterly report of July 31, lists these portfolio additions since April 30, 1957 (Vol. 13:22): 500 Beckman Instruments, 10,000 Epsco, 1000 Fansteel Metallurgical, 350 G. M. Giannini, 15,000 Ling Electronics, 10,000 Ling Industries, 6000 Midwestern Instruments, 20,-000 Tracerlab, 25,000 Unitronics, 1000 General Precision Equipment 6% pfd., 1000 Tung-Sol 5% pfd., \$100,000 Airborne Instruments 5 % % debentures, \$50,000 Emerson Electric 5 1/2 % debentures. Sold during quarter were these total holdings: 5000 Litton Industries, 4000 Otis Elevator. Also sold were 500 Airborne Instruments, leaving 3500; 4188 Boeing Airplane, leaving 300; 1000 Consolidated Electrodynamics, leaving 7000; 3000 Daystrom, leaving 10,000; 2995 P. R. Mallory, leaving 8000. Common stockholdings as of July 31 were valued at \$13,679,803; preferred holdings, \$267,625. Total net assets increased to \$15,553,859, compared with \$14,352,695 as of April 30 and \$11,408,689 at end of corresponding 1956 quarter.

Amphenol filed registration Aug. 21 with SEC (File 2-13558) for 200,000 shares of \$1 par common stock for public sale through underwriting group headed by Hornblower & Weeks. Statement said proceeds would be used for plant expansion at Broadview, Ill. at cost of \$4,100,000 and for \$1,800,000 acquisition of stock of Danbury-Knudsen Inc., manufacturers of connectors & electronic specialties at Danbury & Brookfield, Conn.

Meredith Publishing Co., whose subsidiaries own WHEN-TV & WHEN, Syracuse; WOW-TV & WOW, Omaha; KPHO-TV & KPHO, Phoenix; KCMO-TV & KCMO, Kansas City, reports consolidated earnings of \$4,644,417 (\$3.59 per share) on revenues of \$53,071,711 in year ended June 30 vs. \$4,047,146 (\$3.14) on \$48,459,633 in preceding fiscal year.

Officers-&-directors stock transactions for June, as reported to SEC: American Bosch Arma-Edmund D. Gittens sold 600, holds 150; Wm. S. Wasserman sold 100 through holding company, holds 13,900 in holding company, 4969 in trusts, 12 personally. AB-PT-Herbert B. Lazarus sold 500, holds 1000; Robert H. O'Brien sold 500, holds 5100. American Electronics-David Van Alstyne Jr. sold 1600 through Val Alstyne Noel & Co., holds 8050 in partnership, none personally. American Machine & Foundry-George S. Hastings sold 500, holds 685; G. A. Ingalls exercised option to buy 832, holds 2709. Bendix Aviation-Henry A. Gossner exercised option to buy 500, holds 1250; W. H. Houghton exercised option to buy 2000, holds 4383; Charles Hummel exercised option to buy 1000, holds 1714; Raymond P. Lansing exercised option to buy 400, holds 4598; Louis F. Polk bought 10, received 566 more in Sheffield Corp. stock exchange, holds 77,490. Consolidated Electrodynamics—Harold W. Washburn sold 100, holds 7290. Daystrom-Carlton S. Proctor bought 100, holds 500. DuMont Labs—Armand G. Erpf bought 1100, holds 6900; David T. Schultz bought 800, holds 5000. Electronics Corp.—Frederick R. Dent Jr. bought 200, holds 1100. Friden Calculating-Stanley M. Friden sold 1500, holds 37,981; P. R. Samwell sold 300, holds 638. Gabriel Co .-Frank M. White sold 2500, holds 25,000. GE-John W. Belanger exercised option to buy 1125, holds 12,263; Ralph J. Cordiner sold 400, holds 13,655; George L. Irvine exercised option to buy 900, sold 300, holds 2648; Roy W. Johnson exercised option to buy 3225, holds 12,275; H. A. MacKinnon exercised option to buy 1400, holds 5927; Gerald L. Phillippe exercised option to buy 3088, sold 1000, holds 5769; Philip D. Reed sold 1200, holds 6900; Harold

Dividends: Sylvania,  $50\phi$  payable Oct. 1 to stockholders of record Sept. 10; Whirlpool,  $35\phi$  Sept. 10 to holders Aug. 30; Time Inc.,  $75\phi$  Sept. 9 to holders Aug. 26; American Bosch Arma,  $25\phi$  Oct. 15 to holders Sept. 16; AT&T, \$2.25 Oct. 10 to holders Sept. 10; Clevite,  $25\phi$  Sept. 12 to holders Aug. 30; Canadian Westinghouse,  $25\phi$  Oct. 1 to holders Sept. 13; Globe-Union,  $30\phi$  Sept. 10 to holders Aug. 30; Oak,  $35\phi$  Sept. 13 to holders Aug. 30; 20th Century-Fox,  $40\phi$  Sept. 28 to holders Sept. 13; Sprague Electric,  $30\phi$  Sept. 13 to holders Aug. 30.

Telecomputing Corp. & Wm. Whittaker Co. Ltd., Los Angeles, have agreed to merger subject to stockholders' approval. Plan calls for exchange of one Whittaker share for 4 Telecomputing common, Whittaker to cancel 679,790 Telecomputing shares it already owns in share-for-share exchange of new issue of new Telecomputing 6% cumulative preferred. Surviving company would be Telecomputing.

Twentieth Century-Fox reports consolidated income of \$4,069,865 (\$1.54 per share) in 26 weeks ended June 29 compared with \$2,156,670 ( $82\phi$ ) in same 1956 period. Gross for 6 months was \$64,276,712 vs. \$56,779,826. June quarter earnings were \$1,898,185 ( $72\phi$ ) vs. \$56,779,826 ( $65\phi$ ) year earlier.

General Transistor earned \$129,363 ( $43\phi$  on 301,066 common shares outstanding) on record sales of \$1,228,859 in first 1957 half compared with \$78,000 ( $42\phi$  on 183,066 shares) on \$364,143 in corresponding 6 months last year, pres. Herman Fialkov noting that earnings in 1957 period reflected plant expansion costs.

Granco Products Inc. earned \$46,022 (14¢ per share) on sales of \$2,453,000 in year ended June 30 compared with \$23,683 (7¢) on sales of \$2,229,000 for preceding fiscal year.

F. Smiddy exercised option to buy 1875, holds 7500; Arthur F. Vinson exercised option to buy 2352, sold 690, holds 7036. Hoffman Electronics—Bruce L. Birchard sold 100, holds 100. Litton Industries-Charles R. Abrams exercised option to buy 800, holds 3908; Roy L. Ash sold 2532 through partnership, holds 16,812 in partnership, 52,415 personally; Lewis W. Howard sold 900 through trusts, 1000 more personally, holds none in trusts, 3762 personally; H. W. Jamieson sold 2532 through partnership, holds 16,812 in partnership, 52,590 personally; Norman H. Moore exercised option to buy 2000, holds 9900; Joseph A. Thomas bought 5000 through Lehman Bros., holds 24,500 in Lehman Bros., 100 in trust, 6795 personally. Magnavox-Richard A. O'Connor sold 1700, holds 56,243. Minneapolis-Honeywell-Richard P. Brown sold 500, holds 63,534; Gerry E. Morse exercised option to buy 100, holds 775; Charles B. Sweatt sold 1000, holds 9250 in trusts, 70,470 personally; J. J. Wilson sold 1200, holds 73,970. Raytheon-N. B. Krim exercised option to buy 1000, holds 4500. Sperry Rand-H. C. Landsiedel sold 300, holds 5620; Harry Landsiedel sold 8000 through partnership, holds 18,960 in partnership, 13,904 personally. Sylvania-Leon C. Guest Jr. sold 100, holds 361; Arthur L. B. Richardson exercised option to buy 200, sold 38, holds 810. Texas Instruments-S. T. Harris bought 1000, holds 16,604. Westinghouse-Bruce D. Henderson bought 100, holds 700; Reese H. Taylor bought 200, holds 400.

Note: Matty Fox, listed as beneficial owner of more than 10% of Guild Films stock, sold 107,246 in May & June through 6 holding companies "to satisfy indebtedness," holds 144,468 in holding companies and 900 personally "as collateral against loans," according to SEC.

PAY-TV PROPOSALS "run absolutely counter" to "basic theory of the legislation which established America's broadcasting system," Sen. Potter (R-Mich.) of Senate Commerce communications subcommittee said in speech delivered on floor Aug. 23.

Consistent opponent of subscription TV, Potter denounced its promoters and said "further growth of TV to its full potential as a medium of vital influence on our republican form of life will depend upon the availability of more space to be allocated to free TV if we are to have a fully competitive system."

Pay-TV proponents, he said, are engaged in "one of the most aggressive & calculated publicity campaigns in the history of American industry" to supplant free TV with "a sort of domestic slot machine operation which would require the people to pay for something they are now receiving without charge."

Potter warned that promoters of pay-TV seek "an opportunity to go into business on a permanent basis" through tests sought from FCC. He said that courts will finally decide whether FCC has jurisdiction to authorize tests, but "American people certainly have jurisdiction, too—and their representation resides in this Congress."

"On balance," Potter maintained, "it seems to me that the people themselves have voted resoundingly for TV

Red China coverage ban was lifted Aug. 22 by State Dept. to permit 24 U.S. reporters—but not TV cameramen -to go there on 6-month experimental basis. Decision represented qualified reversal of policy by Secy. Dulles, who had resisted demands by broadcasters & press (Vol. 13:29) for free access to Communist country. State Dept. specifically listed 24 news-gathering organizations, including the networks, as authorized to assign one reporter each to China. Govt. will not object if reporters carry cameras with them, but photographers will not be included in passport validations. It's "great step forward in giving the American people detailed accurate information about world affairs," pres. Ted Koop of Radio-TV News Directors Assn. said, but he added: "We regret, however, that the Dept. did not see fit to include cameramen in the group, because TV news film is an integral part of modern presentation of news." One of first to get China assignment was NBC's James Robinson, already in Southeast Asia.

