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Broadcast

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WHY OF EANS FAILURE INVESTIGATED: "The whole system stinks," commented official of Baltimore radio station after fiasco of Feb. 20 when properly-coded alert from NORAD ordered off air all TV-radio stations—except those authorized to stay on during national emergency. Reaction just about sums up opinion held by most broadcasters—and a few in govt.—about EBS & Emergency Action Notification System (EANS) triggered by NORAD.

For months, some broadcasters on NIAC have been less than popular in some govt. quarters—particularly FCC's Emergency Communications Div.—because of their contention that emergency warning system needed complete overhaul lest something like Feb. 20 incident happened. But station reaction, or total lack of any reaction, to NORAD message—which ostensibly could be ordered only by President—has caused major black eye for broadcast industry as well. Few stations went off air as directed; large majority ignored it altogether; many didn't even know message had been sent, even though it was in force about 40 min. before proper cancellation was sent by UPI & AP. What NORAD sent out was first step in warning American civilians of impending nuclear attack. All TV stations and most radio stations should have gone off air after telling listeners to switch to NDEA stations. Many observers believe that if majority of stations had followed directions, public would have panicked.

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Plethora of govt. investigations have been launched into what happened & why—when NORAD teletype operator put wrong tape into AP & UPI broadcast wires. A central question is why pre-taped message ordering stations off air was so easily available. Wrong tape was sent out during regular weekly 9:30 a.m. test, and both wire services immediately asked that such tests be suspended until proper safeguards are adopted. FCC, however, with concurrence of NIAC subcommittee & White House, has given UPI & AP control over weekly tests.

FCC investigation is under direction of Defense Comr. Wells, and all other inquiries—Congress, Pentagon, Civil Defense, White House—probably will await Commission information. Nixon asked for "full report" on what happened, added: "We expect those responsible at NORAD will see that it does not happen again." FCC sent questionnaire to all licensees Feb. 22, ordered response by March 8, asking: (1) Subscriber to AP or UPI? Does teletype have sound alarm? (2) Was emergency notification received? What time was message seen? (3) What action was taken? If none, give reasons. (4) Remarks & recommendations for improving system?

Wells stressed questionnaire is for informational purposes only, that no stations will be punished. However, it's known that many in govt. are unhappy over stations which hadn't checked their wires and weren't even aware of alert until it had been withdrawn. Wells said answers to questionnaire will be turned over to Secy. of Defense, and that it will be up to latter to make results public.

Ever since days of old Conelrad, there have been numerous foulups of twice weekly tests of emergency system, most caused by teletype operators at NORAD. In Sept. 1969, tape was put into machine backwards and none of broadcast stations received test. When a test is made, military takes over AP & UPI wires and in 1969 instance it took wire services several hours to recapture lines. Less than month later, operator damaged tape and again test was fouled up. After both of these, broadcasters on NIAC complained to Defense Comr. Cox but no effective corrective steps have been taken to prevent such human error. About 10 years ago, actual attack tape was put in teletype machine by mistake but it was caught almost immediately and very few stations received it.

Major Hill investigation of latest snafu has been launched by Sen. Stennis (D-Miss.), chmn. of Armed Services Committee. "The Congress has a clear, grave & serious responsibility in this matter," he said. "There must be a total reexamination of the national alert procedures...so as to insure that as far as is humanly possible no error of this nature occurs in the future." He questioned whether TV & radio stations "give an alleged emergency—and possibly catastrophic—message the attention which it demands."

CAPITAL CITIES-TRIANGLE SALE WRAPPED UP: FCC members were as surprised as anyone else by 7-0 vote approving Capital Cities' purchase of Triangle stations. Approval was expected—but not by unanimous vote. Comr. Bartley, whose opposition to major sales is almost automatic, went along with transfer principally because it produces greater "diversification of control of mass media." Johnson also concurred, hasn't said why yet. Next big sale coming up, Corinthian to Dun & Bradstreet, probably won't get Bartley's vote, may lose another one or 2—but approval is expected.

Transfer is biggest ever. CapCities buys Triangle's TV-AM-FM in Philadelphia, New Haven & Fresno and Triangle's Syndication Div. for \$110 million, sells the AMs & FMs to 6 separate buyers for total of \$14,555,000. In addition, to keep within ceiling of 5 vhf, CapCities sells its Albany TV for \$19 million, Huntington TV for \$18 million. CapCities told FCC it values properties it keeps at: WFIL-TV Philadelphia \$61 million, WNHC-TV New Haven \$25,525,000, KFRE-TV Fresno \$6,020,000.

Sale appeared more of cliff-hanger than it was. Few expected unanimous vote, and Triangle Pres. Walter Annenberg (Ambassador to Britain) apparently had second thoughts, said he wouldn't extend deadline beyond March 1. CapCities is moving for transition as fast as possible. It expects final closing within 60 days. It has applied for TV call letter changes (so that new AM owners will have continuity), asking for: WPVI-TV Philadelphia, WTNH-TV New Haven, KFSN-TV Fresno.

FCC said it approved sale because parties made "compelling public interest showing." CapCities had argued that Commission's "top-50" policy didn't apply. FCC said it does, but is outweighed by sale's advantages. (Policy prohibits acquisition of more than 3 top-50 market stations unless there's "compelling" reason.) Though net weekly circulation of CapCities' stations increases from 2,440,804 to 4,761,435 TV homes, FCC said it was impressed by fact that net result is more station owners, elimination of common ownership of overlapping WFIL-TV & WLYH-TV Lebanon, reduction of Tri-

angle's Pa. TV stations from 3 to 2 and CapCities' N.Y. stations from 2 to one—and general increase of competing voices in all cities involved. In addition, FCC liked \$1 million "Minority Program Project" (Vol. 11:2 p5). (Sale approval permits Triangle Gen. Mgr. George Koehler to proceed with plans to acquire for \$16 million rest of Triangle stations: WFBG-TV-AM-FM Altoona, WNBF-TV-AM-FM Binghamton, WLYH-TV Lebanon.)

FCC also dismissed fears of "trafficking"—saying CapCities' spinoffs have none of evils associated with practice—"degradation of program service to enhance salability, or disruption of service by short-term turnovers, or CP 'squatting'." Here's what's spun off: WTEN Albany to Albany TV (Poole Bcstg., WJRT Flint, WPRI-TV Providence), \$19 million; WSAZ-TV Huntington to Lee Enterprises (KHQA-TV Hannibal, Mo., etc.), \$18 million; WFIL-AM to LIN Bcstg., \$11.5 million; WFIL-FM to group headed by Mgr. John Richer, \$1 million; KFRE-AM to Walter Lake (KSLY San Luis Obispo), \$875,000; KFRE-FM to Stereo Bcstg. (Richard Ingraham, ex-KLGS Los Gatos), \$105,000; WNHC-AM to WERI Westerly, R.I., \$850,000; WNHC-FM to Metro Connecticut (Mgr. Robert E. Herpe), \$125,000. No 2% transfer fee has to be paid by CapCities, because application was filed before fees were imposed.

CapCities pays Triangle \$29-\$32 million cash at closing, balance in 8 annual installments of \$10,-125,000. Buyer's first-year needs are \$66,267,000—but it shouldn't have trouble meeting them, expecting \$71,684,000 from: \$2.9 million on deposit, \$35,880,000 balance from Albany & Huntington sales, \$695,000 from stock option sales, \$29,709,000 from operations, \$10.5 million in cash & short-term investments.

Bartley's 5-paragraph statement—long for him—seems a little queasy about CapCities' arrangement with black groups which withdrew opposition to sale after commitment was made for "Minority Program Project." Said he: "I would have preferred to see Capital Cities remain more flexible in its determination of community needs and programs to meet such needs. Capital Cities has represented, however, that it will retain control over programming under the Minority Program Project, and I rely upon that representation." FCC lawyer who did much of work on case is Edward Hautenen—and he's reported now working on Corinthian deal.

For those nostalgic about TV's beginnings, it's recalled that half-dozen applicants filed for Philadelphia's 2 available vhf channels in 1946 (Philco had 3rd tied up in experimental operation). Set for hearing, all except Triangle agreed to seek delays, told Commission they'd pull out if postponement weren't granted. Just before hearing was to start, motion came before Comr. E.K. (Jack) Jett, engineer and ardent TV enthusiast. Triangle argued that TV would never get going in Philadelphia unless public had at least 2 stations to watch. Jett agreed, denied postponement, other applicants pulled out, Triangle got its grant. Cost: \$2,500 legal fee. WFIL-TV lost millions for couple years—but only for a couple.

WHITE HOUSE MUM ON CAMPAIGN SPENDING: Senate & House Republican leaders introduced widely different campaign spending bills last week—one emphasizing disclosure, the other money limits—and each side boasted President Nixon's favor. But Administration, which promised to produce "comprehensive" legislation during fight to sustain Nixon's veto last fall of political broadcast bill, hasn't put imprimatur on anything yet, and that's upsetting Republicans & Democrats alike.

"Where does White House stand?" will be \$64 question this week when Senate Communications Subcommittee opens hearings on several bills, only as they apply to broadcast & print spending. When Senate GOP Leader Scott (Pa.) introduced his Federal Elections Reform Act at news conference last week, he said FCC Chmn. Burch would "testify for the White House," that as Nixon's appointee, Burch's views would "largely represent a pro-Administration viewpoint." But when FCC sought clarification, Scott's office denied he ever said that, and claimed Sen. Dole (R-Kan.) would be White House spokesman. Apparently, Dole's office never got word, and spokesman there said decision was "up in the air." Meanwhile, White House Press Secy. Ziegler said Nixon's views would be made known "as the discussion continues."

Scott's bill contains no dollar limits, instead rewrites Corrupt Practices Act to tighten laws on disclosures. It also repeals Sec. 315 for Presidential & Vice Presidential candidates only, orders all media to provide candidates "reasonable amounts of time" at "lowest unit charge" during 30 days before primary and 45 days preceding general election. Political contributions from individuals only are limited to \$15,000 to Presidential candidates, Senate gets \$10,000; House, \$5,000. Candidates' spending of own money is limited to \$50,000, \$35,000 & \$25,000 respectively.

"The White House is aware of this bill," Scott said. "Many provisions they favor... maybe 80-90%... Had I tried for 100% I would have to give up some views of my own." He didn't say what those were. Scott also said there had been some "misunderstanding" over just what Nixon promised to get veto sustained. "They did not promise to back & support" any bill, but to "cooperate & work" on legislation. "And they have done that," he said, predicting Nixon would sign it.

Opposite view seems to prevail in House where bi-partisan group of 50 signed bill which included disclosure, but emphasized spending limits on broadcast & print media as well as postage & telephones. Legislation embraces Voters Time concept of 20th Century Fund study, and provides that broadcasters offer 5 half-hour blocks to Presidential candidates, 3 for Senate, 2 for House, during 35 days before general election. Time would be subsidized by govt. at cost of about \$8 million annually. Also, House, Senate & Presidential candidates would be limited to 30¢, 25¢ & 20¢ respectively per registered voter for all media spending.

Scott dismissed House bill as "a step backward" despite its backing from GOP Leader Ford (Mich.) and House GOP Conference. "I still feel that if limitations are desirable, they should be applied to contributions and not expenditures," Scott said, adding that low broadcast rates were already available to candidates. But House bill's chief sponsor, Rep. Anderson (R-Ill.), said he was making "a particular point of rebutting" Scott's statement, added that House bill was drafted with White House guidance to meet Nixon's "conscientious objections." Another sponsor, Rep. Udall (D-Ariz.) called it "a common denominator bill... a product of painful negotiations" between Republicans & Democrats.

Presidential candidate Sen. McGovern (D-S. D.) introduced another spending bill providing federal subsidies to Presidential & congressional candidates, and requiring all media to sell ads at lowest unit rate. Still another bill is being circulated by Sen. Kennedy (D-Mass.) which places 7¢ per vote limitation on TV-radio spending. Other bills: S-1 (Honest Elections Reform Act) sponsored by about dozen senators, including Majority Leader Mansfield (Mont.); S-382 backed by Sens. Pastore (D-R. I.), Mansfield & Cannon (D-Nev.). In addition, there's "5 point program for election reforms," submitted to congressional leaders by CBS Pres. Stanton (Vol. 11:6 p1).

Senate Hearings open March 2 with Chmn. Pastore presiding. There may be some complications if Republicans haven't made subcommittee assignments by then. Lead-off witnesses include Sens. Gravel (D-Alaska), Pearson (R-Kan.), Kennedy, Dole, Burch & National Committee for Effective Congress. March 3: Stanton, NAB Pres. Wasilewski, Sen. Tunney (D-Cal.), Democratic National Committee, ex-FCC Chmn. Newton Minow. March 4: Scott, NBC Pres. Goodman, ABC Pres. Goldenson & Stern Foundation. Hearings are expected to extend into following week.

More network economy moves: CBS-TV has canceled May 11-12 affiliates convention in N. Y., will substitute closed-circuit showing direct to stations, probably in May. NBC has dropped May 10-12 affiliates convention at Century Plaza, L. A., instead will host one-day (May 12) session at N. Y. Hilton. (ABC still plans full-scale convention at Century Plaza May 3-5.) Several high-priced CBS newsmen reportedly offered to take pay cuts if CBS wouldn't drop any of their colleagues; network turned them down. Cutback, however, hasn't affected Washington news operation which was still at pre-pink slip strength at week end.

Public notice reminding stations that they have responsibility of determining lyrics contained in songs broadcast is expected to be issued by FCC this week. Commissioners rejected rulemaking proposed by Comr. R. E. Lee to require that stations obtain printed version of lyrics before broadcast.

"**Instavideo**" is new name of Ampex cartridge VTR system—changed from "Instavision" to avoid conflict with another product in audio-visual field. Production is scheduled to start later this year.

One-year renewals have been granted WWLP Springfield & WRLP Greenfield, Mass., and FCC warned that "more drastic sanctions" may result if stations violate fairness doctrine or personal attack rules. Stations were cautioned twice previously on fairness, and present warning stems from complaints by Community TV Assn. of New England charging that stations aired 6 anti-CATV editorials, didn't regularly offer time to respond. FCC warned broadcasters to "exercise extraordinary diligence to achieve fairness" in editorializing on matters of personal involvement.

"I am appalled at the clutter," Metromedia Pres. John Kluge said, urging cut in number of TV commercials and rate rise to compensate for it. "I've discussed this with the NAB," Kluge said. "It has to be a TV industry solution." Metromedia stations don't subscribe to NAB Code.

Charging he was fired "without cause" and suffered defamation of character, ex-Reeves Telecom Pres. Richard Geismar has sued company in N. Y. Federal Court for over \$9 million. He said statement issued by company when he was dismissed last summer contains "libel & slander per se."

FCC's CATV PANEL LINEUP: Unique oral proceeding on CATV starting March 11—featuring adversaries on panels battling in front of FCC members—could turn out to be one of most valuable innovations in regulatory procedures. At least, many participants believe it worth a try in cable—because dispute has generated more speculation and fewer facts than most communications developments. Here are selectees announced by Commission:

(1) Future of cable, March 11—including minimum-channel specs, 2-way, local access, originations, ownership, etc.: John Macy, CPB; Paul Comstock, NAB; Paul Visher, Hughes; Everett Parker, United Church of Christ; Irving Kahn, TelePrompTer; Albert Kramer, CCC; McGeorge Bundy, Ford Foundation; Jack Valenti, MPAA; Ted Lebeter, Urban Communications.

(2) Commercial substitution & ETV payments, March 11: Alfred Stern, TV Communications; David Baltimore, WBRE-TV Wilkes-Barre; George Bartlett, NAB; Bruce Merrill, Ameco; Leonard Ross, Harvard U.; John McCoy, Storer.

(3) Benefits & detriments in top-100 markets, March 12: Monroe Rifkin, ATC; Donald Baker, Justice Dept.; Barry Zorthian, Time-Life; Michael Horne, attorney; Jack Harris, MST; Leland Johnson, Rand Corp.; William Putnam, WWLP Springfield.

(4) Benefits & detriments in below-top-100 markets, March 12: Ben Conroy, GenCoE; Bill Fox, Lanford Telecasting; Dale Moore, KGVO-TV Missoula; Bruce Hebenstreit, KGGM-TV Albuquerque; Nat Allen, National TV Translator Assoc.; George Barco, Meadville, Pa.

(5) Public and ETV ownership, March 15: Donald Taverner, NCTA; Stuart Sucherman, Ford Foundation; Albert Horley, HEW Dept.; Joan Cooney, Children's TV Workshop; William Wright, BEST; Frederick Rebman, Community TV; Edward Curtis, Rochester ETV.

(6) Federal, State & local relationships, March 15: Brice Rhyne, National Inst. of Municipal Law Officers; Amos Hostetter, Continental Cablevision; William Jones, N.Y. PSC; William Malone, GTE; Paul Rodgers, NARUC;

WELLS & HOUSER IN: After unexciting hearing before Senate Commerce Subcommittee, FCC Comrs. Wells & Houser were confirmed by Senate last week—former for term ending in 1977, latter this June 30.

Subcommittee Chmn. Pastore (D-R.I.) posed a lot of questions, neither insisted on nor got many answers. He asked why Wells resigned to accept new term, leaving his seat to be taken by Houser. "Is there a gimmick behind it?" Pastore asked. "I don't want a stand-in until June 1. It's odd." And there's where it stood. Asked if he intends to serve full term, Wells said: "I have no other definite plans at this time." Houser said he'd like reappointment.

Pastore showed he hasn't changed mind about CATV, said he wants cable to supplement telecasting, wants FCC to look for guidance from Congress. Wells & Houser welcomed guidance. (Quick poll of veteran observers failed to uncover instance wherein an FCC nominee rejected congressional guidance.) Pastore asked what happened in emergency-alert foulup (see p. 1); Wells said FCC was trying to find out.

Sen. Hartke (D-Ind.) said he's worried that industry recession will produce cutbacks in news, feared it would generate "news in this country by handout," asked what

Allan Novak, Development Technologies; Thomas Atkins, Boston councilman; Kenneth Cox, MCI; Thomas Hoving, NCCB.

(7) Same as Panel 1, March 16: Richard Block, Kaiser; Paul Klein, Computer TV; Irwin Karp, ACLU; Charlton Heston, SAG; John Summers, NAB; Weldon Case, Mid-Continent Telephone; J. Leonard Reinsch, Cox; Ossie Davis, actor.

(8) Copyright, March 18: Louis Nizer, attorney; David Horowitz, Columbia Pictures; Bruce Lovett, ATC; Ernest Jennes, attorney; Douglas Anello, attorney; Stephen Breyer, Harvard U.; Barbara Ringer, Asst. Register of Copyrights; Herman Finkelstein, ASCAP; Frederick Ford, attorney.

Last week's hearing by Rep. Tiernan's (D-R.I.) Democratic Study Subcommittee was slight warmup for March 11 fracas. Participants included many of foregoing—and most of discussion was rehash of old arguments—with Tiernan & colleagues too unfamiliar with subject to dig very far. Witnesses were Novak, Nizer, Cox, Stern, Baltimore, Reinsch, Moore, plus NCTA's Gary Christianen & NAB's John Dimling.

Courts participated in cable last week: (1) Midwest Video won stay of FCC's mandatory CATV origination rules for its systems, in 8th Circuit Appeals Court. Cable attorneys believe ruling augurs well for decision on merits, expected within couple months. It's presumed other cable systems, citing court stay, will ask FCC to postpone rules (now effective April 1) pending final court decision. (2) D.C. Circuit affirmed grant to phone company to extend CATV system in Flint, Mich., but remanded authority granted CATV to import Detroit-Windsor stations. WJRT-TV Flint had appealed both decisions. (3) Sixth Circuit affirmed Commission refusal to allow Buckeye Cablevision to import Detroit-Windsor signals into Toledo. (4) D.C. Circuit told FCC it had acted "arbitrarily, capriciously and without rational basis" by refusing to extend CP of WNEP (Ch. 16) Providence until it had decided national CATV policy in major markets. Court remanded case "with directions to reconsider the matter."

FCC was going to do about it. Wells said he "can't imagine major stations cutting back on news. The public won't settle for less." Houser said FCC is limited in its role regarding commercial rates, news, etc. Pastore opined that it's FCC responsibility to make sure that "the public service element isn't made the scapegoat. That's not censorship. It bears watching."

William Wright of black group BEST repeated pitch for black FCC member. Pastore agreed on goal, asked for help in urging White House to appoint black—but noted that Congress doesn't pick nominees, can only check their qualifications. Said he: "It broke my heart when they didn't reappoint Comr. Cox." "But," he added with a laugh: "It broke my heart when the Republicans won the election."

(Note: Innovation in endorsements came last week when Comr. Johnson sent letter to Pastore, highly praising Houser. He sent none regarding Wells.)

Program producers have been granted 2 month extension (from March 3 to May 3, replies from April 5 to June 3) to comment in FCC inquiry into availability to TV stations & CATV systems of TV programs produced by non-network suppliers.

Personals

Rep. Torbert Macdonald (D-Mass.) announced he'll continue for 3rd consecutive term as House Communications Subcommittee chmn. He also announced annual FCC oversight hearings would start in "couple of weeks." No other Commerce subcommittee appointments have been announced.

Harold Krelstein, WMPS-AM-FM Memphis, and **Robert Hilker**, WCGC Belmont, N.C., appointed to NAB Radio Board, as expected (Vol. 11:8 p5).

Dennis Doty, ABC-TV West Coast program exec., transferred to N.Y. as dir. of program administration & asst. to program vp; **Michael Eisner** appointed daytime programming vp, ABC-TV, succeeding **Marshall Karp**, resigned to enter independent production; **Harvey Jacobs** promoted to dir., industry & audience relations, succeeding **Joe Cook**, now with ABC News... **Phil Kriegler** elevated to ABC West Coast special projects mgr., succeeding **Jerry Zigmond**, West Coast exploitation dir., who retires after 40 years.

David Lavin, chmn., Sugardale Foods, Canton, O., and **Roland Tremble**, ex-ABC vp, elected Downe Communications dirs... **Don DeGroot**, gen. mgr., WWJ-TV-AM-FM Detroit, elected vp, parent Evening News Assn... **Leonard Giarraputo**, ex-vp & national sales mgr., WNEW-TV N.Y., named national TV sales dir., Post-Newsweek Stations.

Robert Farrow, promoted to gen. sales mgr., WICS Springfield & WICD Champaign-Danville, Ill... **David Wayland**, ex-Lennen & Newell/Pacific advertising, named ad mgr., KRON-TV San Francisco... **Dave Chumley**, ex-KTHI-TV Fargo, named engineering dir., WBKO-TV Bowling Green, Ky... **Oliver Parcher** promoted to creative dir., WSBT-TV-AM-FM South Bend.

Joseph DeFranco, CBS asst. gen. attorney in Washington since 1964, promoted to gen. attorney... **James Curran**, ex-Edward Petry, joins Avery-Knodel western div. national sales, succeeding **James Puffer**, now with KOCO-TV Okla. City.

John Couric, NAB PR vp, keeps title under new PR Exec. Vp **Paul Haney**, also becomes gen. mgr. of PR dept. "for day-to-day operations."... **Charles Sanders**, exec. vp, WSPA-TV-AM-FM Spartanburg, elected pres., S.C. Bcstrs. Assn.

Stations have been warned by FCC that they must make public records file easily available "at any time during regular business hours." Commission said it was acting because of complaints from public. "The rule does not require members of the public to make an appointment [or] to examine such records only at times most convenient to the licensee," FCC said. NAB suggestion that stations set aside special area, with work table, for public use, is "in keeping with the spirit" of rule, Commission said.

FCC policy of protecting uhf against vhf, "although still valid, has lost some measure of its urgency and is not to be looked upon as an inflexible, across-the-board barrier to vhf assignment," D.C. Appeals Court ruled in affirming assignment of Ch. 13 to Mt. Vernon, Ill. Commission action had been appealed by WICS (Ch. 20) Springfield & WICD (Ch. 15) Champaign.

COMSAT PITCHES TV BUSINESS: With one eye on TV networks and another on competing bids for a domestic satellite system, Comsat will file application at FCC March 1 for 3-satellite, \$248-million system. At news conference, Comsat Pres. Joseph Charyk acknowledged: "Without the networks as clients, the system would possibly be non-viable."

Comsat has been negotiating furiously with networks last several weeks, and Charyk is optimistic that they'll favor Comsat. He said Hughes & Western Union proposals don't have capability that networks require. Comsat said it had "submitted a package proposal to provide nationwide TV distribution services under a fixed-price contract to the 3 TV networks." For competitive reasons, terms weren't disclosed, but Charyk said they'd be half what networks pay AT&T.

Actual proposal to networks is about \$36 million annually (\$12 million each), but RCA Global Communications—which hopes to put up its own satellite—reportedly has given networks price about \$2 million less. Networks are expected to make their intentions known to FCC by end of March—and system they pick will be propelled giant step. In past, broadcasters have favored single-purpose system (TV-radio only), while Comsat maintains that only multi-purpose system is practical.

FCC postponed deadline for filing satellite applications from March 1 to March 15. At least 8 parties are expected to vie for system: Western Union, Hughes-TelePrompTer, Comsat-only & Comsat-AT&T for AT&T-dedicated system only (that application will be updated March 3) have proposals pending; due to file are RCA, Fairchild Hiller, Lockheed-Microwave Communications, Western Tele-Communications.

Today's Comsat filing will propose 2 active satellites, one in reserve orbit, 4th on ground ready for launch. There are 132 earth stations, key units with twin, 97-ft. antennas to serve L.A. & N.Y. System will cover Alaska, P.R. & Hawaii. Single-satellite capacity would be 14,400 voice circuits, or 1 billion bits per sec. of high speed digital information, or 24 color TV channels. Charyk said network traffic would "substantially utilize full capacity" of one satellite during peak hours, that 2 full-time channels would be reserved for CPB. Comsat has talked with CATV leaders, and Charyk said satellite is "economical way to interconnect systems." CATV would get 2 Comsat channels on parttime basis.

"How to deal with the FCC and what the Commission can do for the broadcaster" are among subjects to be covered at Secondary Market TV session March 30 at NAB convention (Vol. 11:8 p2). Also to be covered: Sales, ratings, functions of congressional offices, new equipment to reduce operational costs. Committee also recommended 6 NAB fall conferences be retained and that agenda be directed toward "middle management" while convention sessions should appeal to "top station management."

WDRB-TV (Ch. 41) Louisville started full programming Feb. 28 as city's only independent, using RCA equipment, 1,000-ft. tower. Elmer F. Jaspan is exec. vp & gen. mgr.; George Johnson, ex-WHAS-TV Louisville, gen. sales mgr.; Wilson Hatcher, ex-WLKY-TV Louisville, operations mgr. Rep. Edward Petry. There are now 882 stations on air (590 vhf, 292 uhf), 683 commercial, 199 non-commercial—and 135 CPs.

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STATE OF THE INDUSTRY

Sales to dealers (domestic-label only), from EIA, for week ended Feb. 12 (6th week of 1971):

	Feb. 6-12	1970 week	% change	Jan. 30- Feb. 5	1971 to date	1970 to date	% change
Total TV.	187,878	163,689	14.8	185,525	1,140,410	1,042,658	9.4
color	102,932	92,138	11.7	103,532	615,835	559,988	10.0
monochrome	84,946	71,551	18.7	81,993	524,575	482,670	8.7
Total radio	368,925	312,637	18.0	353,012	2,076,904	1,878,622	10.6
home, portable	148,801	141,001	5.5	127,040	775,092	859,132	- 9.8
AM-only	83,660	88,889	- 5.9	76,135	458,030	562,128	-18.5
FM & FM-AM	65,141	52,112	25.0	50,905	317,062	297,004	6.8
auto	220,124	171,636	28.3	225,972	1,301,812	1,019,490	27.7
Total phono	79,095	57,860	36.7	70,662	438,631	351,081	24.9
portable-table	59,883	35,863	67.0	52,587	322,014	217,174	48.3
console	19,212	21,997	-12.7	18,075	116,617	113,907	-12.9

Color TV 5-week moving average (est): 1971—106,906; 1970—95,053 (up 12.5%)

IUE HITS JAPAN WITH \$68-MILLION SUIT: In unprecedented legal action, labor union IUE filed triple-damage suit against 7 Japanese TV manufacturers. Complaint, lodged Feb. 24 in N. Y. Federal Court, charges that conspiracy to restrain trade, fix prices and dump TVs in U.S. market resulted in closing of Emerson's Jersey City TV plant, throwing employees out of work and reducing IUE membership. Suit is believed first in which employees have used alleged antitrust law violations as basis for damage claim.

Filed by IUE District 3 (N. Y.-N. J.), Local 480 (Emerson) and 1,600 displaced employees, suit follows lines of \$360-million damage action started late last year by Emerson parent NUE (Vol. 10:52 p8). Former Emerson workers are also subject of import adjustment assistance eligibility investigation being conducted by Tariff Commission.

Court award of damages totaling \$67.5 million, or \$45,000 each, is asked for out-of-work employees; local is seeking \$630,000 in lost membership fees; district injury claim is \$30,000. Japanese firms & U.S. subsidiaries named defendants: Hitachi, Matsushita, Mitsubishi, Sanyo, Sharp, Sony & Toshiba—same as in NUE case. Japanese withheld comment pending receipt of IUE action copies, but spokesman had termed NUE move "nuisance suit," presumably will label new case same.

District 3 Pres. William Bywater said action will "throw spotlight on a serious problem." Faced with competition from foreign & U.S.-owned factories, he said, "the industry, as I see it, is just disappearing." Present 300,000 IUE membership "will go down to 100,000 in 7 or 8 years" if laws aren't changed to provide import protection, he claimed. Union is conducting separate campaigns to (1) halt transfer of domestic production to U.S.-owned foreign plants, (2) get quotas on electronic-electric product imports. Bywater views as mere "golden coffins" legislation for retraining & unemployment benefits to import-injured workers. "If we don't win, we're dead," he said.

Japan TV exports to U.S. in 1970 were up 3.4% from 1969 to nearly 3.4 million, Finance Ministry reports. Color exports of 880,000 were off 5.5%, while b&w jumped 7% to nearly 2.5 million. Transistor tape recorder exports were up 7.9% for year to nearly 5.9 million. Cassettes posted all of tape's gain, while exports of open-reel machines declined. Also trailing 1969 were exports of transistor radios & auto tape players.

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IMPORT BRANDS UPPED MARKET SHARES IN '70: U.S. manufacturers lost share of market last year to import brands, which increased penetration in all major consumer electronic product areas, EIA figures show. ("Import brand" & "foreign label," used interchangeably, are oversimplified terms covering more than meets the eye; for the record, they're defined on p. 11).

Foreign-label TVs captured 23% of declining U.S. market in 1970, up from 18% in 1969; their color share was 11% (up from 7%), with b&w at 32% (up from 27%). Penetration in other categories (1969 share in parentheses): Home radio 77% (74%), phonos 29% (21%), recorders 80% (78%), tape players 93%.

U.S. TV producers are decreasing reliance on Japan as supplemental TV source, totals indicate. Only 6.9% of U.S.-branded color TVs sold last year were imports, compared with 8.1% in 1969, as domestic producers cut back foreign purchases by 139,000. In b&w, imports made up nearly 30% of U.S.-brand sales, up from 23%. U.S.-brand b&w imports rose by 204,000—but Commerce Dept. figures show b&w imports from countries where U.S.-owned TV plants operate were up 248,000, indicating U.S. manufacturers' procurement from Japan was down by some 40,000.

Totals confirm our report last week that over-all TV imports (both U.S. & foreign brand) captured 37% of market, including 17% of color & more than half of b&w (Vol. 11:8 p8). Last year, imports took 91.5% of home radio market (up from 88%), 36% of phonos (up from 33%), 96% of recorders (up from 90%) & 98% of tape players. Jump in foreign auto radio penetration, from 15% to 21.5%, may be attributed, in part, to GM strike last year.

Helped by strong 4th quarter, which saw total-market sales increases over 1969 for all products except radios, U.S. TV manufacturers were able to end year with better-than-expected results. Total U.S.-brand factory TV sales were off 13.8% to 9.4 million; color was down 17.7% to 4.73 million, b&w off 9.4% to 4.7 million. At end of 3rd quarter, over-all decline was 21%, with color off 25.8%, b&w down 15.9% (Vol. 10:49 p8). Domestic-label TV sales in final quarter rose 9.3% from 1969 to more than 2.9 million sets, including 1.52 million color (up 7.3%) and 1.4 million b&w (up 11.5%).

Product	Imports U.S. Produced	Imports U.S. Brand	Imports Foreign Brand	1970 Total Market	1969 Total Market	% change
Total TV.....	7,707,709	1,725,787	2,787,248	12,220,744	13,307,889	-8.2
color	4,403,283	325,939	591,466	5,320,688	6,191,806	-14.1
monochrome	3,304,426	1,399,848	2,195,782	6,900,056	7,116,083	-3.0
Total home radio	2,898,265	5,049,540	26,100,863	34,048,658	39,413,857	-13.6
AM	1,713,384	2,976,169	9,463,915	14,153,468	18,508,927	-23.5
FM & FM-AM	1,184,881	2,073,371	16,636,948	19,895,200	20,904,930	-4.8
Total auto radio.....	8,145,282	N.A.	N.A.	10,377,652	11,938,885	-13.1
AM	7,015,709	N.A.	N.A.	8,940,544	10,262,317	-12.9
FM & FM-AM	1,129,573	N.A.	N.A.	1,437,108	1,676,568	-14.3
Phono.....	3,579,396	411,246	1,628,997	5,619,639	6,320,248	-11.1
Tape recorders	374,159	1,287,564	6,789,954	8,451,677	6,929,527	+22.0
Tape players (excl. auto)...	64,664	191,145	3,463,532	3,719,341	N.A.	N.A.

'PROGRAMMED FILM'—NEW HOME DEVICE? "Electronically programmed film," creating real excitement in audio-visual instruction, is beginning to absorb some of the glamour of the home video-player—which it resembles—and proponents of the 2 major systems are beginning to look homeward.

First such film-&-tape device designed specifically for home use will be unveiled by Retention Communication Systems (Vol. 11:7 p8) at VIDCA (International Videocassette Market) next month in Cannes, France. Tentatively called "StereoVision"—presumably to emphasize that it's basically a sound medium with pictures added—consumer set will have equivalent of 19V" screen, be designed to sell for "under \$200." RCS says it hopes to have production started (under contract) in last quarter of this year and that it's negotiating with potential equipment licensees, while young filmmakers are developing youth-appeal pop song see-&-hear cartridges. Sound will be stereo.

Concept of electronic film programming has occurred to several people at about same time—it's actually outgrowth of the tape-cued slide projector. Used with super-8 color film, it economically provides stills, animation & motion intermixed by varying speed of film motion, accompanied by con-

tinuous "soundtrack" on magnetic tape. Concept obviously isn't direct competitor to videoplayer—since it's not designed for long periods of continuous motion—but could become attractive home instruction-recreation device in this visual age—sort of a grown-up Show 'N Tell.

We've reported on RCS's \$189 audio-visual machine using single cartridge containing film & tape. Another system, which appears to be at least as far along—production of assemblies has started and runs are sold out until July—is being quietly demonstrated to potential industrial-educational customers by North American Philips (Norelco). Developed by Dutch Philips but being produced in U.S. (European production is planned in 2nd half), system is called "PIP," for "Programmed Individual Presentation." Philips, which also has own cartridge VTR system, claims the 2 approaches are non-competitive, sees eventual roles for both in home.

PIP is based on existing technology & products—using standard Philips-type audio cassette for sound & cueing, and standard silent super-8 color film. Only new programming component is 2-reel film cassette, resembling audio type but about 1 1/2 times larger. It holds up to 50 ft. of film, can be opened by user if desired for insertion of own film. Both tape & film cassettes are inserted into compact PIP viewer—initial model is designed for individual instruction, has 4.5-x-6-in. screen, equivalent to 7.5V" TV. We saw demonstration last week combining still pictures, slow flip-chart-type animation, faster animation and motion—latter with full lip-sync in closeups, smooth action in fast horse-race sequence.

List price of PIP viewer is \$375, film cassettes \$2.50 each, but Norelco Training & Education Systems Gen. Mgr. Edward D. Baars said prices will come down with large-scale production; he estimated list of perhaps \$150 in volume. Baars sees PIP entering home via schools, envisions it principally as how-to instructional device. Philips hopes to license others to produce system, charging "token royalty."

Programs are packed in slim book-sized albums, each containing one film cassette and one or 2 tape cassettes. Philips adopted separate-sound-cassette approach, said Baars, for greater flexibility: (1) Sound tracks in different languages can be used with same film. (2) Sound tracks at different levels of educational advancement can be used—film mechanism may be triggered to skip more complex frames in elementary version. (3) User can have film made professionally, record own sound, re-record for updating. Norelco will offer sound recording & sync-pulse service through its tape subsidiary Dubbings Electronics, also offers "pulser" to put sync pulse on tape at \$3, 950.

Norelco claims PIP system, with 50 ft. of film or less, can provide same program which would require 400 ft. of conventional super-8 motion film. For full motion, PIP system uses 16 frames per sec. (although it can move film at conventional 24), for lip-sync 10, for animation 9. With heavy use of stills, single program could run hour or more (film cassette has 3,600 frames), but Baars feels average program will be about 20 min. Like RCS, PIP uses tape tracks 1 & 2 for sound, track 4 for film-advance pulse, reserves track 3 for future uses (special response systems, indexing, stereo, etc.). Little 18-lb. viewer, pushbutton-operated, gives clear, sharp picture To us, most remarkable was relative silence of film transport, which Baars said used "innovative mechanism."

* * * *

CBS/EVR has issued first catalog, showing more than 600 instructionally oriented cassettes ranging \$34-\$250, some sponsored selections (Ford, Fleischmann's) available for free loan. Sources in master catalog include Motorola Teleprogram Center, CBS's Bailey Films, Harvest Films, Shell Oil, Gulf Oil, U.S. govt. (NASA, Agriculture, Archives). Several cassette "packages" include EVR Teleplayers, Motorola 16V" color sets.

CBS/EVR Pres. Robert Brockway last week urged Broadway producers to record their shows—hits & flops—on videotape or film for future home videoplayer release, saw videocassettes easing theater's financial problems. He also revealed that feature films would soon be available for EVR, averaging 105 min. and renting for \$4 per day.

Meanwhile, Gold Key Entertainment, Beverly Hills, said it has agreement with American Medi-corp, which owns 200 hospitals, to install playback units in some or all of its hospitals for showing first-run movies simultaneously with local theaters. It didn't say where or how it would get movies but said it was negotiating with Sony & Motorola for players. And another super-8 TV attachment prototype has shown up in Europe, by Eumig of Austria, which says it will produce in "near future."

NIXON'S CONSUMER PROGRAM: Industry groups can be expected to back—overtly or covertly—legislative package proposed last week in President's consumer message, but only as alternative to far more stringent measures backed by Democrats. Nixon program was similar to that outlined last year, except for new proposal to legislate authorization for mandatory federal consumer product safety standards. New recommendation followed that of defunct National Commission for Product Safety, except that Nixon proposed placing safety authority within HEW, rather than make it independent agency. Favorable congressional action appears likely; Senate Commerce Committee has tentatively scheduled hearings in May.

Nixon also asked warranty legislation—which already had been given top priority by Commerce Committee with single day hearing scheduled March 9—and passage of some type of law is probable. Missing from Presidential proposal this year was his plan to establish Consumer Protection Div. in Justice Dept. to represent consumers before federal agencies & courts; Nixon said he was postponing decision on consumer representation until April.

Administration again took conservative road in controversial "class-action" matter, proposing to permit consumers as class to seek damages through courts only after successful prosecution by Justice Dept. Class-action bill sponsored by Sen. Magnuson (D-Wash.) wouldn't require prior conviction, is widely opposed by industry. Senate hearings are scheduled in April, but outlook for class-action law in this session is doubtful.

In executive order, Nixon created White House Office of Consumer Affairs, headed by special consumer asst. Virginia Knauer.

TV LICKS INFLATION: Despite some price increases last year, U.S. urban average TV set price last Nov. was 19.3% below 1957-59 average, radios down 23.5%. Portable tape recorders averaged 8.9% below Dec. 1963. So says Bureau of Labor Statistics: All commodities & services averaged 37.8% above 1957-59, up 0.3% in one month from Oct. 1970, 5.6% from year earlier (Nov. 1969).