Lament for young playwrights in TV is sounded by dramatist N. Richard Nash ("The Rainmaker") in Aug. 18 N. Y. Times Magazine. Repelled by economic hazards of legitimate theatre, they turn to TV to write "memos for millions," Nash says. "Not only for millions of dollars but for millions of people." And they don't write plays at all, but "trade jargon, a shorthand patois of life, a set of top-of-the-cortex cliches, filed & forgotten." Result is that talented writers are making TV money—and theatre is losing plays they should be writing, even at risk of failure. Nash has no solution, but somebody had better do something: "For their sake, we have to pull them away from the memo pads. For the theatre's sake, we'd better."

Video tape will have greater impact on telecasting than sound magnetic tape had on radio broadcasting, CBS-TV engineer Howard A. Chinn predicts in Aug. Journal of the SMPTE.

New reps: KFSA-TV, Ft. Smith, Ark. Aug. 1 to Venard, Rintoul & McConnell (from Pearson); KOAT-TV, Albuquerque, to Bolling (from Hollingbery).

home entertainment & education which has been designed along lines that are consistent with our traditional high regard for free media." He said viewers already had invested \$15 billion in sets, on assumption they'd get free programs "without further assessment."

Defending networks against charges that they control broadcasting "to the point of monopolistic practice," Potter restated his faith in them:

"I do not happen to believe this is true, and I am confident that an analysis of the ownership of America's 510 TV stations would reveal that they are held by diversified interests covering a wide span of social, political, economic & religious persuasion.

"Conversely, however, any system of subscription TV closely held & controlled by the purveyors of specified types of boxoffice programs could in time develop into the kind of monopolistic practice with which our Dept. of Justice has had to deal in the past in the field of entertainment."

Moreover, Potter said: "If there is a sufficient number of people in this country who wish to convert their homes . . . into theatres where they will pay for certain types of entertainment, there are ways in which these promoters can devise systems that will perform efficiently and perhaps economically.

"But there is little justice in the concept that we should take from 40,000,000 families any fractional opportunity they have to receive these same productions of entertainment & information free of charge."

Closed-circuit theatre TV is "worth our best try" to develop TV-Broadway partnership and revivify legitimate stage, according to co-producer Howard Erskine of "The Happiest Millionaire" & "The Desperate Hours." Writing as guest columnist for critic Walter Kerr in Aug. 18 N. Y. Herald Tribune, Erskine rules out network telecasting of Broadway shows or pay-TV performances as profitable means of promoting stage. Both are likely to "kill the Broadway box office, and, more probably, any possibility of a movie sale," he says. But in closed-circuit TV "risk of losing potential audiences is considerably lessened, and the limited number of people played to should in no way hinder a movie sale. With all this, profit rears its beautiful head . . ."

Equal TV-radio status in news coverage of official proceedings will be demanded in fall legislative campaign by N. Y. Radio-TV Broadcasters Assn. Special policy meeting of broadcasters in Van Curler Hotel, Schenectady, approved draft of principles & plans for drive to repeal Sec. 52 of state's Civil Rights Law, which forbids TV-radio coverage of public court sessions, etc., at which subpoenaed testimony may be taken. Program will be submitted to organization's convention Sept. 18 in Schenectady.

Two applications for TV stations were filed with FCC and one dismissed this week, bringing total to 122 (37 uhf). Applications: For San Diego, Ch. 21, Sherrill C. Corwin, west coast theatre man who owns 15% of KAKE-TV & KAKE, Wichita, and holds uhf CP for KBAY-TV, San Francisco; for Erie, Pa., Ch. 66, by Jet Bestg. Co., operator of WJET, Erie, and applicant for Ch. 45, Youngstown. Dismissal: For Elko, Nev., Ch. 10, Elko Bestg. Co.

Marconi TV equipment has been ordered by Danish Posts & Telegraphs Dept. for new stations at Aalborg, Vestjylland & Naestved, all due on air in 1958. Stateowned stations now operate at Copenhagen, Aarhus, Odense & Sonderjylland.

New ABC-TV primary affiliate is KVII-TV, Amarillo (Ch. 7), due on air before end of year.

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### SUMMARY-INDEX OF THE WEEK'S NEWS — August 31, 1957

- FCC TV DECISION-MAKING deplored by Harvard law professor who also indicts Congress for lobbying and failing to supply statutory guidance (p. 1).
- cable TOLL TV takes all the play away from telecast systems as Congressional opposition mounts, Bartlesville starts, exhibitors envision role in TV (p. 2).
- HAGERSTOWN CLOSED-CIRCUIT educational TV project assessed by Saturday Review after year's operation. Enthusiasm higher than ever (p. 2).
- TV NOSING OUT DIRECT MAIL for 2nd place among media in Printers' Ink compilations. Take of \$1,209,900,000 includes talent & production (p. 3).
- TV STATION BUYERS can't write off network affiliation & spot contracts as depreciation, Govt. rules in \$5,000,000 Westinghouse tax claim (p. 6).

- GOOD FALL SALES, bringing year's total to about 7,000,000 sets, is view of major setmakers; several note record summer business (p. 9).
- FEWER BUT BETTER trade shows desired, according to EIA survey; average cost of exhibit increased \$200 from 1955 (p. 10).
- NEW STATION STARTERS: Vhfs in Pittsburgh, Portsmouth-Norfolk, St. Paul-Minneapolis educational, Casper, Wyo. Accelerated building activities (p. 5).
- PHILCO SEEKS "SCAPEGOAT" for poor business by protest on Philadelphia station renewals, NBC says, alleging "vendetta" against RCA (p. 7).
- TV NETWORK BILLINGS run 6.3% ahead of 1956 in first 7 months this year with \$289,478,303 total; ABC-TV leads July percentage gain (p. 12).

LAW PROFESSOR ATTACKS FCC TV 'GIVEAWAYS': "The Scandal in TV Licensing" titles one of most scathing attacks to date on FCC's TV granting practices—and on Congress' own alleged laxities and lobbying with Commission. It's in Sept. Harper's Magazine, by Louis L. Jaffe, Bryne professor of administrative law, Harvard Law School, and it's subtitled: "How seven men in Washington are giving away broadcasting channels worth millions of dollars—apparently with no clear guide except their personal whims and political pressure."

Jaffe asserts that problem is lack of "a well-informed, imaginative, disinterested bureaucracy operating in a judicial spirit." He states that Congress has given FCC no guidance in selecting among applicants; that Commission has developed good criteria. He goes on: "But [these criteria] are unfortunately extremely imprecise, and they are capable of infinite manipulation. They can become—and, in my opinion, the record shows that they have become—spurious criteria, used to justify results otherwise arrived at."

To illustrate his contentions, Jaffe picks media diversification. He notes that Commission awarded channels in Clarksburg, W. Va. and Boston to newspaper-radio interests, indicating diversification wasn't prime factor—yet it held media ownership against McClatchy in denying it Sacramento channel.

Pointing out that Herald-Traveler's good radio record was important factor in its winning Boston decision, Jaffe asks: "Is this not the very heart of contradiction? If, on the basis of its past performance, one already in the communications business is to be preferred, what room is there for [diversification]?"

Jaffe blames Congress, primarily, for leaving its TV-radio statutes wide open: "It has not in all these years made a single contribution to policy, except through threats of committees and pressure exerted over the telephone."

What's the solution? Jaffe says Congress might pass clarifying laws: "But it must be confessed

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that such legislation would not substantially narrow the range of administrative discretion." He concludes that climate of public opinion should be developed so that: "Congressmen, high officials of the Administration, and party politicos must refuse to approach commissioners. The commissioners in their turn must close their doors and ears to everything except the record made openly before them. A litigant would not dare procure his Congressman to intercede with a judge. We must establish a tradition which makes the show of influence equally unthinkable in an administrative proceeding. It would be an important step in the building of such a tradition for Congress by statute to give authoritative expression to these principles."

- CABLE PAY TV CAPTURES FULL SPOTLIGHT: Pay-TV emphasis is more & more on cable, as more & more obstacles to telecast toll appear. If FCC even authorizes "tests," it will have to do so over irate opposition of plenty of Senators & Congressmen. For example, Sen. Lausche (D-O.) showed his staunch opposition publicly for first time during Sen. Potter's blast last week (Vol. 13:34). Lausche, Potter & Thurmond (D-S. C.) joined in a sort of contrapuntal fugue in Senate floor discussion, agreeing about the dangers of pay-as-you-see. There's mighty little pro-pay sentiment expressed on the Hill. Apparently, the law-makers just can't cotton to something that offers possibility of requiring people to pay for something they now get free. Other toll developments:
  - (1) Bartlesville, Okla. cable system starts Sept. 3 with 300 subscribers. After a few months, it will provide most eagerly awaited statistics in industry.
  - (2) Paramount's International Telemeter continued reporting there would be imminent announcement of exhibitor franchise grants for its pay system. John J. Fitzgibbons, pres. of 379-theatre Famous Players Canadian Corp., a Paramount associate, said he'd start cable theatre in several unspecified Canadian cities next year.
  - (3) VFW convention in Miami Beach unanimously denounced pay TV because it would deprive low-income families of chief form of entertainment, eliminate free defense-promotion spots & programs, reduce effectiveness of networks as communications media in times of national emergency.
  - (4) San Francisco Labor Council endorsed cable-TV concept but demanded that full hearings be conducted before franchises are awarded and that no commercials be permitted on the cables.
  - (5) Applications for cable franchises in Los Angeles were approved for Fox West Coast Theatres-International Telemeter and for Harriscope Inc. by Public Utilities & Transportation Commission. These 2, along with Skiatron, go before City Council for final approval about Sept. 18.
  - (6) Noted producer David O. Selznick plumped for pay TV as a possible "salvation for U. S. film production" as he complained bitterly about high costs of film distribution. Toll TV would be a "dream" from producers' standpoint, he said.
- EDUCATIONAL TV—FREEING TEACHERS TO TEACH: "Automated education," through use of TV—closed circuit or telecast—induces no fear among educators that students will become automatons, any more than industry fears automation will eliminate need for human skills. Rather, educators' experience with TV to date shows, TV permits widest possible use of best teachers.

Stimulated by encouraging progress reports, such as lead article in August 24 Saturday Review covering "year-after" study of Hagerstown, Md. pilot experiment (Vol. 13:2, 3, 11), closed circuit TV may well expand so that investment in equipment exceeds that of commercial telecasting itself.