Using 1957-59 prices as base of 100, portables & console TV index was 80.7 in Nov. 1970, up 0.4% from Oct., up 0.5% from Nov. 1969; portable & table radios had Nov. index of 76.5, up 0.1% from Oct. but unchanged from Nov. '69. With Dec. 1963 as base (100), portable tape recorder prices stood at 91.1 in Nov., up 0.4% from Oct. but down 0.1% from Nov. 1969; stereo phono records dropped 0.2% to 97.6 in Nov. from Oct., were down 0.4% from Nov. 1969. TV replacement tubes stood at 124.1 (from Dec. 1963 base of 100), up 0.2% from Oct., up 6.7% from year earlier.

Report on all commodities, "Consumer Price Index for Nov. 1970," available from GPO, Washington 20402, 60¢.

EIA-Japan forecast 1971 color TV factory shipments of 6.37 million, up about 10% from last year, with exports at about 1970 level of 1 million. By year end, EIA-J estimates, color TV household saturation in Japan will be 55%.

RCA has dropped out of IEEE show, won't exhibit at March 22-25 N.Y. event. Company said its exhibit program priorities had been realigned to provide exposure in wider variety of trade shows.

GENERAL TIME BUYS TRIUMPH: General Time has joined timepiece producers Elgin, Bulova, Longines & Waltham as consumer electronics supplier through acquisition, for undisclosed sum, of Triumph Electronics, clock-radio producing subsidiary of Trans American International Co. (TAC).

Triumph was established as separate manufacturing, own-brand & private-label marketing operation in 1969, when TAC also set up TAC International Div. & consultant Thomas Kiss & Assoc. (Vol. 9:5 p12). Triumph had first own-brand introduction at 1969 Consumer Electronics Show in Chicago, ended up putting most emphasis on private-label activity. General Time indicated Triumph would be moved from Des Plaines, Ill. to GT facility in Wheeling, Ill., and that Triumph line would be expanded. Norman L. Symons has been named gen. mgr., W. Robert Riley operations mgr., William J. Schmitz mktg. mgr.

In other merger activities, RCA completed Coronet acquisition (Vol. 11:8 p10). Firm also said it agreed to become minority, rather than majority, owner of RCA S.A. Electronica in Chile. Govt. would increase holdings in b&w TV and component parts manufacturing operation from present 1/3 to 51%, have option to increase ownership later. Firm, which has annual sales of less than \$9 million, has been under RCA management 40 years, has operated under RCA-Chilean govt. partnership for 30 years... **Avnet** acquisition of 25% interest in Japanese hi-fi components producer Lux Corp. has received okay from govt. there. Firm is capitalized at about \$810,000. Lux products are imported & distributed in U.S. by Avnet subsidiary British Industries under BIC/Lux brand.

"Record-a-Tape" duplicating center, developed by MCA's Electrodyne Co., is now setting up business, seeking distributors. Center, which looks like jukebox, lets customer select from 50 master tapes, automatically records any one on stereo-8 cartridge in 3.5 min. or less. Unlike some recently advertised schemes (Vol. 11:8 p10), this one observes copyrights, pays royalties, with tapes designed to sell at prices competitive with comparable cartridges available from regular distributors. Advantages include lower dealer costs, elimination of inventories, returns & obsolete stock.

Expansion of LSI production facilities is planned by Japanese producers, which have scheduled cutbacks in IC output (Vol. 11:8 p10). Hitachi is aiming for 300-500,000 monthly LSI capacity by fall, Mitsubishi looks for 200,000 monthly rate by June. Toshiba & Nippon Electric also plan step-ups. Moves are viewed as attempt to reduce dependency of desk-top calculator manufacturers on U.S. IC suppliers.

Layoff, Japan style: Furloughed Hitachi color TV plant workers will receive 82% of wages for first "home leave" day, 90% for 2nd day, 95% for all subsequent days. Hitachi said several hundred employes at Chiba & Tokyo plants will be furloughed and action may spread to other plants as result of slumping demand for color TV, picture tubes & transistors. Toshiba said it was taking similar action.

Import quota reduction on Japanese receiving tubes was requested by EIA-Canada, which has asked govt. to negotiate downward reduction in voluntary quota from present 4 to 2.5 million. EIA-Canada said domestic annual production is now just 1/3 of 1963 level of 18 million, and Japan's share of Canada's market is 25%.

AKAI IN BUSINESS: Akai America Ltd., Compton, Cal., subsidiary of Japan's Akai Electric, officially launched U. S. business under own brand name last week in N. Y.—demonstrating half-inch VTR (Vol. 11:8 p9), 3 audio ensembles, cassette & reel audio recorders. Akai has been supplier of Roberts recorders (Rheem Mfg. Co.); Roberts will continue to sell Akai products through end of year, then "is welcome to handle them on an OEM basis," according to AA officials.

Directing AA operation, including 60,000-sq.-ft. facility in Compton, is Exec. Vp E. L. Oesterle, ex-vp-comptroller of Rheem's Califone-Roberts Div.; mktg. vp is Milton Philipson, former Craig special mktg. dir.; Stanley M. Harris, ex-American Tape Duplicators and Capehart, is sales dir. Portable VTR, updated edition of system shown previously by Roberts, is available now, includes in single 20-lb. package b&w recorder, 3V" monitor, lead-acid battery, camera, at \$1,295. At speed of 11.25 ips, system provides 20 min. on 5-in. reel at \$7.95, claimed to be about 1/3 cost of tape for half-inch machine. AA officials say they'll show quarter- & half-inch color recorders at CES.

Available in May will be new audio equipment line, consisting of 3 deluxe ensembles at \$400-\$700, each comprising stereo receiver, pair of speakers, with 2 satellite speakers and headphones at no extra charge. Receivers, speakers & satellites also are available as individual components. Additions to line, including audio recorders, will come later. Last week's other introductions:

GE broadened Youth Electronics line with battery portable electronic organ, "Tote-A-Tune." Under \$35, it has 4 voices & vibrato control. Also added: Alligator radio, under \$14; train radio, under \$20, plus several new manual phonos. Firm's Show 'N Tell program selections now include educational series, "Fun With Facts." Philco-Ford adds FM-AM digital clock, first of series, at \$59.95... Panasonic's clock radios will include digital FM-AM model with built-in cassette recorder.

Tape topics: Memorex will enter consumer blank tape market with cassettes & reel tapes this spring, plans \$500,000 to \$1 million magazine & TV ad campaign... Faraday accepted out-of-court settlement of patent-infringement suit brought against Capitol Industries subsidiary Audio Devices & Audiotape. Faraday owns Bernard Cousino's patent on lubricated tape, used in most endless-loop cartridges. Similar action is pending against 3M... Maxell, Hitachi subsidiary, offers loaded blank 8-track cartridges & cassettes to U. S. duplicators... New Japanese licensees for Dolby cassette noise reduction system include Bigston Co., Trio Electronics (Kenwood), Hitachi. Only previous licensee was Nakamichi Research... GC Electronics has added test tapes to Audiotex accessory line; open reel \$6.50, 8-track cartridge \$7.95, cassette \$5.60.

Semiconductor sales by U. S. factories in 11 months of 1970 totaled 3.04 billion, worth \$1.2 billion, down 8.6% & 5.5%, respectively, from same 1969 period, according to EIA. Monolithic IC sales were 274.7 million, at \$402 million (up 22.3% & 8.2%), while hybrid ICs dropped 4% to 116.2 million as total value rose 11.5% to \$84.3 million. Sales of discrete devices were off 11.1% to 2.65 billion, factory value off 13.3% to \$712.4 million.

HIGH COURT BACKS ZENITH: Supreme Court unanimously ruled last week that Zenith is entitled to collect nearly \$19 million in triple damages from Hazeltine Research Inc. (HRI), in latest—but not final—chapter of see-saw litigation which started in 1959 with patent infringement suit against Zenith. It was 2nd time that Supreme Court had ruled. This time it reversed appeals court ruling which, in effect, had reduced damages to be awarded to Zenith.

Award involves damages claimed to have been suffered by Zenith, which says it was frozen out of Canadian market as result of HRI's participation in foreign patent pools. Case appears to be headed for further court hearings, however, as result of Zenith's contention that HRI and parent Hazeltine Corp. are "one and the same." HRI's total assets were estimated in 1969 at \$5.5 million—considerably less than the \$19-million damage award. In 1969, Supreme Court had said that Hazeltine Corp. wasn't party to case, and last week's ruling didn't mention which firm was to pay damages. HRI attorneys maintain that parent firm isn't liable and Zenith can collect only from subsidiary.

Zenith attorney said interest & litigation expenses will bring company's total claim to more than \$25 million. Hazeltine statement to stockholders last week said ruling "is being considered with counsel and you will be informed further."

"Import brand" vs. "U.S. brand" (see p. 8): Under EIA's complex & tradition-encrusted definition, Mitsubishi's 25V" MGA color set is U. S. brand, while Singer 12V" b&w is import brand, or "foreign label." For statistical purposes, EIA considers products imported by any firm other than U. S. consumer electronics manufacturer (or former manufacturer-turned-importer) to be import brand. Import brands include: Japanese manufacturer labels; sets brought in by importers such as Delmonico, Webcor, Milovac, Broadmoor; sets offered by mass merchandisers who buy from foreign producers or importers, such as Penney, Grant. However, sets bought by same merchandisers from U. S. manufacturers, whether imported or not, are U. S. brand. All of Sears' TV imports are U. S. brand (procured through or made by Warwick in U. S. & Mexico) as are Admiral Taiwan-made sets private-labeled by Montgomery Ward. Thus, "brand" status of set depends on whether it passed through hands of U. S. manufacturer, has nothing to do with name on label. MGA's U. S.-brand 25V" sets are made in U. S. by Wells-Gardner; rest of MGA line is foreign label.

Capacitor factory unit sales in Jan.-Sept. 1970 fell 16.3% to just over 2 billion, while dollar value increased 0.4% to \$370.8 million, compared with same 1969 months, according to EIA. Sales in 1970, by types (in millions of units & dollars): paper & film 411.7 (down 14.3%); \$134.4 (up 13.7%); tantalum 230 & \$81.8 (up 9.8% & 5.8%); aluminum 161.4 & \$65.1 (down 9.4% & 9.7%); mica 141.2 & \$15.8 (down 6.5% & 14.1%); ceramic 1,013.7 & \$57.8 (down 21.6% & 4.3%); other fixed 38.2 & \$6.8 (down 41.7% & 39.3%); variable 37.6 & \$9.1 (down 29.5% & 22.2%).

Decoder adaptor for Electro-Voice compatible 2-4-channel stereo matrix system will be marketed later this year at \$59.95, about \$10 higher than originally planned (Vol. 10:42 p10, 11:2 p9). System has been demonstrated in N. Y. to equipment & record producers and press.

Trade Personals

Stanley Seltzer, ex-Morse Electro Products vp, rejoins Olympic as sales vp, new post... **Sol Gold**, one-time Olympic vp, more recently with Allied Stores Corp., named to head new N. Y. office of National Buy Corp... **Ronald Dennis**, ex-Symphonic stereo console products div. gen. mgr., joins Delmonico International as mktg. vp, new post.

John Lane, Midland Overseas pres., appointed senior vp of parent, Midland International, responsible for foreign sales & purchasing; **James Love**, former vp-gen. mgr., named exec. vp for U. S. mktg., sales & operational depts... **Frank Novak**, former Panasonic ad account exec. at Ted Bates & Co., moves to client as special products ad mgr., new post; **Michael Jaso** shifts from sales mgr. for fans & personal care products to mgr., national accounts, premium & military sales; **Larry Yates** resigns PR post with Panasonic to enter teaching.

Charles Cerrito advanced at Philco-Ford Domestic Consumer Products Div. to Indianapolis zone mgr.; he's succeeded as Cleveland district sales mgr. by **Ralph De Lancey**... **Bill Mulligan**, former field sales mgr., promoted to RCA Records special products, mktg. & services mgr., succeeding **Harry Anger**, now mdsg. & mktg. planning dir... **Vincent Formicola**, GBC CCTV Corp. national mktg. mgr., named vp.

Ted Napp promoted from Sylvania Components mktg. services mgr. to Southeast area mgr... **Richard Miller** promoted to ITT Semiconductors gen. mgr., replacing **Maurice Back**, wafer fabrication & special products mgr., who held interim post... **J. C. Thompson** joins Centralab as microcircuit package sales mgr.; **Robert Fusch** advanced to technical ceramic products sales mgr... **Frank Castle** resigns as Bourns distributor sales dir. to become Sterling Electronics corporate industrial mktg. mgr.

GE's consumer business, which represented largest share of company's profits in 1969, dropped sharply last year, first breakdown of sales & profits by product line shows, in prospectus for debenture issue. Four-year profile of GE's consumer business (appliances, TV, light bulbs, broadcasting, Cablevision, etc.) showed these pre-tax profit results: 1970, \$132 million; 1969, \$232 million; 1968, \$253 million; 1967, \$212 million. Consumer business sales: 1970, \$1.97 billion; 1969, \$2.16 billion; 1968, \$2.15 billion; 1967, \$1.99 billion. Pre-tax profits from international operations rose to \$113 million in 1970 from \$91 million in 1969, sales increasing to \$1.39 billion from \$1.2 billion. GE Credit Corp. showed after-tax income of \$20 million in 1970, \$15 million in both 1969 & 1968, \$14 million in 1967. Electrical power equipment displaced consumer business as most profitable line in 1970.

Consumers Union is defendant in \$500,000 suit filed last week in Boston Federal Court by speaker system maker Bose Corp., charging bias in May 1970 Consumer Reports' rating. Bose also seeks retraction and publication of favorable report by Saturday Review music critic Irving Kolodin. Suit alleges that CU is biased in favor of low-priced products, that its testing techniques are faulty, that employee who tested speaker holds patent on potentially competitive speaker. CU spokesman dismissed suit as "a mater of pique." CU in 1960 was sued by another speaker maker, Hartley Products Co., charging libel. Action was dismissed by court.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during past week. Dash indicates information not available at press time. Amounts expressed in dollars. Parentheses denote loss.

Company & Period	Revenues	Net Earnings	Per Share
Arvin Industries			
1971-year to Jan. 3	155,766,000	2,676,000	.98
1969-year to Dec. 28	172,334,000	5,668,000	2.09
1971-qtr. to Jan. 3	43,848,000	367,284	.14
1969-qtr. to Dec. 28	47,484,000	1,381,605	.51
John Blair & Co.			
1970-year to Dec. 31	65,090,000	3,892,000	1.50
1969-year to Dec. 31 ^a	62,769,000	4,305,000	1.65
1970-qtr. to Dec. 31	17,359,000	1,244,000	.48
1969-qtr. to Dec. 31 ^a	17,844,000	1,494,000	.57
Collins Radio			
1971-6 mo. to Jan. 31	146,728,000	(3,003,000)	--
1970-6 mo. to Jan. 31	175,353,000	142,000	.05
1971-qtr. to Jan. 31	69,657,000	(1,963,000)	--
1970-qtr. to Jan. 31	84,470,000	(390,000)	--
Columbia Pictures Industries			
1970-26 wk. to Dec. 26	119,632,000	958,000	.16
1969-26 wk. to Dec. 27	112,800,000	3,250,000	.53
Cowles Communications			
1970-year to Dec. 31	145,832,000	647,000 ^c	.16
1969-year to Dec. 31	158,917,000	(1,883,000) ^c	--
Fairchild Camera & Instrument			
1971-year to Jan. 3	219,138,000	(19,309,000)	--
1969-year to Dec. 31	250,659,000	2,696,000 ^d	.62
LIN Bcstg.			
1970-year to Dec. 31	18,358,000 ^e	1,159,000 ^c	.52
1969-year to Dec. 31	17,743,000 ^e	(6,520,000) ^c	--
1970-qtr. to Dec. 31	4,680,000 ^e	353,000 ^c	.16
1969-qtr. to Dec. 31	4,439,000 ^e	(1,724,000) ^c	--
Singer			
1970-year to Dec. 31 ^a	2,125,059,000	75,123,000	4.25
1969-year to Dec. 31 ^a	2,068,659,000	80,042,000	4.66
1970-qtr. to Dec. 31	589,290,000	20,324,000	1.15
1969-qtr. to Dec. 31 ^a	598,692,000	24,509,000	1.44
Sonderling Bcstg.			
1970-year to Dec. 31	22,794,000 ^f	1,695,000 ^f	1.69
1969-year to Dec. 31	18,777,000	1,515,000	1.53
Soundesign			
1970-year to Dec. 31	38,004,000	1,100,000 ^g	.81
1969-year to Dec. 31	30,939,000	930,000	.74
1970-qtr. to Dec. 31	16,962,000	642,000	.47
1969-qtr. to Dec. 31	10,837,000	260,000	.18
Sprague Electric			
1970-year to Dec. 31	127,480,412	(6,492,313) ^g	--
1969-year to Dec. 31	147,056,412	1,460,272	.43
Storer Bcstg.			
1970-year to Dec. 31	64,553,427	3,793,620 ^g	.90
1969-year to Dec. 31	64,641,454	(2,677,910) ^g	--
J. Walter Thompson			
1970-year to Dec. 31	773,000,000 ^h	7,300,000	2.66
1969-year to Dec. 31	740,000,000 ^h	6,600,000	2.57
1970-qtr. to Dec. 31	232,000,000 ^h	3,200,000	1.16
1969-qtr. to Dec. 31	222,000,000 ^h	2,800,000	1.01
Wells, Rich, Greene			
1971-qtr. to Jan. 31	26,737,000 ^h	631,869	.40
1970-qtr. to Jan. 31	20,065,000 ^h	200,318	.13

Notes: ^aRestated. ^bAdjusted. ^cAfter special items. ^dIncludes special credit. ^eFrom continuing operations. ^fRecord. ^gAfter special charge. ^hBillings.

WEEKLY

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WITH THIS ISSUE: Directory of FCC, Commerce Committees, NAB, Other Washington Groups

MARCH 8, 1971

VOL. 11, NO. 10

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NAB TV CODE REVAMP IN WORKS: Special Subcommittee meets March 17 to begin major re-evaluation. Code leaders feel self regulation hasn't kept up with times. AAF moving fast toward all-media Code. Consumerism explosion continues in Washington. (P. 1)

GOP OKs SPENDING LIMITS in campaign reform bill if applied equally to all media. Pastore Subcommittee ends hearings, plans report 'within...weeks.' Burch says broadcast limits can be enforced. Pastore & Stanton disagree over free time. (P. 2)

FCC POISED FOR CABLE CONFAB: Eight hearing days, 185 participants, lined up as commissioners figure 'learn now or never.' Canadians start similar sessions April 26. (P. 3)

ABC EARNINGS DOWN, REVENUE UP: Goldenson blames 1970 performance on 'sluggish economic environment.' TV network loss higher than 1969. (P. 4)

CBS PROGRAM ON PENTAGON due for Hill airing as Hebert continues to fume. (P. 5)

FCC OKs AM-FM COMBINATIONS: Creation of future joint ownerships permitted. Uhf-radio combinations to be weighed case-by-case. Big TV-radio-newspaper divestiture proceeding still pending. (P. 5)

NAB TV CODE REVAMP IN WORKS: Major re-evaluation of goals & directions of NAB TV Code gets underway March 17 when Code Procedures Subcommittee of TV Code Board meets in N. Y. Subcommittee has broad range of possible changes to consider, many of which will cost more money at a time when TV Code is operating in red (\$22,749 in 1970; \$30,645 projected for 1971). Other ideas already have been labeled by some as "too radical"—such as proposal for public representation on Code Board—but mere fact that Code Authority is considering such proposals is significant.

Code study has been prompted by several factors, including admitted shortcomings of past, exploding consumer movement and toughened FTC attitude. Many broadcasters hope & expect that AAF's planned all-media self-regulatory advertising code will both complement and take some of heat off NAB efforts. However, AAF expects to turn to govt. as final arbiter in disputes—abhorrent to TV industry, which has fought hard to keep govt. out of Code affairs.

Citing need to reshape direction, Code Chmn. Robert Ferguson said that "everything in TV is changing rapidly and we just haven't kept pace." Code Dir. Stockton Helffrich also referred to "the changes all around us. Broadcast self-regulation should reflect those changes." Subcommittee—Thad Sandstrom (chmn.), WIBW-TV Topeka; Max Bice, KTNT-TV Tacoma; William Tankersley, CBS; Herminio Traviesas, NBC; Alfred Schneider, ABC—is expected to report to full Code Board at March 28 meeting in Chicago, though study will continue for several months. Among subjects to be discussed March 17:

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Should Code Authority attempt to make a "qualitative analysis" of subscribers' performances? Should Code dir. have czar-type powers? Mandatory Code subscription for all NAB TV members? Is Code budget being spent wisely, and how can budget be increased? (For year beginning April 1, TV Code is expected to have income of \$457,000, expenses \$487,645. Over half of budget-\$285,-411-goes for salaries, yet Code Authority feels that "salaries for staffers down the line appear to be low for the responsibilities involved. Staff complements appear to be too small, yet budget deficits threaten Code staff cutbacks.")

Also: New procedures for testing unacceptable products on subscriber stations? Should a "broadcaster-advertiser appeals panel" be established to hear challenges by advertisers & agencies of Code rulings? Should Code have its own research budget, to test reaction of children to kids' commercials, for example? Should Code regulatory efforts be promoted widely over air, or are there 'boomerang' risks in such promotion if in practice we do not have the budget and the personnel to live up to the promises?" Should broadcasters seek—or is it "too revolutionary"—trade regulation rules from FTC, which then would have responsibility for enforcing them? Should consumers be represented on Code Board and should its size be increased from present 9 members? Should Code & broadcasters sponsor seminars for confrontations with critics (thus giving industry control of format, etc.) instead of leaving initiative for such meetings to broadcasting critics?

NAB & Code subscribers complain that Code has taken many steps to protect consumers, well ahead of any prodding by public or govt., yet industry has received little or no credit. They cite, among others, ban against "men in white" commercials, toy guidelines, ban against cigaret endorsements by sports figures, regulation of movie trailers & non-prescription drugs.

* * * *

AAF Chmn. Victor Elting & Pres. Howard Bell have been pushing all-media code hard (Vol. 11:6 p2) through long sessions at FTC, series of meetings in N.Y. last week. "It will be a reality in some meaningful form before long," Bell told us. "We are getting govt. cooperation... There are too many problems involved to leave it all to self-regulation alone." Advertising Review Board has a projected budget of about \$1.5 million—and broadcasters undoubtedly will be asked to contribute. Better Business Bureau is helping to get money pledged from large corporations.

AAF effort was attacked last week as "a smokescreen" by Stephen Bluestone, consultant to Council on Children, Media & Merchandising (which has proposed code to regulate childrens' advertising) and a former NAB TV Code editor in N.Y. "The proposal, although well intentioned, has little in common" with goal of responsiveness to public, he said. "If it survives, the consuming public and the advertising world will suffer." Bluestone countered with 16-point suggested ad code of his own.

Meanwhile, FTC last week continued attack against allegedly fraudulent & misleading ads, and consumerism movement picked up speed in Congress. Senate Consumer Subcommittee plans hearing March 9—FTC Chmn. Miles Kirkpatrick first witness—on product warranties act; dozen congressmen introduced similar bill in House. FTC challenged TV ads for 8 laundry products containing enzymes, charged P&G and Longines-Witnauer with failure to award all prizes advertised in sweepstakes promotions. Commission also is investigating claims that polyunsaturated fats reduce risk of heart disease.

REPUBLICANS 'CAN LIVE WITH' SPENDING LIMITS: Senate GOP leadership, which previously opposed spending ceilings in any campaign reform legislation, is now prepared to accept such limits if alternative is no bill. Testifying before Senate Communications Subcommittee, Minority Leader Scott (Pa.) and Republican National Chmn. Dole (Kan.) both made strong pleas for extensive reform based on disclosures, but said they could "live with" over-all advertising spending limits applied equally to all media. Since Democrats & House Republicans insist that spending limits & disclosures can't be separated, new Senate GOP attitude could have significant effect on congressional drive to enact campaign legislation early this year.

Subcommittee Chmn. Pastore (D-R.I.) plans "within a matter of weeks" to report bill out regulating political spending in broadcast & print media, though there's question whether Commerce Committee has authority to regulate spending in print media. That's only area of several campaign spending bills Subcommittee can deal with, and its members appear equally divided whether to rec-

ommend over-all limits, leaving candidate option to spend money on any media, or set specific limits for print & broadcast. When some members questioned if specific limits could be enforced, FCC Chmn. Burch gave unequivocal "yes" regarding broadcasting. Specific limits is approach taken by S-382—sponsored by Pastore, Majority Leader Mansfield (Mont.) & Cannon (D-Nev.). It sets 7¢ per vote limit on broadcasting and 14¢ on print. ABC Pres. Goldenson endorsed bill, but opposed unequal rates.

Subcommittee appears unanimous, however, for repealing Sec. 315 for Presidential & Vice Presidential candidates only, and seems to consider Voter's Time idea of 20th Century Fund impractical. Another certainty will be requirement that all media sell time or space at lowest unit rate available to commercial advertisers. But Subcommittee may also take suggestion from Scott & CBS Pres. Stanton that such rates apply only 30 days before primaries & 45 days preceding general elections.

"As long as they make their own unit cost," Pastore said of print & broadcast media, "I don't see any monetary loss." He termed lowest unit rate "a compromise" between Voter's Time and leaving whole thing up to media. "The ultimate, of course, is to have campaign funded out of public funds, but we have to be realistic...We need a bill that will make sense and be practical enough to be accepted."

Only real hassle during 4-day hearings, which concluded March 5, came in exchange between Pastore & Stanton over what arrangements networks would make with major party candidates for free time if Sec. 315 were repealed. "Could candidates use the time as they saw fit?" Pastore asked. "We are not going to provide or be put into a position of saying here's a half-hour, do with it what you want to," Stanton replied. "It certainly ought to be a 2-way street." He said network would try to convince candidates of "wisdom of our choice" in recommending debates or news formats. "I think you're opening up a can of worms for me," said Pastore. "What we're doing here is driving for another veto...I thought I had the understanding the networks would leave it up to the candidates and not prescribe the format." Later, Goldenson & NBC Pres. Goodman said they'd leave format up to candidate.

"The heart of the problem is TV spending," said Sen. Kennedy (D-Mass.), who testified same day he introduced "Campaign Financing & Lobbying Reform Act," which incorporates same political broadcast bill President vetoed last year. He offered no spending limits on print media, claiming such would be unconstitutional. "The heart of the remedy should be TV spending," he said, adding that President's veto message "assumes an interchangeability of media spending that simply does not exist in American politics." But Pastore disagreed: "The right to express yourself by TV is just as sacred as to express yourself by newspaper...If one limit is unconstitutional, then so is the other."

Remaining testimony by major witnesses was live repeat of 1970 hearings, with some witnesses reading testimony similar to their previous presentations. Meanwhile, Administration remained silent on whole issue throughout hearings, and neither Scott nor Dole forecast when White House would speak up.

FCC POISED FOR CABLE CONFAB: FCC's CATV hearing starting March 11 shapes up as quite a whining—64 participants in 8 panels first 4 days, then 121 individuals presenting statements next 4 days. Commission expects 4-500 attendance at start, dwindling to handful at end, so it's using National Academy of Sciences (NAS) auditorium 4 days (C St., between 22nd & 23rd Sts. NW), then shifting to FCC Room 856.

Commissioners are serious about hearings—figuring they'll never learn anything more than they will now, before they try to settle CATV pattern for indefinite future. That is, if Congress permits it. You'll recall how many times Commission has made decisions, only to have them delayed, modified, reversed by Congress—usually through committee pressure rather than by passage of law. Examples include pay TV, color, restrictions on commercials, among more prominent.

WETA(ETV) Washington wants to televise proceedings—but NAS seems reluctant about it, apparently fearful of cluttering up its nice new auditorium. FCC Chmn. Burch was working on it, asserting that if any govt. agency's hearings should be open to TV, it's Commission's.

There's been some change in panels—which run March 11, 12, 15 & 18 (Vol. 11:9 p5): Panel 7 (future) is now 8, meets March 18. Panel 8 (copyright) is now 7, March 18, adds James Denning,

MCA; deletes Stephen Breyer, Harvard. Panel 4 (small markets) adds Richard Dudley, Forward Communications. Panel 5 (ownership) adds James Day, EBS; William Harley, NAEB; deletes Albert Horley, HEW. Panel 6 (federal-state relations) adds Stephen Barnett, U. of Cal.

Most of the 121 presenting individual statements (March 19, 22, 23 & 24) are communications attorneys. In addition to individual stations & cable systems, groups represented include: NAB, NCTA, NAEB, MST, ACT, NARUC, pro football & baseball, CPB, USITA, ABC, CBS, League of Cities & Conference of Mayors (plus reps of Boston, L. A., Chicago, New Orleans, N. Y., Sacramento, Kansas City, San Diego), ANPA, EIA, NEA, Justice Dept., ADA, OEO, HEW.

Among avid watchers of hearings should be Canadian Radio-TV Commission, which begins own basic hearings on cable April 26. In 30-page analysis, CRTC concludes that CATV raises same problems as in U.S.—and more, because it imports U.S. programs which CRTC constantly seeks to restrict (feeling they erode country's cultural independence) and because cable serves some 22% of population, compared with 7-8% in U.S. Among other cable activities:

(1) Copyright owners & CATV representatives held another in their scores of sessions seeking accommodation, in N. Y. March 3—no agreement yet. (2) FCC postponed from April 1 to May 1 deadline for paying fees (30¢ per subscriber), is sending systems form showing how to compute.

ABC EARNINGS DOWN, REVENUE UP: "Sluggish economic environment," particularly in 4th quarter, hurt ABC's 1970 earnings, Pres. Leonard Goldenson said last week (see financial table). He said downward trend is continuing this quarter. After-tax earnings for 1970 were \$15,979,000 (\$2.25 per share), compared with \$16,797,000 (\$2.37) in 1969. (Including capital & non-recurring transactions, 1970 net earnings were \$16,761,000.) Revenues for 1970 were \$748,262,000, compared with 1969's \$720,924,000.

Goldenson said 1970 revenues of broadcast division were \$523,221,000, vs. \$507,807,000 in 1969. He gave no breakdown of broadcast earnings, but said owned TV & radio station figures were up, that "TV network, on slightly lower sales, showed a greater loss than in 1969." Radio network sales also were up, but it lost money for year. On prospects for 1971, Goldenson said:

"We expect that earnings in the first quarter will be substantially lower than [1970] principally due to the elimination of cigarette advertising and the state of the economy. For the same reasons, we expect that 2nd quarter results will be somewhat lower...with a smaller percentage of decline than in the first quarter. However, with respect to the last half of the year, we are reasonably optimistic, particularly for the 4th quarter in view of the FCC 3-hour prime-time limitation."

Fine of \$1,000 was imposed by FCC on KRSD-TV Rapid City, S. D. for rebroadcasting KLZ-TV Denver without permission. KLZ-TV had sought \$200 monthly, petitioned FCC for relief when KRSD-TV refused to pay. Latter said it had consent of CBS, didn't use any equipment on KLZ-TV premises. Commission said \$200 is reasonable. KRSD-TV gets signal via microwave for which it pays \$1,500 monthly.

Failure to report racial strife has led to renewal hearing for WSNT(AM) Sandersville, Ga. FCC said that black groups petitioned for hearing on grounds that station declined to report news of violence following groups' efforts to achieve fair treatment in community. Station said it believes peace & harmony will be promoted by withholding such news. Town is said to be 60% black. Comr. Bartley dissented.

President Nixon's displeasure with media criticism and his reliance on direct use of TV to offset media comment both surfaced during his news conference on foreign policy March 4. He said: "I would suggest that you ladies & gentlemen always pretty much underestimate what I am capable of doing in terms of withdrawing forces and so forth...I recall at the time that we went into Cambodia, and all of you out there looking on TV will remember what I said, I said the purpose of our going into Cambodia was to cut American casualties and to ensure the success of our withdrawal program. Many of the members of the press disagreed with me. They thought that was not an accurate description of what would happen. They were entitled to that view. Night after night, after I announced the decision to go into Cambodia, on TV it was indicated that that decision would have the opposite effect...I realize that night after night for the past 3 weeks on TV there is a drum-beat of suggestion, not from all but from some commentators. And I can understand why they disagree, from the same ones that said Cambodia wouldn't work, that this isn't going to work..."

House & Senate Communications Subcommittees are at full membership, with assignments finalized: Senate Communications majority—Chmn. Pastore (R.I.), Hartke (Ind.), Hart (Mich.), Long (La.), Moss (Utah), Cannon (Nev.); minority—Baker (Tenn.), Griffin (Mich.), Cook (Ky.), Pearson (Kan.), Stevens (Alaska). Cook & Stevens are only new members. House Communications majority—Chmn. Macdonald (Mass.), Van Deerlin (Cal.), Rooney (Pa.), Tiernan (N.J.), Byron (Md.); minority—Keith (Mass.), Brown (O.), Collins (Tex.), Frey (Fla.). Byron is only new member on Democratic side, Brown sole GOP holdover. House Investigations Subcommittee was cut back from 16 to 5. Democrats are Chmn. Staggers (W. Va.), Blanton (Tenn.) & Helstoski (N.J.). Republicans are Springer (Ill.) & Shoup (Mont.). Staggers & Springer are holdovers.

Public notice requiring stations to review lyrics contained in songs before they're broadcast has been released by FCC as expected (Vol. 11:9 p4). Comr. Johnson was lone dissenter, called notice unconstitutional attempt "by a group of establishmentarians to determine what youth can say & hear."

'PENTAGON' TO GET HILL AIRING: "Important errors & distortions" were contained in CBS's critical look at military public relations efforts, Defense Dept. charged last week. And, primarily through pressure of Rep. Hebert (D-La.), "The Selling of the Pentagon" appears headed for fullscale congressional investigation.

Hebert complained to Rep. Staggers (D-W.Va.), and latter is expected to order inquiry by Special Investigations Subcommittee he heads. Same Subcommittee has held 2 long investigations of CBS News—into Pot Party and documentary (never aired) on aborted invasion of Haiti—both culminating in reports critical of network. "Pentagon" was aired on network Feb. 23, repeated 4 days later by Washington affiliate WTOP-TV.

"Irregularities" in CATV franchise grant in Trenton to TelePrompTer (TPT) are being investigated by grand jury. TPT Pres. Irving Kahn said: "We know of no basis for any charges of irregularities. The city of Trenton has questioned whether we have been performing under the contract, and I'm confident they'll see we have been." City had been holding hearings to determine why TPT hadn't built, and cable operator was pointing to FCC's block against use of N. Y. signals, when representatives of prosecutor's office walked in and asked who represented TPT. Several did—including Washington attorneys Alan Raywid & Charles Kieffer—and prosecutor's men promptly wrote their names on blank subpoenas. Last month (Vol. 11:5 p1 et seq.), TPT & Kahn pleaded not guilty to charges that they had bribed Johnstown, Pa. officials with \$15,000 to retain franchise. TPT asserted that the money had been extorted.

Charles M. Lichenstein, ex-special asst. to White House counselor Robert Finch, joins FCC as special asst. to Chmn. Burch, to handle speech-writing, articles, long-range planning & policy. Other Burch assts. involved with planning & policy are Henry Geller & Kenneth Goodwin. Lichenstein was asst. to Vice President Nixon 1959-60, worked with Nixon until 1963, did free-lance political writing for various GOP senators until 1964 when he became research dir. for Burch on GOP National Committee. Burch's Engineering Asst. C. Phyll Horne will join Office of Chief Engineer. In latter office Deputy Chief Raymond Spence is advancing to top job. Harold Kassens, from Rules & Standards Div., is expected to decline offer of deputy chief position; others are being considered.

Need to continue Network Study Staff as separate arm of FCC's Broadcast Bureau is being evaluated following resignation of Dir. Ashbrook Bryant to become hearing examiner at Federal Maritime Commission. Bryant has been at FCC 18 years, head of network office since 1958. Staff was outgrowth of Barrow Commission of 1950's, held lengthy program hearings in early 1960's, and Bryant was a chief architect of 3-hour prime-time rule. Network office has dwindled from staff of several attorneys to one fulltimer—Francis Nolan. Attorney Robert Alford also is assigned to office but has been working fulltime for Office of Opinions & Review.

WALA-TV Mobile was granted renewal despite petitions alleging station was not meeting needs of black community.

FCC OKs AM-FM COMBINATIONS: It's official. AM-FM combinations are legitimate. FCC said it will permit continued acquisition of AMs by FMs and vice versa, as anticipated (Vol. 11:6 p1). As for future uhf-radio combinations, these will be handled on "case-by-case" basis, meaning Commission usually won't be difficult about it, because uhfs are usually hurting.

FCC's TV-newspaper-radio divestiture proposals are still pending, however, and Commission concluded that last week's action won't prejudice possible decision on divestiture.

One reason it isn't worried about AM-FM combinations, FCC said, is that it plans new rulemaking to consider extending its non-duplication rules "as an effective alternative to diversification of ownership."

NAB's Litwin study, concluding there are benefits in media common ownership, left FCC cold. Several pages were devoted to taking it apart. Sample of large markets, for example, "was completely biased in favor of common owners."

KRON-TV San Francisco should be cleared of all charges, license renewed, according to initial decision by FCC Examiner Chester Naumowicz. Extensive hearing was prompted by complaints to Commission by former employes Albert Kihn & Blanche Streeter. Examiner held that: KRON-TV & Chronicle interests don't dominate media in area; newspaper promotion practices weren't "predatory"; TV profits didn't finance any improper newspaper competitive practices; Chronicle-Hearst joint publication agreement was legal; there's no evidence KRON-TV used news programs to promote CATV franchises in area—"to a tiny core of incidents not inconsistent with guilt has been added a welter of rumor, innuendo, suspicion & office jokes"; in putting detectives on Kihn, "KRON did no more than has been long recognized to be proper for a litigant in an American tribunal," didn't seek to "harass, coerce or intimidate" Kihn. Indicative of case's length & complexity: 23 attorneys entered appearances. Indicative of KRON-TV's value are its revenues & earnings disclosed in testimony: 1969—\$12, 894, 607 & \$5, 567, 765; 1968—\$12, 107, 149 & \$6, 021, 943; 1967—\$9, 595, 554 & \$4, 631, 734; 1966—\$10, 512, 304 & \$6, -633, 559; 1965—\$9, 425, 012 & \$5, 866, 714; 1964—\$7, -779, 457 & \$4, 482, 633; 1963—\$6, 697, 079 & \$3, 749, 913; 1962—\$6, 361, 573 & \$3, 443, 884; 1961—\$5, 262, 048 & \$2, 638, 199; 1960—\$5, 146, 409 & \$2, 420, 496.

N. Y. tax program proposed by Mayor Lindsay last week includes 6% levy on all advertising to raise about \$47.3 million. Broadcasters & advertisers meet March 8 to prepare opposition. Lindsay also appointed 7-member committee headed by Milton Musicus, chief of city's municipal services, to decide what to do with WNYC-TV-AM-FM—expand, sell, lease—and weigh possible impact of CATV.

More 3-hour rule machinations: (1) NBC joined CBS by announcing 7:30 p.m. prime-time start in fall. ABC shift from 8 to 7:30 is expected soon, though all 3 networks prefer 8 p.m. start. (2) ABC asked for Tues. night waiver (NBC got one Sun. night) to keep its strongest evening intact. Network asked FCC for decision by March 12, so it could announce fall schedule by March 15.

Personals

Roy Elson, 40, ex-administrative assistant to former Sen. Hayden (D-Ariz.) and recently special legislative council to NAB on contract basis, joins NAB fulltime as govt. relations vp. He was defeated twice as Democratic candidate for U.S. Senate from Ariz. At NAB, he succeeds **Paul Comstock**, recently promoted to exec. vp for govt. affairs.

Dean Burch, FCC chmn., goes to Europe for week in connection with ITU session on space communications in Geneva starting June 5; Comr. **R.E. Lee** will represent U.S. at meeting throughout its 6 weeks, as previously announced.

Michael Mallardi, ex-vp, gen. mgr. & treas., Straus Bcstg., elected ABC planning & analysis vp, succeeding **Robert Goldman**, now financial vp; **Arnold Marfoglia** advances to affiliation contract administration mgr., ABC-TV... **Ralph Baruch**, pres., Viacom Enterprises, promoted to CBS/Viacom Group pres., succeeding **Clark George**, who is expected to return to CBS in unannounced capacity.

William Evans, ex-gen. mgr., WDEF-TV Chattanooga, elected exec. vp, parent Roy H. Park Bcstg... **William McReynolds**, gen. mgr., WNEM-TV Bay City-Saginaw-Flint, elected vp of parent Meredith Bcstg... **William Moll** promoted to vp & gen. mgr., WSMW-TV Worcester, Mass., succeeding **Bernard Waterman**, who becomes consultant.