Almost nothing but enthusiasm is reflected in Saturday Review article by Carl Bakal, editor of of Real & See magazines—and you may be sure Saturday Review would be among the first to detect any "dehumanization" of teaching.

Basic advantage pointed out in article is still the fundamental one: Best qualified teachers can reach most students. Most teachers can handle elementary subjects easily, but they're happy to turn over to specialists such subjects as science, music and art. For example, science teacher effectively reaches 554 students, arithmetic teacher 512—yet there's national tradition that there should be at least one teacher for every 30 pupils.

Some 6000 Hagerstown pupils now get televised instruction. By the end of next month, 6200 will be added—and by 1958-59 all 20,000 students in Washington County's 48 schools will be covered.

Supplementary nature of TV is made clear by superintendent Wm. M. Brish, who states: "To understand what we are trying to do it is important to discard the popular notion that TV is just a gadget. It is no more a gadget than the textbook. In fact, it deserves a place alongside the textbook as the most important educational advance of the century." Regular teacher is still on hand in each class, handling "warmup," homework, exams, etc. In fact, there's talk of using non-teacher "aides" to take over non-professional tasks—just as nursing aides do.

Cost of program, supported by EIA (formerly RETMA) and Ford Foundation Fund for Advancement of Education, is \$1,000,000 spread over 5 years. This compares with the \$5,099,585 spent on Washington County schools in 1956 alone. "Actually, in the long run," Bakal writes, "because of the anticipated savings in building facilities, material expenses, and teacher salaries, it is more than likely that such a program would be self-supporting."

The kids like it, too, for TV has "a certain intimacy and magnetic eye-compelling quality that helps rule out the distractions common in a classroom and fix the attention of its viewers." As one youngster said: "Do you mean to say, Mommy, that there was no TV when you went to school?"

. . .

Enthusiasm for TV among southern educators and legislators shows no letup. Meeting in Williamsburg, Va. this week end, some 100 legislators from 16 southern states were to hear long-range plans for 16-state TV network. One of south's most vigorous TV proponents, Fla. Gov. Leroy Collins, told group that TV could provide "the very finest instruction to additional thousands of college students at a cost of \$2.80 per student semester hour, compared with the current instruction cost of between \$12 and \$18."

Another happy marriage of electronics and education is being tried in Whittier, Cal. schools, where IBM cards are used to provide class rosters, seating arrangements, score I.Q. tests, tabulate reports—thus making teachers freer to teach.

TV PRESSES HARD FOR 2ND PLACE AMONG MEDIA: In addition to FCC's official figures on TV revenues for 1956 (Vol. 13:34), further authoritative documentation of TV's upsurge is contained in Printers' Ink's newly published "Advertisers' Guide to Marketing for 1958."

While Commission limits itself to figuring revenues received by stations and networks, Printers' Ink extends its estimates (prepared under direction of McCann-Erickson's Robert J. Coen) to include everything spent on TV by advertisers—including expenditures for talent & production.

Commission showed 1956 network-station revenues rising 20.4% to \$896,900,000, while Printers' Ink calculates total TV expenditures by advertisers rose 18% to \$1,209,900,000—a percentage rise greater than that of any other medium—while total for all advertising was up 7.7% to \$9,904,700.000.

Having rudely thrust magazines out of 3rd place in 1954, TV is now hot on heels of direct mail for 2nd place. Newspapers held lead with \$3,235,600,000, while direct mail gamered \$1,419,200,000.

Breakdown of TV expenditures was estimated as follows: network, \$629,700,000; spot, \$325,000,000; local, \$255,200,000.

A slight toning down took place between Printers' Ink's early estimates and those now published. Its preliminary judgment in Feb. (Vol. 13:6) was that total 1956 spending was \$9,982,000,000 and that TV captured \$1,255,000,000 of it.

Radio's comeback is documented, too, showing 4.7% gain to \$570,700,000—first upturn since peak of \$624,100,000 in 1952. Radio breakdown: local, \$340,800,000; spot, \$158,900,000; network, \$71,000,000.

For the over-all picture in 1957, Printers' Ink sees \$10.2 billion total—but it doesn't attempt to provide a breakdown by media. (For Printers' Ink table covering all media, see p. 4).

## Annual Volume of Advertising in United States

By Media, 1947-1956

Prepared for Printers' Ink Magazine by McCann-Erickson Inc. and Used with Permission (In Millions of Dollars)

					~						
MEDIUM		1947	1948	1949	1950	1951	1952	1953	1954	195 <b>5</b>	1956
TELEVISION	Total Network Spot Local	• • • • • • • • • • • • • • • • • • • •	••••	57.8 29.4 9.2 19.2	170.8 85.0 30.8 55.0	332.3 180.8 69.9 81.6	453.9 256.4 93.8 103.7	606.1 319.9 14 <b>5.</b> 5 140.7	809.2 422.2 206.8 180.2	1,025.3 540.2 260.4 224.7	1,209.5 629.5 325.6 255.5
RADIO	Total Network Spot Local	506.4 201.2 106.4 198.8	561.6 <b>2</b> 10.6 121.1 229.9	571.4 203.0 123.4 245.0	605.4 196.3 135.8 273.3	606.3 179.3 138.3 288.5	624.1 161.5 141.5 321.1	611.2 141.2 145.6 324.4	558.7 114.4 134.9 309.4	544.9 84.4 134.1 326.7	570.' 71.0 158.9 340.8
NEWSPAPERS	Total National Local	1,475.0 33 <b>5.6</b> 1,139.4	1,749.6 393.7 1,355.9	1,915.7 475.7 1,440.0	2,075.6 533.4 1,542.2	2,257.7 548.9 1,708.8	2,472.8 562.4 1,910.4	2,644.8 642.7 2,00 <b>2</b> .1	2,69 <b>5</b> .3 635.1 2,060.2	3,087.8 743.3 2,344.5	3,235.6 788.9 2,446.7
MAGAZINES	Total Weeklies Women's General Farm	492.9 245.5 132.9 85.3 29.2	512.7 257.5 133.4 86.5 35.3	492.5 245.4 128.6 83.6 34.9	514.9 261.1 129.4 87.5 36.9	573.7 296.8 1 <b>43.6</b> 9 <b>5</b> .0 38.3	615.8 325.3 148.8 101.2 40.5	667.4 350.7 158.2 117.9 40.6	667.9 362.7 151.9 114.3 39.0	729.4 396.4 161.1 133.4 38.5	794.1 439.5 165.6 1 <b>5</b> 2.5 37.1
FARM PUBLICATIONS (other than the	Total ose under M	19.5 (agazines)	20.4	20.5	21.2	25.7	29.4	30.8	31.8	33.8	36.0
DIRECT MAIL	Total	<b>579</b> .0	689.1	755.6	803.2	923.7	1,024.3	1,099.1	1,202.4	1,298.9	1,419.
BUSINESS PAPERS	Total	232.5	250.9	248.1	251.1	292.1	365.2	395.0	407.5	446.2	495.
OUTDOOR	Total National Local	121.4 78.9 42.5	132.1 89.2 42.9	131.0 88.4 42.6	142.5 96.2 46.3	149.2 100.7 48.5	162.1 109.4 52.7	176.3 119.0 57.3	186.9 126.2 60.7	192.4 129.9 62.5	199.6 134.7 64.9
MISCELLANEOUS	Total National Local	833.2 460.8 372.2	947.2 508.8 438.4	1,009.6 539.8 469.8	1,125.3 610.1 515.2	1,2 <b>5</b> 6.4 693.1 572.3	1,408.6 766.0 642.6	1,5 <b>2</b> 4.6 845.4 679.2	1,604.4 <b>894.5</b> 709.9	1,835.7 1,040.0 795.7	1,943.5 1,108.0 83 <b>5</b> .5
TOTAL GRAND TOTAL	National Local	2,487.3 1,772.4 4,259.7	2,776.1 2,087.5 4,863.6	2,965.1 2,237.1 5,202.2	3,256.8 2,453. <b>2</b> 5, <b>7</b> 10. <b>0</b>	3,700.7 2,725.4 6,426.1	4,096.3 3,059.9 7,156.2	4,520.8 3,234.5 7,755.3	4,811.9 3,352.2 8,164.1	5,406.8 3,787.6 9,194.4	5,925.6 3,979.1 9,904.5

Personal Noies: Edward J. DeGray, ABN v.p. in charge of station relations, assumes new title of v.p. in charge of stations; Betty Boucher promoted to director of combined sales service & station clearance depts.; John A. Stearns named an exec. producer . . . Fred Lyons named eastern mgr. of NBC radio spot sales, Richard Arbuckle central div. sales mgr. . . . Paul Roberts, MBS pres., becomes NARTB director replacing ex-MBS pres. John B. Poor . . . Harold M. Wagner named MBS program director, Joseph F. Keating program operations mgr., Henry R. Poster research & sales promotion director . . . Herbert J. Cutting, chief accountant of MBS, also named administrative services director . . . Glenn Fannin named NTA south central div. sales mgr. . . . Henry S. White promoted to new Screen Gems post of program procurement director ... Jules A. Renhard, ex-RCA, joins Page Communications Engineers in systems engineering & project planning capacity . . . Neale V. Bakke named sales mgr. of WTMJ-TV, Milwaukee; Joseph W. Killeen promoted to sales mgr. of radio WTMJ, in separation of TV & radio sales depts. ... John J. Edwards promoted to mgr. of KMJ-TV, Fresno . . . Joseph L. Scanlan, ex-H-R Representatives Inc. & KCCC-TV, Sacramento, joins San Francisco staff of rep Peters, Griffin, Woodward; Martin F. Connelly, ex-radio KVSM, San Mateo, joins Hollywood staff . . . Doug Thompson, ex-KCTC, San Angelo, named program mgr. of upcoming KPAC-TV, Port Arthur-Beaumont (Ch. 4) due in fall; John Stegall, ex-KFJZ-TV, Ft. Worth, production mgr. . . . John Utley, ex-KABC-TV, Los Angeles, joins KLAS-TV, Las Vegas, as continuity & promotion director . . . Victor Reed resigns as news & public relations director of KGO-TV & KGO, San Francisco . . . Don Peterson promoted to national sales mgr. of WOI-TV, Ames-Des Moines, succeeded by Ron Scott as program-sales service mgr. . . . Ross Newby, ex-KDUB-TV, Lubbock, Tex., named national sales mgr. of KOSA-TV, Odessa.