Marvin Shapiro, ex-NBC-TV Spot Sales, named sales mgr., WCBS-TV N.Y... **Gary Adler**, ex-sales mgr., WTOP-TV Washington, named gen. sales mgr., WJXT Jacksonville... **Peter Kolankiewicz**, ex-WKBN-TV, named program dir., WUTV Buffalo... **Larry Daniel**, ex-WBTV Charlotte, named ad. public service & promotion dir., WFTV Orlando.

Antonin Scalia, 34, ex-U. of Va. law professor, named gen. counsel, Office of Telecommunications Policy (OTP)... **Donald West**, ex-asst. to CBS Pres. **Frank Stanton** and before that managing editor of Television magazine, returns to Broadcasting magazine as managing editor, succeeding **Art King**, who becomes dir. of special publications.

Wes Maley promoted to sports dir., WFBG-TV Altoona... **Jake Sneller** promoted to chief engineer, KRNT-TV-AM-FM Des Moines, succeeding **Charles Quentin**, who retires in Aug... **Gloria Easton**, ex-Philadelphia Education Board, named community affairs coordinator, WFIL-TV... **Leo McLean** promoted to managing editor, WWL-TV New Orleans... **Karen Schmidt**, ex-J. Walter Thompson, named sales research mgr., WBBM-TV Chicago.

Howard Daubenmeyer promoted to CATV relations mgr., WTRF-TV Wheeling; **Robert McFarland** advances to chief engineer, succeeding Daubenmeyer... **Walter Baxter** elevated to gen. sales mgr., Kaiser CATV... **Frank Baxter**, ex-HRB-Singer, named antenna site design mgr., C-COR Electronics' engineering dept.

Irving Kahn, TelePrompTer pres., speaks at March 23 luncheon of N.Y. Society of Security Analysts... **Donald Lewis** resigns as senior vp-finance, Foote, Cone & Belding, continues with agency as CATV consultant... **Donald Williams** elected vp & gen. mgr., Cox's Trans-Video Corp., San Diego.

NAB REVAMPS FALL TOUR: After many weeks of agonizing over best way to put new life in annual fall conference tour (Vol. 10:45 p5), NAB Exec. Committee decided last week to make all 6 scheduled stops this fall but lopped half-day from customary 1-1/2-day meetings. Reception will be held night before each conference. Three will be held during one week in Oct., other 3 in Nov. In adopting plan, Committee accepted new recommendation of staff & special subcommittee.

Meeting in Washington last week, Exec. Committee spent considerable time on budget, stressing how to bring it in balance by June Board meeting. Several economy moves already have been taken, more stringent ones are expected after March 29-31 convention.

Several names have been added to convention program, beyond those reported (Vol. 11:8 p2). Apollo 14 Commander Alan Shepard—America's first man in space who attended 1961 NAB convention in Washington with President Kennedy shortly after Freedom 7 flight—will appear at March 29 opening ceremony. Blue-ribbon program panel will discuss FCC's 3-hour rule (see p. 5). Moderator Jules Power (producer); NBC-TV Pres. Donald Durgin; Westinghouse Bcstg. Pres. Donald McGannon; Ex-FCC Comr. Kenneth Cox; Comtel Chmn. Herb Jacobs; Richard Pinkham, Ted Bates & Co.; NATPE Pres.-elect John Comas, WSJS-TV Winston-Salem. CPB Pres. John Macy will speak at Mon. afternoon joint TV-radio session. Engineering luncheon speakers will be CBS Labs Pres. Peter Goldmark (March 29) & Brooklyn Polytechnic Institute Pres. Benjamin Adler (March 30).

WHDH-TV Boston failed to persuade FCC to bring case back from court for new look on grounds that Comr. Wadsworth's vote was invalid (Vol. 11:2 p5). Commission said there was "no allegation or indication of 'stultification nor irrationality,' there is no allegation or indication of misconduct or bias, and there is no indication that Comr. Wadsworth intended that his vote be recorded as other than it was, i.e., in favor of the majority's decision." Commission also said it's "well settled that courts will not sanction or permit the probing of the mental processes or motives of a judge...absent significant indication of misconduct or bias, neither of which is present..."

Zenith's L.A. pay-TV outlet will be KWHY-TV (Ch. 22), which it's buying for undisclosed price. For Chicago, it's still trying to buy CP for WCFL-TV (Ch. 38). In N.Y., Zenith licensee TECO is exploring purchase or tieup with outlet. TECO is expected to file stock offer soon with SEC. Last year, shareholders authorized 8-for-1 stock split, share increase from 100,000 to 5 million. In recent earnings report, Zenith said it would announce plans for start of large-scale pay TV by midyear.

NEW FCC DIRECTORY

Enclosed herewith as White Paper to all Television Digest subscribers is new directory of FCC, plus principal offices of NAB, members of Senate & House Commerce Committees and directory of other major Washington-based associations. Commission directory includes rooms & phone numbers of major offices. Up to 10 copies are available to each subscriber at no charge; for more than 10, it's 25¢ each.

Consumer Electronics

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STATE OF THE INDUSTRY

Sales to dealers (domestic-label only), from EIA, for week ended Feb. 19 (7th week of 1971):

	Feb. 13-19	1970 week	% change	Feb. 6-12	1971 to date	1970 to date	% change
Total TV.....	190,004	178,903	6.2	187,878	1,330,414	1,221,561	8.9
color	100,721	91,779	9.7	102,932	716,556	651,767	9.9
monochrome	89,283	87,124	2.5	84,946	613,858	569,794	7.7
Total radio.....	360,872	345,281	4.5	368,925	2,437,776	2,223,903	9.6
home, portable	142,661	163,367	-12.7	148,801	917,753	1,022,499	-10.2
AM-only.....	81,830	105,541	-22.5	83,660	539,860	667,669	-19.1
FM & FM-AM	60,831	57,826	5.2	65,141	377,893	354,830	6.5
auto.....	218,211	181,914	20.0	220,124	1,520,023	1,201,404	26.5
Total phono.....	89,236	58,635	52.2	79,095	527,867	409,716	28.8
portable-table	69,954	37,493	86.6	59,883	391,968	254,667	53.9
console	19,282	21,142	-8.8	19,212	135,899	155,049	-12.4

Color TV 5-week moving average: 1971—110,789; 1970—96,464 (up 14.9%)

JAPAN LOSES DUMPING CASE—WHAT NEXT? Tariff Commission's unanimous ruling last week that Japanese TV dumping has injured domestic set manufacturers is being hailed & damned as landmark decision. But far from closing out 3-year case, verdict is just beginning of new, lengthy—and possibly costly—period of uncertainty as to what its real effects will be. Ruling triggers start of massive Treasury Dept. effort to establish fair values for all Japanese TV sets so that dumping penalties, if any, can be assessed.

Surprisingly brief Commission report (8 pages) said injury to U.S. monochrome TV producers was evidenced by "lost production & lost jobs" attributable "in substantial part" to increased imports of dumped Japanese sets—although growth of color also played role. Sales of undervalued Japanese sets also "contributed substantially to declining prices of domestically produced receivers," both color & monochrome.

This final TV finding and its complex ramifications will dominate corridor & meeting-room discussions at EIA Spring Conference, opening today in Washington. Parts Div.'s World Trade Committee & Tube Div.'s Imports Committee—which initiated TV and other dumping complaints—will decide on future of their protectionist efforts. Push for new dumping complaints, covering other Japanese products, may be urged by some Consumer Electronics Group members (see p. 10).

While importers try to guess what prices they will pay—and, in fact, are paying—Treasury Dept. faces monumental fact-finding job. Its original determination that Japanese TVs were being exported to U.S. at less than fair value, or home-market price (Vol. 10:35 p7), was based on investigation of 5 producers' sales in 1967-68. Not all models of each manufacturer were probed, and some of those checked weren't found to be undervalued—Sony claims Treasury found all of its exports fairly priced. Others investigated were Hitachi, Panasonic, Sharp, Toshiba.

Treasury must now fully update original probe—which took 2 1/2 years—and determine fair value of every export model of all Japanese TV producers & exporters (more than 20 firms). To accomplish this and other dumping jobs, Treasury has added 20 to operations staff, will hire 20 more next month, plus support personnel. How long will this operation take? At minimum, 6 months; maximum, well over year. In far less complicated tuner dumping case, with only 3

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Japanese manufacturers involved, injury finding was made 4 months ago (Vol. 10:45 p11)—and questionnaires to Japanese manufacturers haven't even gone out yet.

Price uncertainty, rather than actual dumping penalty, is import industry's biggest headache right now. Until Treasury finalizes model-by-model margins, importers won't know whether given set will cost them \$100, \$109, or more. If dumping margins are levied, they're likely to be highest for cheapest sets, where retail price competition is fiercest and a list price change of \$5 could mean a lost sale.

TV importers must continue posting dumping duty bonds, equal to 9% of total value, in meantime—as they've been doing since last Sept. We estimate value of bonds posted to date at more than \$6 million; in another 9 months they could rise to \$23 million. All Japanese TVs imported after Sept. 4, 1970 are subject to dumping duty assessment—and importers' liability isn't limited to the 9%. If dumping margin (difference between export price & fair value) is found to exceed 9%, importer is billed retroactively for difference.

Impact of finding is expected to hit hardest at small, independent importers, have least effect on U.S. subsidiaries of Japanese manufacturers. Importers deal mainly in lower-priced sets, work on small margins—even now they're having tough time getting long-term price commitments from Japanese suppliers and most aren't sufficiently well-heeled to stand financial drain of having funds tied up in dumping bonds. Japanese marketers here have more flexibility, with factories back home adapting to changing conditions as sales operations here change goals & pricing to minimize effects.

Trapped in middle are giant private-label retailers—including Penney, Ward, Sears & Grant. Now developing lines for 1972 & '73, they're in quandary over what & how much to buy and from where. They're stuck with Japan-only sourcing for small-screen solid-state sets and are making purchase commitments with fingers crossed that dumping margins will be minimal. Where practical, they're switching to U.S. sources for larger color & b&w portables, and have started talking with U.S. & Japanese producers who are setting up Taiwan plants.

Issue boils down to "how much risk we're willing to take" to maintain TV market position, official of one retailing giant told us. His firm, he said, has long-range plan to maintain reserves to meet dumping penalties, but others—who failed to understand issue may take another year to settle—do not. He noted that his company may have to settle for some lower profit margins to stay competitive. To him, dumping finding is trade-off: "In the process of protecting the U.S. electronics manufacturing industry, they've injured the U.S. electronics retailing industry."

Dumping victory appears to be pyrrhic one for domestic components industry, which single-handedly fought & financed anti-import battle, often with active opposition from set producers. In its report, Tariff Commission made no mention of any damage to parts makers, though massive proof-of-injury testimony was submitted by representatives of EIA Parts & Tube Divs. "Injured industry," Commission said, consists of "facilities in the U.S. for the production of TV receivers . . . approximately 20 firms."

Whatever benefits parts producers realize for their efforts will come only in possibly increased orders from set makers who may now find they can compete with Japan on some new models. TV dumping case doesn't hinder importation of Japanese parts. And finding appears to nail down coffin lid on hopes for electronic parts import quotas. There's nothing in report to support case for quotas, and dumping duties are designed to eliminate unfair price competition leading to reduced domestic production.

Japanese producers took issue with Tariff report's statement that Treasury found "bulk of Japanese [10V"-16V"] monochrome sets" were dumped. Commission staff misinterpreted Treasury report, they claimed, and compared high home-market price of one Japanese manufacturer with low export prices of others. While not pleased, Japanese indicated verdict was about as expected, and EIA-Japan statement directed attack at Treasury, not at Tariff Commission, repeating charge of "political duress" and calling American consumer the real loser.

Most U.S. industry leaders declined comment on outcome. EIA Pres. V. J. Adduci expressed gratification and confidence that injury to domestic industry will be corrected—first time EIA leadership has gone on record in anti-import action. Sentiments were echoed in joint statement by

Imports Committee Chmn. George Konkol & World Trade Committee Chmn. George Ritter who called ruling "milestone."

U.S. Appeals Court in N.Y., meanwhile, has upheld lower court ruling denying J. C. Penney's plea to force Treasury to reopen dumping case, release confidential information and conduct open hearing (Vol. 10:49 p8). Action bars recourse to regular court system for appeal of dumping levies. Only 2 avenues of relief remain open: Challenge in Customs Court to amounts of specific dumping duties on individual sets, or application to Treasury Dept. by individual Japanese firms for exemptions—only after Treasury's probe is complete. In meantime, all TVs from Japan are subject to dumping bonds & possible duties.

We see finding resulting in immediate, but small, reduction in TV imports from Japan—probably more than balanced by increased shipments from Taiwan. There will be some higher prices on imports—increases have already been announced by several Japanese firms here—and domestic producers will react to this release of pressure by raising prices on some U.S.-made sets. Under pressure from their govt., Japanese manufacturers have started streamlining home-market distribution, cutting sales expenses and narrowing gap between home & export pricing. By this time next year, major discussion topic at EIA Spring Conference could be extent of price competition between U.S.-owned & Japanese-owned Taiwan TV plants.

* * * *

Abstaining from participation in Tariff Commission decision was Chmn. Chester Mize, who is understood to have resigned just month after receiving recess appointment. In related development, 2 more import-adjustment assistance eligibility investigations have been launched by Commission: (1) On behalf of employes at now-closed Advance Ross TV deflection yoke & transformer plant in Washington, Ia. (2) At request of Bell-Tronics, Addison, Ill. antenna & coil producer. Motions hearing on NUE's \$360-million import-injury damage suit in N.J. District Court has been postponed from March 8 to March 22.

RCA WEIGHING APPROACHES TO SELECTAVISION: RCA is still firmly & enthusiastically committed to producing home videoplayer, but it no longer is committed exclusively to one technology—the holotape system which was shown in prototype in 1969 under name SelectaVision (Vol. 9:40 pp7 & 10 et seq.). This is substance behind whispers & rumors.

Operations Staff Vp Chase Morse tipped off flexible new approach last Nov. when he told us "SelectaVision" covers family of products (Vol. 10:46 p8). Amplification came last week from RCA SelectaVision Business Development Vp Robert Bitting: "SelectaVision is a trade name meaning 'selective TV,' and includes hardware & software—it's a broad term and we have not yet made a decision on technologies."

Holotape system is still under development, but it's known that RCA is also exploring every other approach—magnetic tape, discs, film—and listening to pitches from companies with own proprietary systems. Bitting branded as "blatant inaccuracies" 2 persistent reports: (1) That RCA has dropped or shelved holotape—"we're proceeding vigorously and expending a great deal of corporate effort." (2) That RCA is taking out license for, or buying out, Avco's Cartrivision system—"Avco talked to us at their own initiative, but we have chosen not to accept their system; it's not the optimum for our purposes."

As to 1972 target date originally announced for SelectaVision marketing: "We are not revising any dates now; we're still shooting at the original target." Whether RCA will eventually change target date—as many others have done—and what technology will be used in first SelectaVision player apparently haven't yet been determined. "We're keeping abreast of the entire situation, looking over the whole field, seeing which problems each system faces." He said RCA "doesn't dismiss the function of magnetic recording," but indicated it may not be substitute for lower-cost play-only system—and that RCA could be in both fields.

RCA is already making arrangements for huge quantities of home videoplayer programming under SelectaVision Program Vp Tom McDermott, who has been quoted as saying \$50 million is earmarked for new program production (Vol. 10:45 p8). RCA has wealth of additional program sources, including NBC, RCA Records, Random House. Of necessity, company feels it must be one of first with home videoplayer to exploit this program leadership and set industry standard.

In theory, holotape SelectaVision is most attractive playback technique proposed to date, providing LP capability at lowest cost. It would appear to be matter of timing—if holotape can be perfected and put into production in reasonable amount of time, that's the system. But RCA is hedging by working on other technologies in parallel and listening to everybody else with a system.

* * * *

As committed as RCA is to home videoplayer—that's exactly how uncommitted Sylvania is. Company's official policy statement, by W. Daniel Schuster, entertainment products chief engineer & new products mgr.: "We do not believe that there is sufficient positive market-research evidence to indicate that the U.S. public is anxious to purchase videoplayers in quantity. Rather than further confuse an already perplexing market with the introduction of another system, we will continue to work in our laboratories until we have a realistically priced product welcomed by consumers."

It's case of once burned, twice shy—Sylvania's color slide scanner met with poor market reception and its plans to introduce super-8 movie videoplayer were shelved. So company says it doesn't plan to enter videoplayer market in "foreseeable future."

EIA AGENDA LOADED: Tariff Commission's TV dumping-injury decision and its implications (see p. 7) will be Topic A at EIA Spring Conference this week in Washington—and further steps to combat import competition will be part of crowded agenda. With Consumer Electronics Group (CEG) now closer to position of Tube & Parts Div. (although far from seeing eye-to-eye) on subject of imports—and with soothing influence of popular new Pres. V. J. (Jim) Adduci—internal politics will play no role at meeting for first time in years.

Proposal for first CEG-originated dumping case may come up at meeting, directed at Japanese audio products. Move wouldn't generate unanimous enthusiasm—RCA & Motorola are maintaining policy of neutrality in such matters and it's possible their representatives may even choose not to listen to discussion. Parts Div.'s World Trade Committee and Tube Div.'s Import Committee will hold where-do-we-go-from-here discussions, involving position on bringing more dumping cases, action on legislative front. CEG opposes any legislative action (quotas, higher tariffs, etc.). Other EIA highlights:

CEG's Audio Div. will hold organizational meeting Wed. morning, while Video Div. discusses TV-related topics, with full Group joining together in afternoon. Audio Div. will start with about 26 members—radio-phono-tape representatives of companies already in CEG. Some 15 non-member audio producers have been invited to sit in. New Div. will elect chmn. & vice chmn., discuss statistical program, restructuring of engineering committees, industry promotion (including possible consumer audio shows), legislative matters including perennial FM all-channel bill.

Most important audio topic will be FTC's proposed Trade Regulation Rule on amplifier power (Vol. 11:3 p10). Following recent engineering committee meeting in Chicago, there appears to be growing sentiment to fight proposal on grounds that amplifier rules are not of major concern to consumers, may actually be misleading. Audio Div. will crystallize stand for presentation to FTC next month.

Consumerism will be a major preoccupation, with CEG's Consumer Affairs Council under Philco-Ford's Armin Allen meeting Tues. to discuss Administration program and other proposed legislation (Vol. 11:9 p10), develop positions on warranty, product safety, class-

action, consumer credit & consumer protection agency proposals for consideration by full CEG, which hopes to outline industry stance on all measures. Unanimity isn't expected on this subject either—Motorola & Warwick (Whirlpool) possibly willing to go further in endorsing "protective" legislation than others.

There will be EIA-wide discussion of formation of coordinating body on product safety, with membership drawn from all affected divisions. Parts Div. will be occupied with proposed national standards certification committee to keep U.S. equipment from being "standar-dized" out of European market.

Texas Instruments Pres. Mark Shepherd Jr., ex-EIA pres. & chmn., will receive Medal of Honor at Wed. Govt.-Industry Dinner, at which main speaker will be Transportation Secy. John A. Volpe.

■ ■ ■

Motorola is establishing Canadian assembly plant for Quasar color TV. Now being constructed in Markham township near Toronto, 45,000-sq.-ft. facility has been leased by subsidiary Motorola Ontario Ltd. Operations, confined to simple assembly, start in 2nd quarter under plant mgr. William Deiker, ex-mgr. of Motorola's consumer products plant in Pontiac, Ill. Company's TVs currently are exported to Canada in complete form. By assembling in Canada, Motorola gains duty & excise tax advantages. Motorola has auto radio production facilities in Canada. Addison Industries Ltd. formerly made TV sets in Canada under Motorola license, but filed bankruptcy in 1960 (Old Vol. 16:37 p18). Last year, financially troubled Clairtonne dropped TV manufacture in Canada, and Canadian Westinghouse plans to discontinue making TV sets by Sept. (Vol. 11:8 p7).

Hazeltine Research Inc. (HRI), which lost \$19-million antitrust suit to Zenith (Vol. 11:9 p11), had net worth of \$6,636,000 Dec. 31, Pres. David Westerman of parent Hazeltine Corp. told stockholder last week in letter accompanying annual report. He reiterated previous statements that Hazeltine Corp. "is not involved" in case. Report noted that Hazeltine's & HRI's gross patent revenues declined to \$2.1 million in 1970 from \$2.7 million in 1969, reflecting color TV sales dip and expiration of some European color TV patents. HRI's basic color TV patents expire in Dec. 1973, while some foreign color patents held by parent firm expire earlier.

ZENITH, NUE RESULTS: Zenith specifically cited dumping of imports as contributing factor to industry's & Zenith's financial problems in 1970, in reporting 37.7% drop in net income on sales decline of 15.3% (see financial table). Company's indicated 4th-quarter results, not stated in report, show net income decline of 7.3% to \$14,174,000 from \$15,285,000 in 1969 quarter, while sales increased 6.8% to \$188,194,000 from \$176,214,000.

Chmn. Joseph Wright said Zenith increased share of color (at all time high) & monochrome U.S.-label market last year. Profits were depressed by falling sales volume, shutdown due to truck strike, Chroma-color new-size start-up costs, several govt. & special-products contracts. He forecast that full effect of consumer spending upturn would be felt in 2nd half.

NUE net income plunged more than 90% in 1970 after extraordinary charges of more than \$277,500 connected with phase-out of Emerson consumer electronics production. Net sales declined 13.5%. Company declared 2% stock dividend in lieu of cash to conserve working capital.

Electrohome reported sales increase of 12.5% in 1970, topping \$50 million for first time in its history, as compared with \$44,498,692 in 1969 (exact 1970 sales weren't stated). Net profit totaled about \$1.3 million (\$2.56 per share) vs. \$1,853,249 (\$3.69) in 1969. Pres. Carl A. Pollock said 4th-quarter sales ran 23% ahead of 1969 period.

Superscope had record sales & earnings in full year and final quarter of 1970, crediting increased penetration of market, particularly in cassette recorders and Marantz audio line.

Buckbee-Mears reported slight declines in sales & profits in 1970, but Pres. James F. Bourquin said color TV shadow-mask business "proved to be a source of strength as we increased our penetration of the domestic market and participated successfully in the surging color TV market in Western Europe."

CBS filed suit last week against Philco-Ford, charging infringement of color tube spherical shadow-mask patent. Suit was filed in same Boston federal court which ruled in 1968 that Sylvania infringed patent —later upheld by appeals court. Sylvania later made lump-sum settlement with CBS (Vol. 10:36 p12). RCA had recognized CBS patent from start; CBS is now negotiating with GE & Westinghouse. Motorola & Zenith are remaining companies neither in negotiation nor defendants. CBS patent expires next Sept.

Russian TV set prices have been cut 19-30% as part of broad reductions in consumer products no longer in short supply. TV sets have been in oversupply for some time. Older model b&w sets no longer in production have been reduced average of 30% to about \$300, based on official exchange rate. New-model b&w sets and color sets have been cut average of 19% to \$450 & \$900.

TV & FM oscillator radiation measurement provided by EIA Standard RS-378 will be put in FCC rules shortly. Commission staff has recommended new method, which was worked out by EIA and FCC Lab engineers, and is said to be more repeatable than standards currently in rules—IEEE 187 & IEC No. 106 & Supp. 106A.

LOWER SPRING PRICES: Teledyne Packard Bell last week lowered wholesale prices of its color & monochrome portable sets on average of 3%, and Zenith introduced new 8-set line of color table models, featuring some promotional items.

Zenith's 18" color series now starts at \$369.95, down \$10 from recent post-increase levels, with step-up at \$399.95. Spring promotional special is 2-function remote at new low of \$429.95 for 18" color remote. All 19", 20" & 23" table models now have Automatic Tint Guard flesh-tone compensator. Two 19" sets, including new version of "best-selling single color TV set on the market today," are open-listed. New 20" model is \$469.95, unchanged from predecessor, and two 23" sets have no list prices. Zenith's complete monochrome line has 16 sets in 5 sizes, with prices unchanged. Merchandising special is 19" remote unit, unpriced. Also introduced were 5 new 40-watt stereo consoles with open-listed leader, remainder \$249.95 & \$259.95.

Packard Bell's reductions range as high as 5%, are designed to stimulate additional business and continue company's increase in portable TV market share, according to Mktg. Vp William J. Horn. TPB also introduced big-screen color sets at new low price points—two 25" consoles at \$549.95 (previous low \$579.95), new 25" consolette at \$499.95, and 23" consolette at \$449.95 (\$20 below former low). Compact rollabout stereo is \$329.95, modular 4-piece stereo with either changer or cassette recorder is \$199.95.

Fisher Radio has entered automatic turntable field with 3 deluxe units, at \$99.95, \$129.95 & \$149.95. They're made in Germany by Perpetuum-Ebner.

RCA's suburban office building in New Canaan, Conn. (Vol. 10:50 p11) will have 1,018 executive employees—640 now at RCA offices in N.Y.C., 378 in N.J.—company announced. Executive hq will remain in N.Y.C. with about 10,000 employees in offices there. Construction on 269-acre site purchased for \$3 million awaits permission by New Canaan officials. Civil rights group Suburban Action Institute immediately requested Federal Equal Employment Opportunities Commission to charge RCA with discrimination and sought to bar move on grounds New Canaan's zoning laws & practices "prevent black & brown people, typically of low & moderate income, from living there." RCA said it "will stand on its record of not discriminating," and spokesman said all personnel being transferred to New Canaan had special skills and could afford housing available there.

RCA countered Zenith's "No. 1 selling color TV" ads (Vol. 11:7 p7) with trade ads of its own last week, headlined "RCA No. 1 in Color TV Sales to Consumers" and based on "results of over 290,000 consumer interviews by an independent research organization throughout 1970." Organization is presumed to be Trendex. RCA claims 1970 was 17th consecutive year it led in sales to consumers.

NARDA convention April 19-21 at Chicago's Regency Hyatt House, will feature manufacturer speakers, including Admiral Exec. Vp John Craig, Motorola Gen. Distribution Mgr. Robert Warren, Philco-Ford Exec. Vp Leo Beebe, RCA Sales Corp. Mktg. Vp William Anderson, Westinghouse's Richard Sargent, Zenith Sales Corp. Pres. Walter Fisher.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during past week. Dash indicates information not available at press time. Amounts expressed in dollars. Parentheses denote loss.

Company & Period	Revenues	Net Earnings	Per Share
American Bcstg. Cos. 1971-52 wk. to Jan. 2 1970-53 wk. to Jan. 3	748,262,000 720,924,000	16,797,000 ^a 16,761,000 ^a	2.37 2.32
Andrea Radio 1970-year to Dec. 31 1969-year to Dec. 31	2,536,431 4,441,929	9,741 102,738	.02 .20
Buckbee-Mears 1970-year to Dec. 31 ^b 1969-year to Dec. 31 ^b	37,617,000 37,980,000	1,807,000 ^c 1,667,000 ^c	.84 .76
Corinthian Bcstg. 1971-9 mo. to Jan. 31 1970-9 mo. to Jan. 31 1971-qtr. to Jan. 31 1970-qtr. to Jan. 31	21,289,698 23,714,392 6,272,638 7,648,717	3,399,405 3,516,559 897,070 1,088,416	1.01 1.04 .27 .32
Electronic Memories & Magnetics 1970-year to Dec. 31 ^b 1969-year to Dec. 31 ^b	92,639,000 88,499,000	(14,257,000) ^a 5,740,000	-- .92
Famous Players Canadian 1971-year to Jan. 2 ^b 1970-year to Jan. 3 ^b 1971-qtr. to Jan. 2 ^b 1970-qtr. to Jan. 3 ^b	64,182,230 55,353,150 15,124,798 15,386,621	16,750,248 ^d 5,774,530 ^d 12,359,860 ^d 1,623,877 ^d	2.33 .80 1.72 .23
Foote, Cone & Belding 1970-year to Dec. 31 1969-year to Dec. 31	241,950,000 ^e 260,598,000 ^e	(641,000) ^c 2,128,000	-- .99
MCA 1970-year to Dec. 31 1969-year to Dec. 31 1970-qtr. to Dec. 31 1969-qtr. to Dec. 31	334,083,000 305,736,000 107,378,000 101,400,000	13,272,000 2,514,000 3,365,000 2,091,000	1.62 .31 .41 .26
National Union Electric 1970-year to Dec. 31 1969-year to Dec. 31	131,040,701 151,434,876	277,490 ^c 3,166,605	.14 1.58
North American Philips 1970-year to Dec. 31 1969-year to Dec. 31	547,102,000 548,960,000	8,790,000 ^d 27,424,000 ^d	1.00 3.13
PEPI 1970-year to Dec. 31 1969-year to Dec. 31	177,186,000 169,638,000	5,887,000 ^d 7,909,000 ^d	1.94 ^f 2.61 ^f
PKL Cos. 1970-year to Nov. 30 1969-year to Nov. 30	817,355 2,733,282	(336,633) ^a 232,373 ^a	-- .32
Reeves Industries 1970-year to Dec. 31 1969-year to Dec. 31	6,474,193 7,709,070	507,525 ^d 1,404,315 ^d	.15 .41
SKL 1970-6 mo. to Dec. 31 1969-6 mo. to Dec. 31	-- --	33,282 ^d 1,142,849 ^d	-- --
Subscription TV 1970-6 mo. to Dec. 31 1969-6 mo. to Dec. 31	13,714,000 14,447,000	(2,620,000) (1,370,000)	-- --
Superscope 1970-year to Dec. 31 1969-year to Dec. 31 1970-qtr. to Dec. 31 1969-qtr. to Dec. 31	57,200,000 47,270,000 19,900,000 13,980,000	3,130,000 ^c 2,910,000 ^c 1,410,000 990,000	1.49 1.38 .67 .48

Company & Period	Revenues	Net Earnings	Per Share
Zenith 1970-year to Dec. 31 1969-year to Dec. 31	573,143,704 676,577,184	24,701,957 39,620,527	1.30 2.08

Notes: ^aIncludes special items. ^bRestated. ^cAfter special charge. ^dIncludes special credit. ^eBillings. ^fAdjusted.

Trade Personals

J. D. Dougherty, Zenith Sales Corp. vp-sales mgr., advanced to exec. vp; **Alex Stone**, former TV product mktg. mgr., named mdsg. mgr., new post; **John McCallister** upped from product development mgr. to TV product mgr.; **Robert McCarthy** shifts from radio, portable phono & console stereo mkt. development mgr. to product mgr. for all audio products; **William G. Frick**, mgr. of Zenith's Canadian sales, appointed vp of subsidiary Zenith Radio Corp. of Canada; he'll also continue supervising development of U.S. sales to hotel-institutional markets.

John Andersen resigns as RCA Sales Corp. ad services mgr. to join Campbell-Mithun ad agency, Minneapolis... **Richard A. Heise**, ex-RT Systems, elected Arvin vp-treas.; **Edward Killion**, controller & asst. treas. named vp; **John J. Thomas** elected vp-secy., continues as house counsel; **Harlan Foulke**, ex-vp-secy., and **T. Earl Robinson**, ex-vp-treas., continue with Arvin as consultants.

John J. Casey, ex-Riker-Maxson, joins CBS EVR Div. as mdsg. dir... **Mitsuo (Mike) Urakawa** moved up from Panasonic Chicago asst. gen. mgr. to Atlanta gen. mgr.; **Hajime Yamato** elected financial & administrative group vp; **Seth Waller**, ex-D.C.A. Food Industries, joins Panasonic as legal dept. mgr... **Charles Overstreet** promoted at Altec from University Sound Div. ad mgr. to ad mgr. for all consumer-distributor lines.

C. Luther Harrison, ex-TRW, joins Silicon Transistor as gen. mktg. mgr., succeeding **John Q. Adams**, now account mgr.; **Robert Severson**, ex-Fairchild Semiconductor, appointed sales mgr... **Charles T. Smith**, former Gulton asst. corp. controller, promoted to Microceramics Div. exec. vp, succeeding **Ed Seitz**, now Battery & Power Sources Div. mfg. vp... **Kenneth Taylor**, gen. mgr. of Sprague Concord, N.H. semiconductor operation, adds duties as pres. of Pirgo Electronics, semiconductor firm acquired by Sprague; he succeeds **Frank Klosowsky**, who continues as consultant... **Donald Watson** promoted at Sylvania Parts Div. to mgr. of Shawnee, Okla. plant, succeeding **Ernest Prudhom**, resigned.

Martin B. Seretean, chmn.-pres. of RCA subsidiary Coronet Industries, elected to RCA Board... **Bruce McGilaway**, ex-Logic Corp., named national sales mgr., Ampex magnetic tape div., succeeding **Brian Trankle**, now asst. to mktg. mgr. for special assignments.

Japan's most profitable firm remains Matsushita Electric Industrial, with earnings of \$125.2 million for 6 months to Nov. 30. Others in Japan's top 10: Matsushita Electric Works \$23.6 million, Sanyo \$15.8 million, Dai Nippon Printing \$11.9 million, Matsushita Communication Industries \$8.3 million.

WEEKLY Television Digest

with Consumer Electronics

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WHITE PAPER

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⁶ ROBERT WELLS, Kan. (Rep., 1969-1977), 820, 632-7227.
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⁷ THOMAS J. HOUSER, Ill. (Rep., Jan. 1971-June 30, 1971), 810, 632-7007.
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¹ Appointed to full 7-year term in 1969.
² Reappointed for full 7-year term in 1965.
³ Reappointed for full 7-year term in 1967.
⁴ Appointed to full 7-year term in 1966.
⁵ Appointed to full 7-year term in 1968.
⁶ Reappointed for term ending in 1977 (remainder of Cox term).
⁷ Appointed Jan. 1971 for term ending June 30, 1971 (remainder of Wells term).

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Volume I—Part 0, Statement of Organization, Delegations of Authority, and Other Information; Part 1, Practice and Procedure; Part 13, Commercial Radio Operators, and Part 17, Construction, Marking and Lighting of Antenna Structures.

Volume II—Part 2, Frequency Allocations and Radio Treaty Matters, General Rules and Regulations; Part 5, Experimental Radio Services (other than Broadcast); Part 15, Incidental and Restricted Radiation Devices, and Part 18, Industrial, Scientific and Medical Services.

Volume III—Part 73, Radio Broadcast Services, and Part 74, Experimental, Auxiliary and Special Broadcast Services.

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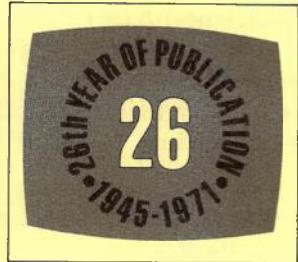
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WITH THIS ISSUE: Annual Index to Articles in 1970 Issues of Television Digest.

MARCH 15, 1971

VOL. 11, NO. 11

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

SLIGHT CRACK IN CATV FREEZE shows at FCC hearings. Some shifting by opponents, as FCC gears for final-decision drive after sessions end. Panel format successful. Distant-signal arguments unchanged. 'Access groups' see 'era of channel abundance.' (P. 1)

CBS BREAKS OFF TALKS with other 2 networks on alternating kids' show in afternoons. Catalyst Burch informed network isn't interested. Cronkite to star in Sat. show for children. (P. 3)

FALL 8 P.M. START BY NETWORKS likely after letter from FCC saying later programming 'would better serve the public interest.' Each network keeps escape clause if competition backs out. NBC, CBS and their affiliates unhappy with ABC Tues. waiver. (P. 3)

OTP's FIRST BILL waits White House approval. Offers 5-year plan for CPB based on Public Broadcasting Fund, \$35 million annually, matching funds. (P. 4)

SATELLITE RACE ACCELERATES as network business is main target of RCA, MCI Lockheed applications. Western Union to update bid. Other applications expected. (P. 5)

FCC FLEXING CONTOURS: Considering combination of changes for Grade B, in predictions & field strengths, making little change in radii of Ch. 2-6, extending Ch. 7-13, shrinking uhf. (P. 6)

McGRAW-HILL BUYS TV-ONLY from Time-Life for \$69.3 million. Time put money into CATV & video cassettes, sell radio separately. (P. 6)

SLIGHT CRACK IN CATV FREEZE SHOWING: Some easing of FCC's CATV restrictions—"how much?" remains the big question—appeared in works after 2 long days of Commission hearings last week. This was apparent before hearings, more so now. It was evident in grudging minor concessions by disputants, even more apparent in commissioners' questions. Even MST will now go for NAB's old position of approving carriage of 3 networks, one independent, one ETV—with usual leap-frogging & related protections. NCTA would buy a "failing station doctrine," saying "special relief" should be given station which shows FCC that CATV signal imports threaten "minimum" telecasting service. Footnote 69 seems sure to go by the boards. This means that CATV could carry overlapping signals.

Notable throughout hearings was FCC Chmn. Burch's opinion that Commission rules are backwards—designed to protect stations in big cities, whereas it's small-market stations which need

Consumer Electronics

BANNER SALES WEEK caps good month in Feb., with color setting last-Feb.-week record and running at 5.4-million annual rate for 1971. Feb. portable phono sales 66% ahead of 1970. (P. 8)

NEW ANTI-IMPORT MOVES mapped by EIA Consumer Electronics Group and Parts & Tube Divs. No new dumping complaints against Japan planned, as Tariff Commission finds no injury in capacitor case. Treasury probing British diamond phono tips. (P. 9)

MAJOR CONSUMERISM DRIVE is focus of EIA Consumer Group. Unified industry position is slight for FTC amplifier-power hearings. Administration consumer program favored over Democrats'. (PP. 10 & 12)

RCA SOLID-STATE MODULES standard for all upcoming console & table color sets except price leaders. AccuMatic tint & hue-limiting feature introduced in new color sets. Stereo console line unveiled. (PP. 10 & 12)

INDUSTRY TV EXPORTS DOWN in 1970, along with most other consumer electronics products, as unfavorable trade balance grows to \$637 million. (P. 11)

INSIDE CARTRIDGE TV: Prospectus reveals Admiral contracted to buy 10,000 Cartrivision VTRs, Avco agreeing to produce up to 200,000 for CTV. Sony prices videoplayer at \$800 in U.S. Time-Life Video to enter mail-order videocassette sale & rental. (P. 13)

RCA CHARTS POOR YEAR: Home & commercial products & services represented 47% of sales but only 29% of profits in 1970. Ampex will report loss. (P. 13)

protection, if any do. As you'd expect, almost no one voiced objections to providing plenty of access to channels by minority groups, educators, city govts. And no meter readers spoke up to warn against possibility of all kinds of non-TV services.

Concept of panels for oral proceeding, an FCC novelty, was big hit. Commissioners thought give-&-take among panelists huge relief from deadly dull customary oral arguments. Said Burch: "I think it's good. It also takes from the Commission the need of being the devil's advocate." Wells: "Did you ever sit through those oral arguments?"

As for concept of big hearing proceeding before final decision, consensus is that it's good. Everything anyone can think of will be on record—replete with backbiting, emotional outbursts, reams of technical studies, statistical breakdowns, etc. As one attorney put it: "The Commission will have a record on which it can justify any decision it makes."

Commission is itchy to settle CATV in some decision final for visible future, get issue off its back. It's good guess decision won't dawdle for many months after hearings end March 24. If Congress and/or courts change FCC decision—so be it. That's Commission mood.

Basic fight is old hat: Stations say distant-signal imports will dilute their audiences, eroding their financial base, eventually killing the free service they offer. CATV says it needs imports as financial base from which they can develop exciting future of multiple TV channels for all, vast array of non-TV services over "home terminal." Stations assert that process will simply convert present system to pay system. Cable interests say they'll open new era of channel abundance as opposed to quasi-monopoly of scarcity. Only significant change in picture is lineup of cable allies among powerful groups with little financial interest in outcome—ethnic minorities, women's groups, foundations, educators, govt. arms such as HEW, OEO, Justice Dept., OTP. Such groups tend to be impatient with FCC for worrying about stations' health. Theory of "channel abundance" & "diversity" has great appeal to them.

We thought there'd be much more finger-pointing by telecasters to closed-circuit Ali-Frazier fight. There was substantial amount, with warnings that all high-interest events would go to some form of pay route—but there was considerably more such head-shaking outside hearing room, in press, Congress, etc. NAB, in slugging press release—novel for the association—had new PR Exec. Vp Paul Haney declaring fight "is a shocking example of what cable-pay TV is all about." This stung NCTA Pres. Donald Taverner to say: "The record clearly indicates that cable systems have gained nothing from the blackout... Broadcasters are the ones who sign contracts blacking out such events as the Super Bowl."