Frederick W. Ford, sworn in as FCC commissioner Aug. 29, with oath administered by D. C. District Court Judge John J. Sirica, planned vacation until Sept. 12.

ADVERTISING AGENCIES: Emerson Foote, who resigned in Feb. as exec. v.p. of McCann-Erickson, planning return to agency business by Nov. 1, says he won't start own agency . . . Robert C. Durham, ex-Ruthrauff & Ryan, opens own office at 290 Park Ave., N. Y., as advertising management consultant . . . Norman Traynor promoted to TV-radio director of Brooke, Smith, French & Dorrance, Detroit . . . Charles G. Mortimer Jr., ex-ABC-TV, joins TV dept. of Wm. Esty, N. Y.

MARTIN COOEL, Editor and Publisher; ALBERT WARREN, Senior Editor; ROBERT CADEL, Business Manager;
DAVID LACHENBRUCH, Associate Editor; JAMES S. CANNON, Trade Reports Editor

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New and Upcoming Stations: Three new stations which began programming over Labor Day week end, Pittsburgh's lone uhf station going off the air, and belated on-air report from station in small western market bring this week's on-air box score to 507 (89 uhf). Week end starters: WIIC, Pittsburgh (Ch. 11), WAVY-TV, Portsmouth-Norfolk (Ch. 10) & KTCA-TV, St. Paul-Minneapolis (Ch. 2, educational). KSPR-TV, Casper, Wyo. (Ch. 7) reports it started operation Aug. 12. WENS, Pittsburgh (Ch. 16) went dark Aug. 31.

WIIC made debut Sept. 1 with NBC-TV programming, has 100-kw RCA transmitter at 341 Rising Main St., new GE helical antenna developed for hilly terrain and 840-ft. Truscon tower. Studios are at 700 Ivory Ave. Owner is Pittsburgh Post-Gazette's radio WWSW (Oscar M. Schloss, pres.). Same interests also publish Toledo Blade, Ch. 11 applicant. Option for 50% of WIIC is held by Kenneth Brennen and members of his family, who are selling radio WJAS & FM to NBC for \$725,000 (Vol. 13:32). Brennen family also controls radio WHJB, Greensburg, Pa. Robert A. Mortensen, ex-N. W. Ayer & Son, Philadelphia, is gen. mgr.; Roger D. Rice, ex-KING-TV & KTVW, Seattle, sales mgr.; Shelton Weaver, ex-WSM-TV & WSIX-TV, Nashville, production mgr.; Warren Gerard, national sales service; Caley E. Augustine, promotion mgr.; Henry R. Kaiser, from WWSW, chief engineer. Base hour is \$1800. Rep is Blair-TV.

WIIC is Pittsburgh's 2nd commercial vhf, other being Westinghouse's KDKA-TV (Ch. 2), pre-freeze outlet acquired in 1955 from DuMont (Vol. 11:2). Other area vhf outlet, which hasn't reported starting date, is Ch. 4, Mc-Keesport, equally owned by Television City (Earl F. Reed & Irwin D. Wolf Jr.) and Hearst radio WCAE. Pittsburgh's only uhf outlet WENS (Ch. 16) left air Aug. 31, as planned (Vol. 13:22), after 3 years of operation. Previously, it dropped litigation opposing grant to WIIC after agreement was reached whereby it was reimbursed \$500,000 for expenses and sale of real estate to WIIC.

WAVY-TV began commercial operation Sept. 1 with ABC-TV, 4th outlet in area already served by WVEC-TV (Ch. 15), WTAR-TV (Ch. 3) and WTOV-TV (Ch. 27). It has 50-kw RCA transmitter, 12-section superturnstile antenna on 1050-ft. Ideco tower at Drivers, Va. Ownership is in hands of 61 stockholders, none holding as much as 10%, with control held by 11 voting trustees, including pres. Hunter C. Phelan, exec. v.p.-gen. mgr. Carl J. Burkland, v.p. George T. McLean & secy.-treas. Henry C. Hofheimer II. Richard Fraser is program & production mgr.; Mike Schaffer, ex-WDBJ-TV, Roanoke, promotion director; Wm. M. Manrov, from radio WAVY, chief engineer. Base hour is \$700. Rep is H-R Television.

KTCA-TV aired first telecast Sept. 2. Although it had test pattern on the air last March 8 (Vol. 13:13), programming was delayed until studio building was ready, land and buildings on St. Paul Agricultural Campus being donated by U of Minn. It has 25-kw DuMont transmitter and 450-ft. Stainless tower with 6-bay antenna at site 1 mi. N. of Agricultural Campus. Grantee is nonprofit Twin City Area Educational Television Corp. John C. Schwarzwalder, ex-director of educational KUHT, Houston, is station director; Harold O. Bergman, asst. to director; Paul Owen, ex-KUHT, program director; Berten A. Holmberg, from U of Minn. radio KUOM, chief engineer.

KSPR-TV began as CBS-TV affiliate Aug. 12, reports owner & gen. mgr. Donald Lewis Hathaway, also owner of radio KSPR. It's 2nd station in town where KTWO-TV (Ch. 2) started last March (Vol. 13:9). KSPR-TV has

5-kw DuMont transmitter and 3-bay GE antenna installed on 300-ft. tower of radio KSPR. Marcus R. Nichols, from KSPR, is national sales mgr., with Richard Frech local sales mgr. Base hour is \$120. Rep is Walker.

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

WHDH-TV, Boston (Ch. 5) expects to have construction completed by Sept. 3 and plans Oct. 22 start with test patterns, Nov. 2 programming with ABC-TV, reports v.p. & managing director Wm. B. McGrath for owner Boston Herald-Traveler. Its two 10-kw RCA transmitters (1 for standby) are to be ready by Sept. 9 at Chestnut St. site in Newton, Mass. Construction on 1082-ft. Ideco tower began Aug. 26 and 12-bay antenna is to be installed Oct. 3. Alexander Tanger, from WHDH, is v.p. in charge of sales; Les Arries Jr., TV director; Joe Levine, from WHDH, chief engineer. Base hour (network) will be \$2500. Rep will be Blair-TV.

WKXP-TV, Lexington, Ky. (Ch. 27) has 1-kw RCA transmitter, plans Sept. 1 test patterns, Sept. 15 programming, although network affiliation hasn't been signed yet, reports commercial mgr. Miller Welch. It has begun work on 553-ft. Stainless tower, has transmitter house 80% completed, studios 60%. Fred Gregg, ex-Young & Rubicam account exec., is pres.-gen. mgr. and ½ owner. Other ½ owners are Charles Wright, General Dynamics accounting exec., and Harry Feingold, owner of Superior Distributing Co., Kansas City. They acquired radio WLAP and CP for Ch. 27 from Gilmore N. Nunn for \$346,000 early this year (Vol. 13:3). Base hour will be \$251.30. Rep willl be Pearson.

KVII-TV, Amarillo, Tex. (Ch. 7) has ordered RCA equipment, plans Dec. 1 start with ABC-TV, reports gen. mgr. Murry Woroner, ex-KFDA-TV, Amarillo, also commercial mgr. & 2.6% owner of Amarillo radio KAMQ. It will have 833-ft. Andrews tower, and work has begun on transmitter house on US Hwy. 287, N of city. KAMQ studio building at 1301 Polk St., being modified for TV, was scheduled to be ready for equipment about Sept. 1. Ownership interlocks with radio KAMQ. Jerry Gardner, from KAMQ and ex-KFDA-TV, will be production mgr.; (Vol. 13:3). Base hour will be \$251.30. Rep will be Venard, Rintoul & McConnell.

WKST-TV, New Castle, Pa. (Ch. 45) plans return in Oct. with ABC-TV, transmitter now located in Youngstown, reports pres. Sam W. Townsend. New RCA equipment has been ordered and station will have studios in Youngstown & New Castle. Station began operation April 4, 1953, left air Jan. 14, 1955 while awaiting FCC approval of move (Vol. 11:2). Base hour will be \$350. Rep will be Everett-McKinney.

WEEQ-TV, La Salle, Ill. (Ch. 35), status changed from satellite to affiliated station (Vol. 13:33) by owner WEEK-TV, Peoria (Ch. 43), has Sept. 15 programming target, writes v.p.-gen. mgr. Fred C. Mueller. It's installing 1-kw GE transmitter; 400-ft. Stainless tower and antenna are ready. WEEK-TV hour is \$600. Rep is Headley-Reed.

RCA shipped 12-section superturnstile antenna Aug. 26 to upcoming KPAC-TV, Port Arthur-Beaumont (Ch. 4), due in mid-Sept.; 25-kw amplifier Aug. 27 to KROC-TV, Rochester, Minn. (Ch. 10), planning boost to 240-kw; 6-section superturnstile antenna Aug. 29 to WESH-TV, Daytona Beach (Ch. 2), planning boost to 100-kw.

RCA shipped live color camera Aug. 26 to WLWT, Cincinnati.

TAX DEPRECIATION for TV network affiliation & spot contracts acquired with station purchases—as claimed by Westinghouse Bcstg. Co. in 1953 Philadelphia deal—was disallowed this week by Internal Revenue Service.

Ruling (No. 57-377 published in Aug. 26 *Internal Revenue Bulletin*) applied immediately only to \$5,000,000 which Westinghouse wanted to write off in 5 years on NBC affiliation and advertising contracts accompanying its \$8,500,000 purchase of WPTZ (now NBC's WRCV-TV) from Philco.

IRS said it knew of no similar pending claims by station buyers for amortization of intangible assets, and possible extent of decision on station buying-&-selling market was uncertain. Westinghouse case will be appealed to Tax Court. Final determination of issue, never before raised on Washington level, may not come for several years.