Of 4 panels last week, first was among more interesting—since it included major spokesmen for what might be called the "access group." Sample positions:

McGeorge Bundy, Ford Foundation: "Extraordinary technological promise" of cable to provide variety. Must have "plurality" of access & management. Franchises should be 7-10 years—compromise of stability & flexibility. Don't use common carrier regulation; that's OK for a full-grown industry, such as phone.

John Macy, CPB: Cable "can liberate TV from the tyranny of restricted channels." Makes possible many more "Sesame Streets," not only for children, but for senior citizens, uneducated, municipalities with financial troubles, etc. If cable is used only for distant signals, "will be a great disappointment." "Substantial portion" of channels—say about half—should go to public users. The 5% fee for ETV should go for cable ETV.

Ted Ledbetter, Urban Communications Group (sole black witness so far): Access & control most important. No TV stations are owned by blacks. Should be no cross-ownership of cable with program sources. Should be equal access for all program sources. Should be competition among makers of terminal equipment—as in TV sets.

Everett Parker, United Church of Christ: Free speech via access. Great diversity possible with cable. FCC should require "maximum channel capacity at installation." Cable owners shouldn't originate—except to get started, until subscribers reach certain level. Require hookups to all homes—poor as well as affluent. Give franchise preference to non-profit outfits, universities, etc. Allow distant signals only to systems owned by non-profit organizations (laughter).

Albert Kramer, Citizens Communications Center: FCC requirement that stations make "good faith" efforts on behalf of minorities isn't good enough. Cable can abolish age of scarcity, start "era of abundance." FCC should require systems to furnish origination centers.

Of "vested interests" on first panel, movies' Jack Valenti wanted to be sure his people get paid. Paul Comstock, NAB, reiterated stations' position that CATV should be "auxiliary service," used to fill out network & ETV complement where lacking. If systems add "innovation originations" —fine—but they shouldn't have "crutch" of signal imports. Ali-Frazier fight "classic example" of program "siphoning."

TelePrompTer's Irving Kahn stressed he's largely alone, among colleagues, in not seeking distant signals for top 10-25 cities, said non-TV services would provide income permitting reduction of monthly charge to \$1-\$2. He said he has working models of 2-way system, will put it in operation before mid-'72, recently committed \$14 million for new hardware and this will "pump-prime hundreds of millions" from others. To reach poor groups, he said, TelePrompTer is looking into federal programs which pay for such groups' utilities, seeking such funds for cable ETV, also looking to REA-like program to extend service to low-density areas. Kahn's colleague Paul Visher, Hughes Aircraft, strongly opposed rate-base common-carrier type regulation of cable, said it's "most stultifying" for new industries.

There were about 350 in audience first day, 250 second. Crowd probably will continue dropping this week. Panels are scheduled March 15 & 18. Then individual appearances come, running March 19, 22, 23 & 25. There are 121 scheduled—but many are expected to drop out, as repetition rate accelerates. Commissioners' attendance was perfect, attention span good. None slept.

FCC is displaying a little show-biz savvy itself. Feather in Burch's cap is getting ETV coverage through WETA-TV Washington. Reportedly, audience was tiny—but loaded with demographics. But tune in on Panel 8 March 18; see such attractions as Charlton Heston, Ossie Davis, and—just booked—Roberto Rossellini.

One sure thing: Commercial-substitution plan is kaput. Everyone still wonders how it ever saw light of day.

CBS BREAKS OFF KID-SHOW TALKS: Joint talks among TV networks—prompted by FCC Chmn. Dean Burch and with blessing of Justice Dept.—have ended without coming close to agreement on alternating children's TV show in late afternoon. CBS broke out of talks, informed Burch it would not want to participate in such a shared project with ABC & NBC. Talks had focused on outside-produced, half-hour, high-budget program, with networks alternating in carrying in 13-week cycles. Networks would have shared costs.

It's understood CBS believes it's already doing much more in quality kids' shows (Capt. Kangaroo was cited) than other 2, and has some "exciting" plans on its own: Walter Cronkite starring in a "quite expensive" tape drama, using "You Are There" technique, to be slotted at noon Sat.; several specials; projects in works, which, if any pan out, could lead to late-afternoon period favored by Burch.

Burch has pushed networks hard for more & better children's programming, warning them in IRTS speech to forget profits in this area (Vol. 10:38 p1). Few weeks later, he had secret lunch with Goldenson, Stanton & Goodman to push plan for joint effort (Vol. 10:50 p5). And, currently outstanding is FCC inquiry into all facets of kids' shows, both network & station (Vol. 11:4 p1). It resulted from petition filed by ACT; comments are due May 3, replies June 1.

FALL 8 P. M. START BY NETWORKS LIKELY: Following a less than gentle nudge from FCC, 3 TV networks in March 12 letters to Commission agreed to start prime-time programming 5 nights a week at 8 p. m. NYT this fall—provided competition starts at same time. Each network, in carefully worded statements leaving them an out if "competition" moves back to 7:30 p. m., said waiver nights of Sun. & Tues. were exceptions.

But matter is far from settled. CBS, NBC and most of their affiliates are unhappy over Tues. night waiver granted ABC last week (allowing 3-1/2 hours of network programming that night) on 4-3 vote (Bartley, H. R. Lee, Johnson dissented). Commission wouldn't be surprised if it receives petitions for reconsideration of ABC waiver from several stations. (NBC had been granted Sun.

night waiver earlier.) Early start on Tues. night will prevent affiliates from stripping syndicated show at 7:30 Mon.-Fri.—which many stations were considering during first year of rule when they're permitted to repeat off-networks shows. Waivers are good only until Oct. 1972.

About 2 weeks ago, serious talk began about requesting FCC to suggest networks start at 8. Movement was prompted by: (1) Privately-admitted preference of all 3 networks for later start, but their fear to do so individually because of competition. (2) Strongest kind of opposition to networks ending their programming at 9:30 p. m. in Central Time Zone, which would have been case under earlier start. (NBC got into quite a hassle with its Affiliates' Board earlier last week when it announced fall schedule starting at 7:30.)

Networks made views known to FCC Chmn. Burch, as did many affiliates. Commission responded with March 11 letter saying 3-hour rule should "be given a full & fair opportunity" to determine if it would provide desired goal of diversity. "The particular hours of network occupancy of prime time may well have a significant effect in this respect. Specifically, the Commission believes that the selection of an 8-11 p. m. time period would better serve the public interest as a general matter."

FCC said 8 p. m. start would be best because of "our present understanding of the apparent plans of independent producers and individual stations [and] the impact on particular time zones such as the CST." Letter to networks hit brief snag when Screen Gems protested, but telephone poll by Commission staffer showed objection wasn't widespread among other syndicators. Networks were given one day to respond.

Said ABC: "With the exception of Tues. night and on the assumption that CBS & NBC will also decide upon an 8 p. m. sign-on, the ABC Network will select 8-11 p. m." CBS: "It would be our desire to announce an 8-11 p. m. NYT schedule. However, if either of the other networks starts its schedule at 7:30 p. m. on any night (with or without a waiver...) we would feel compelled to do likewise on that night or nights in order to avoid serious competitive disadvantage." NBC: "We agree with the principle of an 8-11 p. m. network schedule... and propose to follow that principle subject to the [waiver] exceptions... assuming that the other networks adopt a similar starting time... If, however, another TV network should open its prime time schedule at 7:30 p. m. on any other night, NBC would have to reserve the right to follow the same pattern."

It's a tenuous truce at most. Only NBC has announced its fall schedule. And, after network responses to FCC letter were public, CBS official said "there's no sense in announcing our schedule even now, not until this thing is finally settled."

OTP PREPARES PUBLIC BROADCASTING BILL: First legislative proposal by Office of Telecommunications Policy (OTP) is due to be submitted to Congress this month setting forth Administration's long-awaited CPB permanent financing plan. Essence of bill creating Public Broadcasting Fund bolstered by annual appropriations & matching funds has been cleared by Office of Management & Budget (OMB), but awaits final White House approval.

Here's outline of bill: In a 5-year program, Public Broadcasting Fund would be established in Treasury Dept. Deposits would come from 2 sources: (1) \$35 million annual appropriation from Congress. (2) Govt. would match one-third of all private contributions received not just by CPB, but by entire non-commercial system. Finally, at least 30% of federal money in Fund must be distributed to local stations.

Little about OTP's maiden bill appears original. It's still based on annual appropriations, and that aspect leaves Administration & House Communications Subcommittee at odds. Last year, when HEW's permanent plan offered 3-year authorization with matching funds, Subcommittee members were astonished (Vol. 10:16 p5), and Chmn. Macdonald (D-Mass.) vowed: "I for one will not go to the floor and tell them this is the solution. I can't conceive of how you can come up here and tell us this is the solution." Subcommittee would like to see plan based on some kind of tax plus matching funds to make CPB more independent. However, White House is opposed to new taxes this year. Other aspects of bill have been proposed by FCC, CPB & Rep. Tiernan (D-R.I.).

OTP staffers have been doing some quiet lobbying before formal introduction, trying to sell idea that if bill were enacted, Public Broadcasting Fund would serve excellent foundation for genuine independent financing in future. OTP Dir. Clay Whitehead wouldn't comment on bill.

SATELLITE RACE ACCELERATES: Applications for domestic satellites were filed last week by 2 more companies—RCA Global Communications and MCI Lockheed—and couple more are expected by March 15 deadline. All are keyed on hopes of attracting business of TV networks (which have until end of month to file comments) and CATV. Networks also still are considering possibility of filing for own system.

MCI Lockheed (combination of Microwave Communications Inc. and aircraft firm) proposed largest satellites to date, each with capacity of 48 TV channels (compared with Comsat's 24, RCA's 12). Applicant said it could serve network needs for under \$30 million a year, provide free ETV & instructional service for 5 years. System would cost \$169 million.

RCA's unique feature was proposal to send movies into theatres via satellite. RCA GlobCom Pres. Howard Hawkins said movie people were enthusiastic about money to be saved by not making prints. He said it would be "premature" to predict whether RCA will pursue application if it fails to get network business (about \$34 million annually under RCA proposal). System would cost \$198 million when fully constructed.

Western Union has news conference March 15 to update its application—first one filed at FCC (Vol. 10:31 p1). Also on file are applications by Comsat (Vol. 11:9 p6), joint Comsat-AT&T (Vol. 10:42 p3), Hughes Aircraft. Fairchild Hiller and Western Tele-Communications also announced plans to file.

"If all proposals affecting broadcasting now pending in Washington were adopted it would be the end of broadcasting as a viable free enterprise. You could just throw the switch and go fishing... I believe the Congress will awaken to this danger—that the FCC will weigh the proposals, find them wanting, and return them unused to their misguided proponents."—NAB Exec. Vp Paul Comstock, speaking to Tex. Assn. of Bcstrs.

FTC may seek injunctions against TV & radio commercials that promote abuse of over-the-counter drugs, according to Rep. Ella Grasso (D-Conn.), who claims she was told that by FTC Chmn. Kirkpatrick, and that such violations have been assigned "the highest priority" at Commission.

Telstar I, granddaddy of communications satellites, has been loaned to FCC by Smithsonian Institution, is on display in Commission lobby. Telstar was launched July 1962, completed 300 experiments before going dark in Feb. 1963. Model displayed is replica of satellite orbited.

Washington blacks have asked D. C. Court of Appeals to reverse FCC's renewal of WMAL-TV without hearing. Group accused Commission of "electronic gerrymandering" in ruling that WMAL-TV service area includes suburbs (Washington is 70% black, but metropolitan area is 70% white).

Communications Advisors is new CATV finance subsidiary of Communications Properties, with offices in Indianapolis & Austin. James Ackerman, ex-Economy Finance, Indianapolis, is pres.; Robert W. Hughes advances to exec. vp.

Only one-third of ETV stations in U. S. originate local news, according to NAEB survey.

Several radio announcers, members of public and possibly a trade association will accuse FCC of censorship in court appeal to be filed this week challenging Commission's notice that licensees must know lyrics of songs before broadcast (Vol. 11:10 p4). Notice was issued because FCC believes some songs promote drugs. Appeal will be filed by Tracy Westen of Stern Community Law Firm. He's ex-legal assistant to FCC Comr. Johnson, who dissented to Commission action. Westen said requirement that all records be pre-screened will work "a substantial burden" on small stations, thought it "interesting" that no commercial stations plan appeal of what he said was clear violation of First Amendment and obvious attempt to prevent certain records from being aired. Meanwhile, WDAS(AM) Philadelphia disc jockey Steve Leon was fired in middle of broadcast last week while playing Arlo Guthrie's "Coming into L. A.," which allegedly has reference to smuggling drugs into U. S. Owner of WDAS—and man who fired disc jockey—is Max Leon, Steve's father.

"Case of PR overkill... absurd," was reaction of Rep. Van Deerlin (D-Cal.), ranking Democrat on Communications Subcommittee, to Army's \$10.6 million TV-radio blitz to attract volunteers. He plans to introduce resolution objecting to govt. spending for broadcast time and to ask Subcommittee to hold hearings. Army has contracted with N. W. Ayer to place thirty 20-sec. prime-time TV spots for \$4 million and a hundred 30 & 60-sec. radio spots for \$5.8 million. Rest goes for production costs plus \$90,000 to research impact of ads which started March 1, run through June. Rep. Mitchell (D-Md.) called ads "a dangerous mistake... I can envision the day when the military would use its purchasing power to influence the activities of TV stations throughout the nation."

"Retrogressive & unrealistic," Republican FTC Comr. Mary Gardner Jones termed Ash Council proposal to replace Trade Commission with 2 new agencies (Vol. 11:7 p2). "The Council offers virtually no rationale for its proposed separation of the Commission's antitrust and no consumer protection activities... [It] would so weaken the Commission that it would be unable to take significant action to respond to the totality of consumers needs," she said.

International U. of Communications has been established near Dulles Airport outside Washington, D. C., hopes to have physical plant constructed by end of year. Branch campuses are planned in major cities. President of University is Dr. Robert Hilliard, chief of FCC educational branch who will remain at Commission for several months.

Obituary

Barney Balaban, 84, former pres. & chmn. of Paramount Pictures, died March 7 in Byram, Conn. He was president from 1936-64, succeeded Adolph Zukor as chmn., became honorary chmn. when Paramount was brought by Gulf & Western in 1966. TV pioneer entrepreneur, he headed company when it started WBKB Chicago in 1941. Wife, son, daughter survive.

James T. McKnight, 46, NAB regional mgr. for Far West and veteran of 25 years in broadcasting, died March 11 of heart attack in Redding, Cal. He joined NAB in 1960, started in radio 15 years earlier at KFOR (AM) Longview, Tex.

FCC FLEXING CONTOURS: FCC's long-pending proposals (since 1965) to change methods of predicting Grade B contours are said to be ripe for action—and it's understood Commission is considering:

(1) Proposing new rules lowering definition of Grade B field strengths.

(2) Finalizing rules for predicting Grade B curves.

(3) Finalizing rules permitting use of actual Grade B measurements in cases where precise location is critical.

From business standpoint, here's what's involved: New method of predicting contours would shrink radii of most stations—particularly at greater heights and on uhf. On other hand, using lower field strengths to define Grade B (because of lower noise in today's receivers, compared with receiver performance when rules were adopted in 1952), would extend contours. Frequently, use of both would about even out—except that uhf would still suffer substantial shrinkage.

Commission apparently doesn't intend to require filing of new Grade B contours under new & proposed rules, except when more exact location is significant. Nor would it permit use of new rules to place stations at distances shorter than those allowed in present rules. Nor would it make any changes in Grade A field strengths, believing that present levels are needed to offset city noise. Commission also would apply new rules to FM.

Grade B field strengths would be changed as follows (in dbu): Ch. 2-6, 47 to 46; Ch. 7-13, 56 to 50; Ch. 14-69, 64 to 60. Here's how combination of new predicted contours and field strengths would affect radii:

Ch. 2-6—At 500 ft., radius would go from present 56.5 mi. to 55 mi. (with new curves), then expand to 57 mi. when lower field strengths are applied. At 1,000 ft., 3 distances would be 69.5, 64.5 & 66. At 2,000 ft., 86, 80 & 82.

Ch. 7-13—At 500 ft., 51.5, 52 & 59.5. At 1,000 ft., 63, 59.5 & 68. At 2,000 ft., 80, 75.5 & 86.

Uhf—At 500 ft., 56.5, 43 & 47. At 1,000 ft., 69.5, 52 & 57.5. At 2,000 ft., 86, 66.5 & 73.5

“*Direct dialogue*” with delegates—through 20 hour-long panel sessions, each featuring moderator & 3 panelists—is goal of NAFMB convention March 25-28 in Chicago's Palmer House. Typical subjects: Auto receivers; agency & advertiser viewpoint; minority employment; large & small market problems. Speakers include Sen. Moss (D-Utah), sponsor of all-channel radio bill and member of Communications Subcommittee; FCC Comr. Wells; Columbia U. Pres. William McGill. Convention will close with tour of facilities on John Hancock Bldg.

KHVH-TV Honolulu and Hilo & Maui satellites have been purchased from Western Telstations (Lawrence Berger 51%) by Starr Bestg. (William Buckley, chmn.; Peter Starr, pres.) for about \$3.1 million. KHVH-AM-FM aren't involved. Broker: Blackburn.

ABC News film is now available to European TV networks participating in daily Eurovision news exchange program.

RADIO OUT OF TIME, M-H DEAL: Worried about making its entry into TV contingent upon “as many as 8 separate sales” of radio stations, McGraw-Hill announced last week that it's buying Time-Life's TV stations only in \$69.3 million “cash & notes deal.” In original transaction last fall, M-H planned to buy all Time-Life's TV-AM-FM properties for \$80.1 million (Vol. 10:44 p1).

Reporting new plan, Time-Life Chmn. Andrew Heiskell said: “FCC regulations compel us to choose between conventional TV broadcasting & cable TV within 3 years. This sale meets those requirements and provides us with a source of capital which we will use in part to develop our CATV holdings and the video cassette field... Approval of the TV sale could have conceivably depended upon as many as 8 separate sales of our radio stations. Such a potential prolongation of the transaction not only disrupts the plans of buyer & seller, it may, moreover, impair the morale of the broadcasting personnel involved.” He said Time Inc. planned to sell radio stations separately. TV stations involved: WFBM-TV Indianapolis, KLZ-TV Denver, WOOD-TV Grand Rapids, KOFO-TV San Diego, KERO-TV Bakersfield.

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Taking broad swipe at FCC, OTP Dir. Clay Whitehead said Commission “has not been able to make up its mind” or “come to grips” with policies for CATV, domestic satellites or specialized services. Addressing Spring EIA Conference in Washington, he asked: “Is it really in the public interest to require every significant new service offering to prove its potential, to prove that it will not harm any other regulated service... to prove that it satisfies some vaguely defined optimum use of the Nation's resources?.. Can we afford to rehash the arguments which apply to telephone regulation for every new communications service just because that service happens to use electrons rather than ink?.. Can we not have regulation to a considerable extent by policy?.. I mean policy in the sense that the government—strongly, but in the least meddlesome way possible—lays out what is expected of industry, establishes the limitations beyond which industry may not go, and then leaves it to the industry and the public to find their own equilibrium... We are hopeful that the Commission will use this occasion to evolve further the policy approach to regulation: Create the incentives, set the rules, and let the great resources of this country get on with the business of domestic satellite communications.”

Marconi forms American subsidiary, Marconi Electronics Inc., Elmsford, N. Y., to service U.S. customers and to expand equipment line “into all aspects of the broadcasting field.” Over 650 Marconi TV cameras have been exported to U. S. Pres. of subsidiary is Thomas Mayer, managing dir. of Marconi Communication Systems; Frank Cassidy, ex-Marconi Philippines Inc., exec. vp.

APBA plans meeting of management & news representatives from AP stations June 11-12, Chicago. APBA Pres. Tom Powell said board wants to make meetings annual event.

Systems Wire & Cable reports earnings for quarter ended Dec. 31 at \$3.21 per share vs. \$1.23 for similar 1969 period. Sales & earnings totals weren't disclosed.

Personals

FCC Comr. **Thomas Houser** is guest of honor at reception March 18, National Bcstrs. Club., Washington.

Brian Lamb, news secy. to Sen. Dominick (R-Colo.), appointed special asst. for press & congressional relations, Office of Telecommunications Policy, effective March 22; **Charles Joyce**, ex-Defense Dept., joins OTP in senior program management position supervising national security, emergency preparedness, federal & international communications and computer-communications... **Malcolm Kilduff**, ex-asst. news secy. for President Johnson and since then a political consultant, named news secy. for Sen. Hartke (D-Ind.).