TV station brokers with whom we talked this week were divided on implications of ruling. "Effects won't be widespread," one told us. "Very few sales are predicated on depreciation of intangibles." Another said: "It's going

Sale price of KOVR, Stockton, Cal. (Ch. 13) is \$3,-487,500 plus \$75,000 for land and building in Stockton and \$100,000 for net assets of off-air KCCC-TV, Sacramento (Ch. 40). First to transfer holdings will be H. Leslie Hoffman with 555,830 shares (78.65%) and Terry Lee with 55,574 (7.86%), with minority owners to turn over holdings later. In addition, Lincoln Dellar also has opportunity to sell unissued stock on which he holds option (not exercised as yet), obtained as part of deal whereby he took KCCC-TV off air (Vol. 13:20). Buyer Hudson Valley Bcstg. Co. (Lowell Thomas-Frank Smith interests) operates WCDA, Albany, N. Y. (Ch. 41) with satellites WCDB & WCDC and this week filed application for merger with WTVD, Durham, N. C. (Ch. 11), in which it acquired controlling interest this spring (Vol. 13:21). KOVR June 30 balance sheet shows \$835,206 operating loss to date. It lists \$341,226 current assets, \$1,184,464 fixed assets, \$112,533 property investment; \$2,186,335 current liabilities—largest being \$731,374 in debentures, \$637,171 note to Bank of America, \$247,610 equipment contract, \$237,792 film contracts. May 31 balance sheet for Hudson Valley Bestg. shows \$60,694 net gain for 5 months, reducing deficit to \$848,600.

Full control of WCHS-TV, Charleston, W. Va. (Ch. 8) is now held by the Tierney Co. (owner of radio WCHS), which has purchased 40% of stock held by Capital TV Inc. (Sam G. Rahall & family) for undisclosed price. In Jan. 1954, Capital withdrew application for Ch. 8 and grant was made in Feb. after merger gave it 40% interest in WCHS-TV Inc. Tierney officers are Hawthorne D. Battle, pres., and John T. Gelder Jr., v.p.-gen. mgr.

Canadian TV applications to be considered by CBC Board of Governors at Sept. 26 meeting in Ottawa: Yorkton TV Co. Ltd. for Ch. 3, Yorkton, Sask.; CJCB-TV, Sydney, N. S. for Ch. 2 satellite at Inverness, N. S.; CFCL-TV, Timmins, Ont. for Ch. 2 satellite at Elk Lake, Ont.—CFCL-TV also requesting that Ch. 3 grant for satellite at Kapuskasing be changed to Ch. 70 translator.

Canadian TV-radio market is covered by Aug. 24 Spansor in 7th annual report including 7 pages of charts & statistics.

to depress prices, I think." Another figured that decision "might have a temporary effect of depressing prices—but it won't hold in the long run."

IRS held that "network affiliation contract is of distinct benefit to the station as well as to the network," that station "can reasonably expect a substantial amount of revenue" through network sponsors. Intangible assets are subject to tax depreciation if they have value "for only a limited period," IRS said, but: "The very existence & profitability of a network arrangement depend upon a fairly permanent relationship between the network & station."

Local & national spot advertisers "want their programs & spot announcements associated with and adjacent to the more popular network programs," IRS pointed out. "Viewed in this light, these contracts constitute goodwill of the broadcasting station; as such, it is not subject to depreciation."

IRS withheld any opinion on "(1) whether any portion of the excess of the purchase price of the broadcasting station over the value of the tangible assets is properly allocable to the network affiliation contract, or (2) whether a taxpayer sustains a deductible loss upon termination or cancellation of a network affiliation contract where it continues in the broadcasting business."

Radio station sales reported this week: KQV, Pittsburgh, by trustees Earl F. Reed & Irwin D. Wolf Jr. for \$700,000 to AB-PT-sale of station by Reed & Wolf required under terms of merger whereby they hold 50% of Ch. 4 CP in McKeesport, Pa., Hearst's radio WCAE other 50%. Other AB-PT stations are WABC-TV, New York (WABC), KABC-TV, Los Angeles (KABC), KGO-TV, San Francisco (KGO), WXYZ-TV, Detroit (WXYZ), WBKB, Chicago, and 50% of radio WLS, Chicago . . . KRMG, Tulsa, by Western Bestg. Co. (Harrington Wimberly, pres.) for approximately \$500,000 to Meredith Publishing Co., owner of KPHO-TV, Phoenix (KPHO), KCMO-TV, Kansas City (KCMO), WOW-TV, Omaha (WOW) & WHEN-TV, Syracuse (WHEN) . . . WSRC, Durham, N. C. by John C. Greene Jr. for \$95,000 to Robert A. Monroe (30%), Seymour Schneidman (27.5%), Philip Nadler (27.5%) and associates; Monroe is also 50% owner of WAAA, Winston-Salem . . . KATI, Casper, Wyo. by John L. Breece for \$65,000 to banker John R. Burrus (51%) and commercial mgr. K. G. Prather (49% with wife).

Rate increases: WLAC-TV, Nashville, Sept. 1 raises base hour from \$750 to \$825, min. \$150 to \$175. WEEK-TV, Peoria, Aug. 1 raised hour \$475 to \$600, min. \$95 to \$120. WFBC-TV, Greeenville, S. C. Sept. 1, hour \$450 to \$525, min. \$112.50 to \$120. WLBT, Jackson, Miss. Sept. 1, hour \$360 to \$400, min. \$80 to \$90. WABI-TV, Bangor, Aug. 15, hour \$300 to \$350, min. \$60 to \$70. Spot increase: KRON-TV, San Francisco, raises 20 sec. from \$425 to \$500.

Translator activities: (1) Richard R. Hayes, running experimental Ch. 70 KK2XGG, San Antonio, has designed own transmitting equipment, may bring it to FCC for type approval preliminary to manufacture. (2) Blonder-Tongue is exploring possible equipment production. (3) TV Allocations Study Organization plans study of translator coverage.

Translator starts: K70AW, La Grande, Ore. began equipment tests Aug. 22, repeating KHQ-TV, Spokane; K77AE, Madras, Ore. July 15, repeating KPTV, Portland; K70AS, Salmon, Ida. Aug. 24, repeating KID-TV, Idaho Falls; K79AA, Blythe, Cal. July 20, repeating KVAR, Phoenix.

Philco this week in latest round of fight in which Philco, plaintiff in \$150,000,000 anti-trust damage suit against NBC's parent RCA, tried to jolt NBC with protest to FCC that network is unfit to continue operating its Philadelphia stations (Vol. 13:33).

Philco's blows aimed 2 weeks ago at WRCV-TV-AM-FM were just another "maneuver in its vendetta against RCA," NBC told FCC, asserting: "It is clear that Philco's management is seeking a scapegoat for its own business deficiencies & weaknesses."

In 1-2-3 jabs of its own, NBC said FCC should dismiss Philco's protest against renewal of affiliate licenses because (1) it's "an attempt to pervert the protest procedure" of Communications Act, (2) Philco's not "party in interest," (3) issues raised by Philco "are patently sham." In short, said NBC, it's case of "bad faith."

"Root of Philco's continuing & vindictive attack on RCA," NBC said, is RCA's refusal over years to give Philco "preferential treatment in royalty payments so that it could obtain an advantage over its competitors who were also licensed by RCA."

So now, according to NBC, Philco "seeks to abuse the processes of this Commission in an effort to divert attention from its admitted poor past performances"—pre-tax earnings of \$33,703,616 in 1950, only \$557,690 in 1956.

As for Philco's specific complaints to FCC that WRCV licenses shouldn't be renewed because Philco "is injured both as a manufacturer competing with RCA" and "as an advertiser affected by restrictive practices" of NBC and its stations, NBC didn't deny option & must-buy practices but answered Philco can't qualify as "party in interest":

"Philco is not a broadcaster, nor does it compete for

advertising revenue within the area served by the NBC stations in Philadelphia. Indeed, it does not claim to compete with the licensee in any manner...

"Philco attempts to satisfy this requisite by asserting that it is an advertiser injured by certain network practices and a competitor of RCA injured by assistance to RCA from NBC. Extending the scope of 'party in interest' to either of these classes would . . . open the floodgates to protests from tens of thousands of persons who have heretofore not had standing . . .

"Any one of these advertisers who felt aggrieved by any practice of a broadcaster could require the Commission to hold a hearing upon a license renewal. In addition to these advertisers the Commission would be faced with the prospect of protests from tens of thousands of persons who compete with anyone having an interest in a broadcast license . . .

"Moreover, on the theory urged by Philco, it and any other set & appliance manufacturer would have standing to protest license renewals to such companies as Westinghouse, General Electric or Crosley, all of whom are engaged in manufacturing as well as broadcasting...

"Obviously, Congress never intended to impose such an intolerable burden upon the Commission . . . "

NBC also said "reckless nature" of Philco's licensing protest was indicated by allegations that it was "coerced" by RCA in 1953 into selling its WPTZ (now WRCV-TV) to Westinghouse, which in turn sold it to NBC. WPTZ & other assets were bought by Philco in 1946 for \$38,959, sold for \$8,500,000—"highest price paid up to that time" for TV station, NBC said, asking how "willing seller" in 1953 "can be converted by 1957 into a coerced vendor who sold at a distress price."

NBC concluded: "The protest is sham in its entirety and an imposition on the Commission. It has been filed as publicity weapon by one who has no interest in the license renewal and no standing to protest it."

NARTB convention committee for April 27-May 1 meeting in Los Angeles, starting work at Sept. 6 session in Chicago's Conrad Hilton Hotel: Co-chairmen, J. Frank Jarman, WDNC, Durham, N. C. and W. D. Rogers Jr., KDUB-TV, Lubbock, Tex.; Thomas C. Bostic, KIMA, Yakima, Wash.; Wm. C. Grove, KFBC, Cheyenne, Wyo.; Merrill Lindsay, WSOY-FM, Decatur, Ill.; Robert O. Reynolds, KMPC, Hollywood, Cal.; John E. Fetzer, WKZO-TV, Kalamazoo, Mich.; C. Howard Lane, KOIN-TV, Portland, Ore.; James D. Russell, KKTV, Colorado Springs, Colo.; Harold P. See, KRON-TV, San Francisco. Russell will be TV liaison with Broadcast Engineering Conference.

NARTB position in precedental "equal-time" libel suit appeal (Vol. 13:32) involving radio WDAY, Fargo, N. D. will be that broadcasters cannot be sued for libel growing out of political broadcasts because Communications Act proscribes censoring by stations. Station had been sued by Farmers Union which charged it had been libeled by 1956 broadcast over station by minor party Congressional candidate, under equal time section (315) of Communications Act. Court ruled in favor of station and Farmers Union appealed to State Supreme Court which is expected to hear case first week of Oct.

National TV Week (Sept. 8-14) statement issued by FCC Chairman Doerfer pays tribute to TV industry for "spectacular growth" to 44,500,000 sets, notes more than "80% of the public has available the offerings of 3 or more TV stations" while "in most other countries, the people have only one, or at best two program choices."

Facility changes: WWLP, Springfield, Mass. (Ch. 22) has moved to new tower and boosted power to 219-kw; WTTW, Chicago (Ch. 11, educational) got authorization to boost power Sept. 3 to 275-kw; WVUE, Wilmington (Ch. 12) was authorized to start over Labor Day week end using new 900-ft. tower at new site; WJTV, Jackson, Miss. (Ch. 12) on tests since Aug. 19, started programming Sept. 1 with 316-kw; KROC-TV, Rochester, Minn. (Ch. 10) plans Oct. 1 boost to 240-kw.

Recorded bird calls used with devastating effect by hunters to lure game in recent seasons (Vol. 13:33) will be banned effective Sept. 23, Fish & Wildlife Service reported this week. Regulation applied to "use or aid of recorded bird calls or sounds"—and to amplified imitations of them—carries penalties of \$500 fine and/or 6 months in jail for violations. It covers all game birds, but is intended primarily for protection of geese & ducks which find electronic frauds irresistible.

TV will rescue stalled motorists in new \$10,000,000 Ft. Pitt Tunnel under construction at Pittsburgh. Closed-circuit system in split-level tubes will train 8 cameras on traffic to spot disabled vehicles. Police will dispatch tow trucks to pick them up immediately.

New symbol for American Bestg. Network, modern trylon-shaped "A," was designed by Hank Levinson of ABN sales development & research dept.

Blackburn & Co. opens new station-newspaper brokerage office at 333 N. Michigan Ave., Chicago (Financial 6-6460), Wm. B. Ryan in charge.

Telecasting Notes: "It's going to be a great 1957-1958 season on the TV networks"-particularly for "specials," Aug. 31 Sponsor says. Totting up 177 such shows already planned by CBS-TV & NBC-TV, magazine says record total of \$38,000,000 has been committed by sponsors for that category alone . . . Impertinent question put to NBC pres. Robert Sarnoff by Marie Torre for Aug. 30 N. Y. Herald Tribune column: "Why doesn't NBC have as many shows in the top 10 as CBS?" Answer: "If you'll wait awhile maybe this question will become academic." . . . It's "beastly time" for TV news, according to NBC commentator Chet Huntley in N. Y. Herald Tribune guest column for vacationing John Crosby. Huntley says TV newsmen contend "with a period of political & social blandness, when it is next to impossible to generate excitement about anything."... Looking ahead: ABC-TV plans prestige entry in 1958 fall season with 60-min. filmed dramatic series produced by Writers Guild of America in deal involving reported \$4,000,000 . . . "Data-dulled dictums" imposed on TV writers by "chart-minded agencies & agency-minded producers" are "dooming the industry to patterns of hopeless mediocrity," TV-radio branch board of Writers Guild of America, West, protests in Hollywood manifesto. It calls for emancipation of writers from "sanctity of statistically-inspired & research-blessed scripts." . . . Top secret areas will be invaded in "The Challenge of Space" by NBC-TV's Wide Wide World Sept. 15, Sun. 4-5:30 p.m. Show will take in Army rocket centers, missile sites, Washington computing base . . . Peripatetic CBS-TV crews will follow Marian Anderson through Korea, Philippines, Indonesia, Burma, Thailand, Vietnam, India, Pakistan to film contralto's Sept.-Dec. tours under auspices of State Dept. and American National Theatre & Academy. Film is planned for 60-min. or 90-min. See It Now show in Dec. or Jan. . . . John Foster Dulles opens Martin Agronsky's new NBC-TV Look Here! interview show Sept. 15, Sun. 3:30-4 p.m. . . . Big open space in ABC-TV fall schedule is filled with West Point Story starting Oct. 8, Tue. 10-10:30 p.m. Recently threatened with abandonment (Vol. 13:30), show shifts from CBS-TV, Van Heusen Shirts having come to rescue as sponsor . . . Kinsey Report will figure in "The Changing Ways of Love," first show in CBS-TV's new The Seven Lively Arts series Nov. 3, Sun. 5-6 p.m., which network describes as "witty & penetrating" review by S. J. Perelman. Show is intended to reflect boy-&-girl behavior patterns since

ELECTRONICS PERSONALS: Col. J. R. Martin, ex-Baldwin, Lima Hamilton Corp., named operations v.p. of Hycon Eastern . . . H. Ronald Eldridge elected controller of IT&T industrial products div. . . . Richard G. Freeman, ex-Empire Coil, appointed v.p., Todd Products Co., Mt. Vernon, N. Y. (transformers) . . . Clifford A. Busse, ex-Farnsworth div. of IT&T, joins electronics div. of Rheem Mfg. Co., Rivera, Cal., as engineering mgr. . . . Laurence A. King, ex-Rola div. of Muter Co., appointed management consultant of International Resistance Asheville and Boone, N. C. plants ... Maj. Gen. C. Rodney Smith (ret.) named v.p. of IT&T subsidiary International Standard Electric Corp. in charge of communications network installation for SHAPE . . . Bernard R. McCarthy promoted to sales engineer, Sylvania semiconductor div., covering Pa., Del., Md., D. C., Va., N. C., S. C., Ga., Fla. . . . Donald R. Burrus named marketing research mgr. of Texas Instruments, Dallas.

New Bizmac office to serve govt. agencies has been set up by RCA at 1625 K St., Washington, with Robert Bruce, ex-Underwood & IBM, as mgr.

1920's, sampling movies, stage, novels, popular songs, advertising, in addition to Kinsey . . . U. S. networks plan to line up with CBC for TV coverage of Queen Elizabeth's Oct. 12-22 tour starting in Ottawa (Vol. 13:33) and ending in N. Y. Ottawa events alone will be picked up by 23 cameras at 19 locations already marked out by CBC. which will have 30 English & French commentators on assignment . . . Pessimistic thought comes from England, where Sir Kenneth Clark, retiring ITA chairman, told Kent Messenger that TV commercials already are "wearing thin" on British public which saw them as novelty when ITA set up shop 2 years ago. TV advertising boom won't last, he thinks . . . Warner Bros. has sold "large group" of movies, including several Academy Award winners, in British deal with Associated TV Ltd. for reported \$250,000 . . . "Bandwagon is rolling" for year-old Australian TV, according to mgr. James H. Oswin of ATN, Sydney. It's been slow, but "it's clear now we're involving every business & show business interest in Australia in TV's growth." . . . Final split: Dean Martin signed corporate papers Aug. 24 divorcing himself from Jerry Lewis and their joint York Productions, formed in 1948.

Promotion of awards in TV, radio & other fields to give them "maximum amount of prestige" is unique business of Sylvia Spence Assoc., new consulting firm organized at 527 Lexington Ave., N. Y. (Plaza 5-2584) by Mrs. Sylvia Spence. She managed Fund for Republic TV script competition, for 2 years has been director of Fund's Robert E. Sherwood TV Awards.

Mike Wallace column for daily newspaper syndication may be new side job for conductor of ABC-TV's Mike Wallace Interviews Sun. 10-10:30 p.m. Hall Syndicate, N. Y., is negotiating with Wallace to write Q. & A. feature for which he'd interview persons other than those on his TV program.

Live vs. taped TV was demonstrated by KRON-TV, San Francisco, in special "Sight & Sound" show in which parts of program in progress were recorded on Ampex videotape and played back almost immediately. Delivery of station's first Ampex equipment is expected by midwinter.

Equal time in Thailand for opposition politicians has been offered by Bangkok Govt. on its TV station. Previously, TV appearances were restricted to govt. party members.

Reduced demand for engineers, as evidenced at San Francisco's Western Electronic Show, is reported in Aug. 30 Wall St. Journal which points out, however, that "top engineers" are still hard to find. Story quotes Litton v.p. Norman Moore: "We are using a rifle now instead of the old shotgun." In contrast to last year's show that saw recruiters snapping up almost every job-seeking engineer no matter what his qualifications, this year's recruiting effort was "over half off," estimated convention secy. H. Myrl Stearns, pres. of Varian Assoc. One reason given by aircraft spokesman was recent lay-offs in southern Cal. plants connected with defense work.

Revised Air Force "Handbook of Piezoelectric Crystals for Radio Equipment Designers" by J. P. Buchanan, Philco Corp., for Wright Air Development Center (PB 111586R, 702 pp., \$7) is available from U. S. Dept. of Commerce Office of Technical Services.

Directories of military electronics procurement personnel and firms engaged in guided missile projects are compiled in Sept. *Electronic Industries & Tele-Tech*.

Trade Report August 31, 1957

SETMAKERS' OPTIMISM CONTINUES STEADFAST: With two-thirds of year gone, biggest selling season yet to come, our sounding of setmakers' sentiments reveals nary a crack in industry-wide feeling that Sept.-Dec. will see strong market.

"Really excellent" is the description of business given by Admiral pres. Ross D. Siragusa, just returned from 12,000-mi. trip around U.S.

Reaction he got in talking to dealers and distributors was "quite good, quite encouraging," he said, adding that they "showed more interest in higher priced merchandise than in 7-8 years." And besides, he went on, "they're soft-pedaling lowerend merchandise and cheaper portables." Another good sign, he declared, is the "old merchandise is pretty well washed away."

Similar sentiments were voiced by Robert A. Seidel, RCA exec. v.p., consumer products, who told us "business is generally good, all of our people are quite optimistic toward fall." He placed heavy emphasis on big color push in fall, saying "rest of RCA's business is booming, including radios, records and black-&-white TV."

Seidel detailed "big RCA stepup in sales in July" and described Aug. sales as "running about neck and neck with last Aug. which was a very good month." It will be close, he feels, but he thinks Aug. will top last Aug. And he parlayed this into sure increase in Sept., describing last Sept. as no standout month.

"A good year for RCA and for the industry" is the way Seidel sized it up, saying predictions of 7,000,000 sales this year probably would come true. He put it this way: "There's more money out there than ever before and I haven't heard a single bad reaction to the new sets. There's no reason TV shouldn't get its share of the money unless we don't sell our product as well as others sell theirs." Only possible sour note he could think of was tightening of credit -- and he didn't think that would have any marked effect on this year's sales.

Color TV is going well, he reported, listing ratio as 3-1 over last year -- and he added he had checked this figure out with RCA Service Co., both on installations and consumer purchases.

\* \* \* \*

Motorola also came in with testimony to support summer sales surge and fall follow-up. Edward R. Taylor, exec. v.p., consumer products, told us some May specials they produced "went in and out of the pipeline so fast you couldn't even see them." He still thinks this year's retail sales will hit about 7,000,000 with "last 4 months of year considerably higher than in 1956."

Taylor gave these reasons for greater TV sales in fall: Increased political activity increasing viewer interest; networks producing better shows to counter threat of pay TV; national economy moving upward again. He stated that people can only save money so long, "then it burns a hole in their pockets."

\* \* \* \*

"Best TV summer we've ever had" is way John M. Otter, Philco exec. v.p. for marketing, put it, saying June was record sales month and same is probably true for July. He declared Philco had not experienced typical summer slowdown — and said general pace of business had been "phenomenal."

"We're looking forward to excellent third and fourth quarters," he told us and illustrated his point by saying "we won't be able to make all of the Slender Seventeeners we have orders for by the end of the year."

Robert L. Shaw, Sylvania gen. sales mgr., TV-radio div., said "this is the earliest start of the sales season that I've ever seen." Sylvania sales are about double what they were last year at this time, he declared, and the "surprising thing is the number of dealer re-orders that are coming in already."

Consumer Income: Improvement in John Q. Public's income position was reported this week by U.S. Dept. of Commerce and Federal Reserve Board -- in cooperation with U of Mich. Survey Research Center. Personal income in July was at annual rate of \$345.5 billion, almost \$1 billion higher than previous month and \$20 billion more than July 1956, Dept. of Commerce reports in Survey of Current Business. Business activity showed <a href="Little change since midyear">Little change since midyear</a>, Commerce says, with pattern of year's first half extending through July, showing "sustained high levels of employment and volume of total output," with "continuing gradual rises in prices and incomes."

"Consumer incomes have risen to new highs in recent years both in dollar amounts and in purchasing power," says Federal Reserve-U of Mich. survey. It reports "holdings of liquid assets and marketable securities have also risen" as have debts of consumers which "reached new highs, largely in connection with purchases of houses, automobiles, and household durable goods." Survey, based on 3041 interivews, discloses mean reported income -- that is total consumer income divided by number of spending units -- rose from \$4650 in 1955 to \$5140 in 1956.

Production: Reflecting setmakers' optimism, order volume, stepped-up business (see p. 9), TV output climbed to new high for year for third straight week with total of 205,881 for week ended Aug. 23 -- highest total since week ended last Oct. 5 when 215,480 were turned out. New 1957 high compared with 179,615 preceding week and 169,462 in corresponding week one year ago. It was year's 34th week and brought TV production for year to date to about 3,755,000, compared with 4,365,060 in same period of 1956. Radio production totaled 292,626 (79,962 auto) for week ended Aug. 23, vs. 294,091 (96,206) preceding week and 278,871 (71,716) in corresponding week year ago. Radio output for 34 weeks totaled about 8,760,000 (3,390,000) vs. 8,216,-707 (2,710,303) in 1956 period.

**Topics & Trends of TV Trade:** Booming business of trade shows is pinpointed by EIA survey, based on returns from 132 member companies, which shows average electronic firm received 20 invitations to exhibit products in 1956, compared with 14 such offers in 1955. Report says average company took part in only 5 trade shows in 1956, same number as in previous year.

Survey was authorized by previous board action (Vol. 13:14) of EIA. Next step will be for EIA Trade Show Committee to discuss report, already sent to members, during Sept. 10-12 quarterly meeting in Los Angeles and decide what action should be taken, if any.

Cost of each exhibit for average company was \$1916 in 1956, report shows, while in 1955 average company expense for each trade show was \$1712. Other findings: 70% rated trade shows of limited value; 27% of very great value; 3% of no value. Number of shows recommended: two, 29%; one, 25%; three, 24%.

Following is grouping of comments (some supplying several comments): National shows becoming too large, 44%; increasingly difficult to demonstrate products effectively, 28%; cost of shows exceeding benefit received, 24%; attempt to attend all shows where there is an opportunity to explain products to reasonable number of customers, 18%; strong supporter of trade shows, would like to see at least 50 per year, 1%.

\* \* \* \*

High regard for GE is evinced in Scholastic Magazine survey of 5855 teen agers who were asked: "If you were asked to select the nationally known company whose name and products or services you most respect, which one would you select?" Results: GE by 26.4% boys, 25.5% girls; General Motors 17.2% & 8.6%; Du Pont and U. S. Steel about 7% each. Also named: Westinghouse, Standard Oil, Ford, Bell System.

Rocky road for discounters is outlined in Sept. 2 Time, which reports dozens of small operators have fallen by the wayside, with part of blame placed on general slump in appliance market with overall sales down about 10%. Other discounter problems cited: Price cutting by conventional retailers; warehouse sales; change in customer attitude with demands for liberal credit, free delivery, repairs, returns, etc. Story says big discounters have cash reserves needed for growth, smaller ones do not. Whirlpool pres. Elisha Gray analyzes appliance situation thus in recent report to stockholders: "Many manufacturers have been extremely sensitive to competitive price reductions, with price cutting and lower profit margins. Consumer response to 'bargains,' in most markets, has been sluggish. The public reaction to price appeal alone as the major sales feature of a major appliance appears to be negative. There seems to be a trend in the industry, presently, to acknowledge increased costs realistically. This is a healthy sign. This is indicated in the introduction of new appliances with announced price increases ranging up to 5%. While admittedly price levels are always tentative, and dependent finally upon consumer acceptance, we are hopeful that we have passed the trough of what has been termed a creeping demoralization of the major appliance market."

RCA and Four Roses Distillers Co. are joining forces for Sept.-Oct. color TV promotion showing Four Roses flowered emblem on screen of RCA Victor color receiver on lithographs to be displayed in 5000 liquor stores. Promotion kits, featuring reprints of full-page color ads in Sept. 16 Life and Oct. 1 Look, will go to 10,000 taverns. Window displays will include cards urging public to see color TV at RCA dealers.

Recurring rumor that GM Delco div. is planning to enter TV manufacturing field categorically denied this week by Delco spokesman.

Trade Personals: Eric M. Farr promoted to manufacturing services mgr., Westinghouse TV-radio div. . . . Neal T. Johnson promoted to adv. supervisor, Sylvania TV-radio div. . . . H. N. Muller, Canadian Westinghouse chief engineer, elected v.p. . . . W. R. McAllister promoted to Capehart national sales mgr.; Leon Knize appointed special products mgr. . . . C. Charles Hathorn promoted to public relations mgr. of Avco's Crosley div., replacing Robert Bartow, resigned . . . Charles W. Breunig promoted to administrator, labor relations, RCA electron tube div.; H. F. Randolph continues as mgr., receiving tube operations, entertainment tube products; H. R. Seelen named mgr., kinescope operations; M. J. Carroll, mgr., marketing.

Regional chairmen, acting as liaison with NARDA headquarters, have been chosen for 12 Federal Reserve districts: (1) Frank Murphy, Murphy Electric Co., Bristol, Conn.; (2) Morris Levy, Levy Bros. Furniture Co., Niagara Falls; (3) Robert L. Painter, Chester, Pa.; (4) Wm. P. Hoermle, Columbus, O.; (5) A. H. Warne, Bohman-Warne Inc., Hagerstown, Md.; (6) Richard A. Palmer, Palmer Tire Co., Macon, Ga.; (7) Earl T. Holst, Des Moines, Ia.; (8) Ed Kuehn, Kuehns Inc., Belleville, Ill.; (9) Hardy Rickbeil, Worthington, Minn.; (10) A. Murillo, Hill Electric Co., Wichita, Kans.; (11) V. Bourland, Ft. Worth; (12) Carl Hagstrom, General Appliance Co., San Francisco.

Mutual agreement has ended \$900,000 treble damage anti-trust suit by Central TV Inc., Chicago, against Admiral Corp., Appliance Distributors Inc. and The Reuben Donnelly Corp. Federal Judge Walter La Buy dismissed 1953 suit without prejudice or costs. Suit had charged Admiral and Appliance Distributors with attempting to monopolize installation, service, repair, etc. of parts for Admiral TV sets. They also were charged with having conspired with Donnelly to keep independent contractors from being listed in Chicago classified directories as servicing Admiral sets.

First quarterly meeting of EIA under its new name will be held Sept. 10-12 at Los Angeles' Ambassador Hotel. Speaker at Sept. 11 luncheon will be Gen. Edwin W. Rawlings, commander of Air Materiel Command, Wright-Patterson AFB. Closed committee sessions are to take up FCC allocation hearings, Walsh-Healey Act effect on part of industry, growth of electronics in national defense, Hagerstown educational TV program.

Analyzing trend in boards of directors toward selection of more members outside firm, Sept. 2 Time includes this comment from Philco pres. James M. Skinner Jr.; "Any further changes in board membership will be toward outsiders. We don't want the kind of board where the officers are auditing their own work, sitting around admiring what they've done as officers."

Fair Trade knell sounded this week in South Carolina as State Supreme Court ruled S. C. Fair Trade Act unconstitutional in appeal by GE from lower court finding. High court opinion singled out Act's application to nonsigners, saying this "constitutes a deprivation of property without due process of law" in violation of S. C. constitution.

"Television Comeback" is a major article in Aug. 26 Barron's which says "the battered setmakers profess to see signs of hope." While still "keeping their fingers crossed," story says, they "are becoming more and more confident that the recent upsurge in buying is more than a seasonal flurry."

Printer's error resulted in mixup in figures for 3 months in EIA Monthly Reports of TV-Radio set sales and inventories on pp. 434-435 of TV Factbook No. 25. Correct figures are: July 1955 Factory Sales, 449,782; Factory Inventories End of Month, 813,804; Distributor Purchases, 443,840; Distributor Inventories End of Month, 724,047; Shipments to Dealers, 465,160; Retail Sales, 381,567. For Sept. 1956: Factory Sales, 1,020,930; Factory Inventories at End of Month, 438,221; Distributor Purchases, 1,001,-591; Distributor Inventories End of Month, 1,311,495; Shipments to Dealers, 829,126; Retail Sales, 763,908. For Nov. 1956: Factory Sales, 630,682; Factory Inventories at End of Month, 446,859; Distributor Purchases, 618,856; Distributor Inventories at End of Month, 1,314,894; Shipments to Dealers, 617,516; Retail Sales, 560,391. Also, for Factory Sales in Dec. 1955, 584,964; Retail Sales for Oct. 1955, 746,274 & Dec. 1955, 933,467; July 1956, 405,310.

Switch to color TV to avert layoffs in Canadian TV manufacturing industry is asked by United Electrical Radio & Machine Workers of America Union in telegram to George Nowlan, Canada's Minister of Revenue. Urging start of CBC color programming, group told Nowland TV set production is scheduled to halt in Oct. at Toronto plants of Canadian GE which told union it "anticipates 11 of 22 set manufacturers will close down."

Westinghouse new major appliance models, featuring "fit in to look built in" appearance, were introduced this week, to be backed up with 30-day "blitz" advertising campaign through Oct. 22. Plans call for TV network (Studio One), newspapers, This Week, Parade, Family Weekly, Saturday Evening Post, Life, 2800 billboards. Westinghouse will not set national list prices, leaving job to distributors.

Anti-trust suit against GE Supply Co. has been filed by ex-Hotpoint dealer N. L. Stuver, Johnstown, Pa. charging GE discriminated against him in favor of his competitors, forcing him out of business with damages estimated at more than \$100,000. Suit alleges GE aided his competitors in demonstrating appliances to employe groups and allowing 25% discounts.

Olympic fall advertising plans, up about 20% over last year, call for full-page ads in Home Furnishings Daily, Mart, Electrical Merchandising, Radio & TV Weekly, 4-color page in Sept. 22 N. Y. Times Magazinc, ½-page black-&-whites in Life, Saturday Evening Post, Look, House Beautiful, Ebony.

Sale of "Color V" screens has been discontinued, reports Harry G. Kriegel, in answering FTC complaint that plastic adapters had been misrepresented by Superior Products, N. Y. (Vol. 13:16) as capable of producing color TV or eliminating glare. Kriegel denied he owned company, said it had gone out of business "on or about June 1, 1956."

NARDA regional meetings open Sept. 13 at Wichita, followed by Sept. 18, Rockford, Ill.; Sept. 25, Salt Lake City; Sept. 27, Seattle; Sept. 29, Bakersfield, Cal.; Oct. 6, Macon—last including semi-annual executive committee session.

Philco is adding cherry finish cabinets to two 21-in. consoles in new line at \$270 & \$290. Other additions: walnut 24-in. "Miss America" console, \$475; blonde 21-in. console on casters, \$350; 21-in. console, \$258; 21-in. table model, \$200.

Extra copy price of NARDA's "Costs-of-Doing Business Survey" (Vol. 13:34) has been reduced to 35¢ each for those ordering 50-99 reprints. Other prices remain: \$1 for 1-49; 25¢ for 100 or more.

### **Network Television Billings**

July 1957 and January-July 1957

(For June report see Television Digest, Vol. 13:31)

STEADY ADVANCE in TV network billings was recorded in first 7 months this year, rate of gain over 1956 running at 6.3%—\$289,478,303 vs. \$272,257,826—according to Publishers Information Bureau. CBS paced increase in period with 8.3% jump from \$124,981,144 to \$135,299,556. In July, ABC led in percentage gain, lifting its billings 14.8% to \$6,348,496 from \$5,532,030 in July 1956. NBC was up 1.5% for month (\$13,935,529 vs. \$13,733,765), CBS .3% (\$18,537,069 vs. \$18,481,719). The complete PIB report for July:

#### NETWORK TELEVISION

	July	July	%	JanJuly	JanJuly	%
	1957	1956	Change	1957	1956	Change
CBS NBC ABC	\$18,537,069 13,935,529 6,348,496	13,733,765	$^{+\ 0.3}_{+\ 1.5}_{+14.8}$	\$135,299,556 107,735,033 46,443,714	103,263,49	7 + 4.3
Total	\$38.821.094	\$37,747,514	+ 2.8	\$289,478,303	\$272,257,820	+6.3

### 1957 NETWORK TELEVISION BY MONTHS

	ABC	CBS	NBC	Total
Jan. Feb. March April May June	\$ 6,715,581 6,175,488 6,848,848 6,682,786 7,258,807 6,413,708	\$ 20,231,474 18,309,088 20,172,173 19,385,098 20,307,762 18,356,892	\$ 16,554,941 14,900,631 16,631,974 15,154,388 15,811,033 14,746,537	\$ 43,501,996 39,385,207 43,652,995 41,222,272 43,377,602 39,517,137
July	6,348,496	18,537,069	13,935,529	38,821,094
Total	\$46,443,714	\$135,299,556	\$107,735,033	\$289,478,303

Note: These figures do not represent actual revenues to the networks, 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.

TV commercials for Enden Shampoo should be "interpreted as a whole," Helene Curtis Industries Inc. told FTC Aug. 29, denying charges instituted by agency's TV-radio monitoring unit (Vol. 13:31) that claims for dandruff treatment were false. Helene Curtis said that typical commercial cited in complaint doesn't "fairly represent the effect of the sequence upon the viewer"; that advertising "is reasonably understood to mean" that use of Enden "will inhibit the growth of bacteria commonly found where dandruff problems exist"—not that it is dandruff cure. FTC had objected to such claims as that Enden is "new proven way to end your dandruff problems once & for all." Curtis asked dismissal of complaint.

Celebrating 84th birthday Aug. 26, inventor Lee De-Forest told reporters: "Now I'm shooting for 94." The alert and forward-looking inventor of the 3-element vacuum—and holder of some 300 patents—is still inventing, his main current project aimed at producing electricity from gas flame. He's taking things only slightly easier, because of mild heart trouble brought on, he believes, by heat and too much playing of shufflboard during recent cruise to Panama.

TV is no place for liquor ads, adv. & sales promotion v.p. Alynn Shilling of National Distillers Products Co. told sales conference last week. "It is horrifying," he said, "to picture what commercials might be like if liquor advertising appeared on TV or radio." He deplored "flamboyant claims made by non-liquor advertisers," urged more "good sense, good taste, honesty & believability in ad copy."

Campaigning for lifting of excise tax on combination vhf-uhf sets, Committee for Competitive TV met at studios of WSEE, Eric, planned additional regional meetings, authorized "missionary" tour by exec. director Wm. M. Bradley.

Preliminary TV bout for closed-circuit rights in Sept. 23 middleweight fight at Yankee Stadium (Vol. 13:34) was won this week-at least on points-by champion Sugar Ray Robinson & Teleprompter Corp. Robinson, who had threatened to call off fight unless Teleprompter was substituted by International Boxing Club for TNT in TV contract, took \$255,000 guarantee from TNT, whose exclusive agreement had called only for percentage payment. Teleprompter, which had offered champion cash guarantee, won concession to book theatres in Amarillo, Orlando, Duluth, Medford, Ore. Carmen Basilio, Robinson's opponent who took no part in TV hassle, also won. He will get \$110,000 from theatre showings. TNT will handle production at Stadium, carry fight to 165 theatres in 122 cities, IBC agreed to all terms after week which saw "more caucuses than at a political convention," according to AP. N. Y. Times observed that "huge collection of lawyers" representing principals would themselves make up sizable gate for fight.

Quoteworthy quote: "Can you get selectivity into a mass medium? Certain people have been admired by the masses and have been on a very high level, such as Shakespeare, for instance. It speaks well for the masses of his day. But is it possible to produce enough to keep the level up on TV? I think that's an insoluble problem. I don't anticipate that it will get better or worse. You can't change the factors. The minute you have to fill 16 hours a day the demand on writers is such that it puts them on the verge of an asylum. This is very serious. TV is a kind of Moloch with human sacrifices being poured into the belly of this brazen god."—Aldous Huxley, interviewed by Richard F. Shepard in Aug. 25 N. Y. Times.

Advertising agency men who see themselves engaged in "glamorous game" are likely to "find themselves gradually changing from the romantic fellows of the Madison Ave. legend into sober-minded businessmen of a more conventional mold," ex-McCann-Erickson v.p. John McCarthy warns in Sept. Harper's. "Is the Bloom Off Madison Avenue?" he asks in article. He thinks it is, pointing to such "far-reaching changes" as (1) comparison shopping by big advertisers, (2) "increasing influence of outside consultants," (3) "increasing pressure against the long-established 15% commission system."

Bamboo curtain on Red China coverage by U. S. newsmen, lifted last week by State Dept. in policy switch (Vol. 13:34), was lowered again this week by Communists themselves. Radio Peking said U. S. plan to permit 24 reporters (including network representatives) to go there "is completely unacceptable," that they'd act as "spies," that in any event equal number of Chinese correspondents should be accepted here. State Dept. rejected reciprocal demand, leaving American newsmen all packed up and still no place to go in China.

Three applications for TV stations were filed with FCC this week, bringing total to 122 (35 uhf). Week's applications were: (1) For Miami, Fla., Ch. 6 by Publix Television Corp.; (2) for St. Petersburg, Fla., Ch. 10 by Suncoast Cities Bestg. Corp.; (3) for Terre Haute, Ind., Ch. 2 by group including Truth Publishing Co. (10.71%), licensee of WSJV, Elkhart, Ind. Ch. 52 and 60% owner of WKJG-TV, Ft. Wayne Ch. 33. No translator applications were filed this week. [For details, see TV Addenda 25-E herewith.]

Payment of license fees to Govt. by stations, repeatedly suggested by various congressmen but rejected by Congress, came up again this week in form of bill introduced by Rep. Vanik (D-0.).