John A. Hardin elected pres. & chmn., Mutual Bcstg. Corp., in reorganization moving company's main office from L. A. to 60 E. 42nd St., N. Y. He succeeds **John P. Fraim**, who resigned to head President Nixon's People to People program. **Victor C. Diehm** remains pres., Mutual System (radio network); **Eugene H. Alnwick** continues as pres., Mutual Sports, Mutual Productions & MURAM Inc.; **Richard Stark** promoted to corp. secy., **Thomas Williams**, asst. secy.

Willard Block promoted to vp & gen. mgr., Viacom Enterprises; **Jules Arbib**, to domestic marketing vp; **Frederick Gilson**, international sales vp; **Henry Gillespie**, domestic syndication vp; **James Victory** resigns as domestic sales vp... **Charles Smith** promoted to business analysis vp, ABC.

Joe DiMaggio joins Hughes Sports Network as PR vp... **Joel Segall**, ex-KYW-TV Philadelphia, named gen. sales mgr., WJZ-TV Baltimore, succeeding **Stephen Seymour**, now gen. sales mgr., WBZ-TV Boston... **Monas Bachman** promoted to gen. sales mgr., WISN-TV Milwaukee... **Thomas O'Connell**, promoted to gen. sales mgr., WKBF-TV Cleveland, succeeding **Allen Feuer**, now gen. sales mgr., KBHK-TV San Francisco.

Andrew Jackson, ex-pres. & gen. mgr., WMKG Muskegon, Mich., named Capital Cities community relations dir... **Bruce Johansen**, ex-KFOG(FM) San Francisco, named operations mgr., KBSC-TV L. A.... **Howard Holst**, managing dir., WKNO-TV Memphis, elected NAEB ETV Stations Div. chmn... **John J. Iselin**, ex-vp & publisher, Harper & Row, named vp, N. Y. Educational Bcstg. Corp. and gen. mgr., WNET N. Y.

Peter Albertini, ex-H-R TV, joins Peters, Griffin, Woodward, N. Y... **Robert Kraus**, ex-KTTV L. A., joins Metro TV Sales, San Francisco... **Dave Bienstock**, ex-Metro TV Sales, and **Peter Mitchell**, ex-WPIX N. Y., join Tele-Rep, N. Y... **Ronald Potts**, ex-Savalli-Gates, joins Avery-Knodel Radio, N. Y.

Neil Smith, ex-Kear & Kennedy, forms own consulting engineering firm, 2000 M St. N. W., Washington 20036. Phone 202-293-7742... **Thomas G. Shack Jr.**, ex-Smith, Pepper, Shack & L'Heureux, establishes law practice, 1730 Rhode Island Ave. N. W., Washington 20036.

Derald Cummings promoted to research & development mgr., C-COR Electronics, State College, Pa... **John Mort**, ex-RCA, named western sales exec., NBC Educational Enterprises... **Dennis Mitchell**, KFUN(AM) Las Vegas, N. M., re-elected pres., N. M. Bcstrs. Assn... **Robert Klose**, gen. mgr., WNBF(AM) Binghamton,

elected pres., N. Y. Bcstrs. Assn.; **W. Edmund Cramer**, WCBS-TV N. Y., vp.

Michael Dimond, ex-sales dir., Hyatt House Hotels, named gen. mgr., Trans-World Productions new Houston office... **Phillip Metzger**, ex-Technicolor Corp., appointed controller, Superscope's Sun Valley, Cal. div., succeeding **Raymond LeFevre**, resigned.

Mac Ferguson promoted to CATV chief engineer, TV Communications... **Allan Harwood**, ex-Aero-Marc (closed circuit TV), Seattle, named applied engineering dir., Gowar Corp., Seattle, producer of "Cableguide".... **Joseph Mazzaglia**, ex-General Atronics, named industrial products mktg. mgr., American Electronics Labs; **Richard Weingrad** promoted to vp & asst. to AEL Pres. Dr. Leon Riebman.

William Behanna promoted to press relations dir., A. C. Nielsen... **Randy Reiss** promoted to account exec., Metro TV Sales, N. Y... **Mort Slakoff** named promotion & ad dir., Time-Life Films... **Jack Duffield**, ex-Western Video Industries, joins Time-Life Films' sales... **Karen Layland**, ex-NAFMB administrative dir., joins ABC FM Spot Sales as promotion & sales development dir... **Ronald Potts**, ex-Savalli-Gates, joins Avery-Knodel N. Y. radio sales.

Peter Marriott promoted to UK & Europe managing dir., NBC International... **Milton Sanders** elected a Conrac vp... **Harry E. Maynard**, ex-FM Guide, named communications dir., Direct Mail Ad Assn... **Thomas Dawes** promoted to sales vp, Essex Magnet wire div., succeeding **John Fiske**, retired... **John Martin** promoted to domestic & aeronautical satellite systems asst. vp, Comsat.

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"No significant differences" exist in ad rates between newspaper & TV stations under joint ownership and those independently owned, according to study conducted by Washington research firm RMC Inc., commissioned by NAB for \$24,000. Report offered same conclusion in cases where independent stations compete with network affiliates. It's 2nd study commissioned by NAB aimed at FCC's one-to-a-market rule. Earlier, Seiden report of media distribution in 204 markets (Vol. 11:5 p3) concluded there are vastly more media & more owners in each market than Commission assumed. Latest study contradicts research by Stanford graduate student last May which claimed higher rates under joint ownership. RMC report directed by Armando M. Lago analyzed 546 TV stations & 357 daily newspapers, concludes: "The issue of joint media ownership must be decided on other grounds than an effect upon advertising rates since no such effect appears in the data."

Pa. Assn. of Bcstrs. meets on Paradise Island, Bahamas, week of May 23; **N. C. Assn. of Bcstrs.** picked Jamaica June 10-14.

INDEX TO TELEVISION DIGEST

Enclosed as White Paper to all subscribers is annual index to major articles in 1970 Television Digest. Index provides quick reference to major activities of year, by subject and by company, in telecasting, consumer electronics and related fields. Up to 10 copies available to each subscriber; for more than 10, 25¢ each.

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STATE OF THE INDUSTRY

Sales to dealers (domestic-label only), from EIA, for week ended Feb. 26 (8th week of 1971):

	Feb. 20-26	1970 week	% change	Feb. 13-19	1971 to date	1970 to date	% change
Total TV.....	241,034	196,628	22.6	190,004	1,571,448	1,418,189	10.8
color	129,705	95,696	35.5	100,721	846,261	747,463	13.2
monochrome	111,329	100,932	10.3	89,283	725,187	670,726	8.1
Total radio.....	375,421	342,860	9.5	360,872	2,813,197	2,566,763	9.6
home, portable	152,349	140,532	8.4	142,661	1,070,102	1,163,031	- 8.0
AM-only	98,349	92,352	6.5	81,830	638,209	760,021	-16.0
FM & FM-AM	54,000	48,180	12.1	60,831	431,893	403,010	7.2
auto	223,072	202,328	10.3	218,211	1,743,095	1,403,732	24.2
Total phono.....	98,530	72,443	36.0	89,236	626,397	482,159	29.9
portable-table	78,586	45,826	71.5	69,954	470,554	300,493	56.6
console	19,944	26,617	-25.1	19,282	155,843	181,666	-14.2

Color TV 5-week moving average: 1971—113,814; 1970—95,766 (up 18.8%)

BANNER WEEK CAPS FEB. COMEBACK: Final week in Feb. set record of sorts. It was best 8th week of any year in domestic-label color TV sales to dealers. This sort of thing used to be quite common, but color sales hadn't burst out into new weekly record since mid-June 1970.

It was good week all around—every product category except console phonos was up over comparable 1970 week (see State of the Industry)—closing out month which saw sales recovery continuing. Eighth week was best of year for total & portable phonos, total & FM radios—and 35.5% increase for color TV was biggest of year in 6 consecutive weeks of increases. Color TV 5-week moving average hit year's high in both units & percentage over last year and was running at adjusted rate of about 5.4 million sets (vs. 4.82 million sales in 1970).

Feb. sales showed healthy progress over slow pace of 1970, although well below 1969 in almost every category except auto radio. Every product except portable phonos showed better percentages over 1970 in Feb. than in Jan. Paced by compact phonos, portable-table sales have been chalking up some spectacular weekly increases, with 8th week's 71.5% coming on top of 86.6% & 67% rises of preceding 2 weeks. Console phonos continued to lag badly behind last year's slow pace. Here's table of EIA figures on domestic-label sales to dealers for Jan. 1971, with 1970 & 1969 comparisons:

Product	Feb. 1971	Feb. 1970	% change	Feb. 1969
Total TV.....	804,441	699,919	14.9	894,809
color	436,890	366,622	19.2	493,598
monochrome	367,551	333,297	10.3	401,211
Total radio.....	1,458,230	1,273,712	14.5	1,696,967
home, portable	570,851	597,906	-4.5	812,393
AM-only	339,974	396,018	-14.2	536,927
FM & FM-AM	230,877	201,888	14.4	275,466
auto	887,379	675,806	31.3	884,574
Total phono.....	337,523	248,951	35.6	393,117
portable-table	261,010	157,560	65.7	276,877
console.....	76,513	91,391	-16.3	116,240

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Jan.-Feb. promotional specials & sales, together with new 25V" color size, seem to be important factors in current lift. It's indicated that in Feb., for first time, 25V" sets accounted for majority of color console sales to dealers. And factory-plus-distributor color inventories are down nearly 25% from year ago.

Philco-Ford is recalling some 1,000 Philadelphia area workers—800 at consumer electronics assembly plant and 200 at automotive electronics facility. Company said its color TV sales were up 23% in year's first 2 months, monochrome up 20%, console phonos 52%, stereo components 100%.

NEW MOVES MAPPED TO FIGHT IMPORTS: After week of back-burner simmering, foreign-trade pot reached boil-over point in Washington last week with these new actions: (1) EIA divisions charted courses for future anti-import activities. (2) President Nixon reopened door for import quotas on electronics. (3) Tariff Commission, disposing of last Japan electronics dumping case, ruled that dumped aluminum & ceramic capacitors haven't injured U.S. producers. (4) Treasury launched new dumping probe, this time into diamond phono stylus tips from England.

Dumping complaint is being abandoned, temporarily at least, as major weapon in war on imports by EIA Parts & Tube Divs. Coming thrusts will be directed along legislative route in effort to have imports handicapped through higher duties or negotiated quotas. In corridor conversation at EIA Spring Conference (see p. 10), several Parts & Tube Div. members expressed realization that while victory in Japan TV dumping case provided moral satisfaction, it meant little in way of decreasing import competition.

Consumer Electronics Group approved concept of cooperation with Treasury in determining proper valuation on Japanese TVs, so that dumping penalties can be assessed. But CEG turned down proposal for organized, affirmative effort, choosing instead to make aid available to Treasury on request. Group members were urged to supply pertinent data to Treasury on individual basis. Idea of instituting dumping complaints on Japanese hi-fi gear pricing was given short shrift.

Program to continue dumping & unfair-competition import investigative program was voted by Tube Div. Import Committee, though details were withheld. Parts Div. approved supplemental budget needed to keep World Trade Committee solvent. Expected anti-import moves include pushes for: (1) Presidential enactment of "escape clause" provision of Tariff Act, which permits imposition of higher duties or opening of voluntary quota talks when trade concessions granted by U.S. negotiators have injured domestic industry. (2) Enforcement of laws permitting added duties on imports from countries which restrict U.S. exports.

Although drive for import quotas wasn't given serious consideration at meeting, division heads may reconsider potential for success in view of President Nixon's rejection of Japan's offer to restrict textile exports voluntarily, and his call for legislated U.S. quota system. Should textile quota bill get to congressional floor, it undoubtedly will become loaded with amendments giving similar protection to electronics and other import-sensitive industries. House Ways & Means Chmn. Mills (D-Ark.) is strongly against quota move.

In finding no injury to domestic producers from dumped Japanese capacitors, Tariff Commission noted that dumping margins found by Treasury were only about 1.6% of average prices of U.S.-made capacitors, while Japanese were underselling domestic producers by up to 1,100%. In terms of dumped capacitors alone, Japanese producers were 78% to 506% cheaper. Commission also found that dumped capacitors represented less than 1% of U.S. consumption. No-injury ruling was unanimous. Not voting was Chmn. Mize, who resigned (Vol. 11:10 p7). Case, which will be closed without any penalties being assessed, is first involving electronics in which Treasury found dumping where Tariff failed to find injury.

Latest dumping investigation, being conducted into home-market vs. export-to-U.S. pricing of British stylus tips, was launched on complaint of National Stylus Corp., N.Y.C. broker. Covered by probe are diamond tips mounted on metal or plastic shanks, which then are fitted to stylus assembly, and presently dutiable at 6.5%. Industry sources indicate that English tips are small but growing factor in market here, and that stepped-up U.S. sales effort is retaliation for U.S. incursion into market there. Treasury's Customs Bureau is conducting investigation.

INDUSTRY GIRD FOR MAJOR CONSUMER DRIVE: While issue of imports & foreign trade dominated much of talk at EIA Spring Conference in Washington last week (see p. 9), major focus of actual business of Consumer Electronics Group (CEG) was its stance on heavy buildup of legislative & administrative pressures on consumer-protection front.

In unusually harmonious session with record attendance, CEG held first meeting under new format—with coequal Audio & Video Divs. Audio, with 24 members (including newcomers Fisher, Koss & Marantz), tackled FTC's proposed trade rule on amplifier power, pulling together what it felt would be industry-wide position. Members indicated they would go along with FTC's proposal to use RMS as basic power indicator, but hoped to make strong stand for industry practice of totaling stereo channels. (FTC has proposed "watts-per-channel" formula, effectively cutting rated power in half.)

EIA's proposed power-output measurement standard is just about ready, and will be substantially accepted by Institute of High Fidelity (IHF). Both groups presumably will seek to persuade FTC to go along with new standard, at least by inference, permitting manufacturers to advertise amplifier power with single number—no qualifiers or plus-or minus or other ad clutter. Audio Div. will invite entire industry including foreign manufacturers & importers to Chicago meeting in couple weeks to finalize solid position for FTC hearing in Washington April 13 (Vol. 11:3 p10).

On consumer legislation front, Congress is giving top priority to warranty bills with CEG scheduled to be heard next week at Senate subcommittee hearings. Major bill under consideration is new version of Magnuson-Moss measure which passed Senate last session. Bill specifies federal standards for "full" warranties, and CEG seems reconciled to its passage, but voted to oppose new section giving FTC power to bring court actions for false & deceptive practices unrelated to warranties. CEG also will seek explicit language in bill to preempt state warranty laws.

Group voted to back Administration consumer program over competing Democratic-sponsored measures (Vol. 11:9 p10), but it faces tough fight against Consumer Protection Agency bill introduced by Rep. Rosenthal (D-N. Y.) with 133 co-sponsors. In product-safety area, CEG opposed establishment of independent agency, backs Administration view that authority should be within HEW. CEG, with UL co-sponsorship and backed by govt. funds, is one of several trade groups collecting data on actual accidents involving consumer products through research group Market Facts. (For other EIA conference highlights, see p. 12.)

RCA COMMITS TO SOLID-STATE COLOR: All future RCA console & table model color TVs, except for some leaders, will be solid-state & modular, it was announced at distributor meeting in Chicago last week, where introductions included color sets with new (for RCA) 21V" rectangular tubes, more AccuColor portables and complete new phono console line (see p. 12).

Firm commitment, understood to have been made at corporate level, reflects strong confidence in Solid State Div., formed last year, and apparent satisfaction with in-field performance of tubeless sets introduced last year. RCA's job, "to be in the forefront of technology," is manifested in emphasis on solid state and increased use of ceramic modules, said Consumer Electronics Div. Exec. Vp Barton Kreuzer.

Production of ceramic modules, introduced last year in 18V" 110-degree color portable (Vol. 10:26 p11), has begun in volume and yields are ahead of expectations, Kreuzer reported. Nine of 12 modules—including 3 ceramics—used in 5 new color sets are interchangeable with those used in 18V", in keeping with previously announced module standardization plan. Kit of replacement modules, individually priced to retail at \$6-\$30, is being offered to repairmen at \$160.

New modular sets include open-listed 25V" console, 21V" table at under \$500, three 21V" consoles to sell for about \$550. All are AccuColor (automatic flesh tone) and include new AccuMatic Color Monitor push-button feature which electronically limits tuning range of hue & tint controls. To be included in all future solid state color TVs, AccuMatic differs from other factory-preset hue-tint systems in that consumer can still make some adjustment with up-front controls to suit individual preference.

Drop-ins raise solid-state penetration to 60% of all RCA console & table model color TVs, up from 30% last year, according to Sales Corp. Exec Vp David Daly, who said RCA will produce more solid-state color TVs this year than rest of industry combined.

To support planned "AccuColor goes portable" ad campaign, RCA introduced 14V" at \$309.95, 16V" at \$349.95, open-list 18V". Remote-control version of 16V" will be added later. Other color portables added were 14V" at \$289.95, 16V" at \$319.95 & 19V" at \$399.95. Latter 2 are priced \$10 & \$30 respectively below lowest priced versions now in line.

INDUSTRY EXPORTS DOWN IN 1970: U.S. consumer electronics exports declined again last year, aggravating industry's unfavorable international trade balance. Commerce Dept. figures show TV, radio & radio-phono exports in 1970 at \$67.5 million, off 10% from 1969; value of imports of same items rose 10% to \$704.1 million, increasing trade deficit by some \$43 million to \$636.7 million.

Drop in shipments to Canada accounted for bulk of decline in TV. Canada, which buys some 80% of U.S. color exports, absorbed nearly 10,000 fewer sets in 1970 than in 1969; Canada reduced b&w purchases by 15,000 sets. While TV chassis export numbers indicate booming business, fact is 70% went to Mexico, where about half of those were assembled for re-export to U.S. Following table shows units & value of consumer electronics, in complete & kit form, exported to all countries by U.S. firms:

U.S. CONSUMER ELECTRONICS EXPORTS

Product	Units		% change	Value (add \$000)		% change
	1970	1969		1970	1969	
Total TV.....	126,174	156,997	-19.6	\$26,166	\$33,287	-21.4
color	50,857	58,242	-12.7	17,755	20,809	-14.7
monochrome	75,317	98,755	-23.7	8,411	12,478	-32.6
TV chassis & kits.....	678,655	499,836	35.8	20,424	17,930	11.7
Home radios	245,392	329,407	-25.5	4,007	4,738	-15.4
Radio-phonographs	20,401	27,562	-26.0	2,513	3,819	-34.2
Auto radios	432,117	440,968	-2.0	9,399	10,520	-10.7
Radio chassis & kits.....	380,394	440,279	-13.6	4,965	4,382	13.3

Component export picture is similar to that of complete products. Standing alone with significant gain from 1969 were color tubes, with unit shipments up 159.5% to 454,000, value up 167.6% to \$43.3 million. Major customers were West Germany, up 277% to 221,000; England, up 259% to 58,000; Belgium & Netherlands, with combined purchases of 74,000 last year, compared with just 2,000 in 1969.

TV tuners, like TV chassis, posted apparently solid export gains—4.6 million, up 21.7%, worth \$10.3 million, up 18.3%. But 91% of tuner exports went to Mexico & Taiwan, and bulk are believed to have come back after finishing, either in complete TV sets or as components for use by U.S. OEM. Increases were also logged by exports of ICs—up 20.4% to 66 million, value up 37.8% to \$99.8 million—and receiving tubes, up 6.5% to 12.7 million, value up 0.7% to \$13.3 million.

B&w TV picture tube exports dropped sharply, due largely to halt in shipments to Taiwan, where TV assemblers now apparently rely on Japanese suppliers. Exports to Taiwan, nearly 47,000 in 1969, dwindled to 883 last year. Also cut back, by 10,000 units or more, were exports to Netherlands & Peru. Total b&w tube exports were off 45.7% to 115,914, with value down 23.3% to \$27.5 million. While exports of transistors were off 11% to 249.5 million, value increased 7% to \$88.9 million.

U.S. VS. JAPAN—BY SCREEN SIZES: As public preferences in TV have drifted toward smaller screen sizes, Japan's share of U.S. market has increased—or perhaps it's vice versa. Table issued by Tariff Commission in its TV dumping-case injury determination (see p. 9) documents Japanese imports vs. U.S. production by screen-size categories.

Color sets 20V" & larger accounted for only 50% of total U.S. color sales in 1970, Commission noted, compared with nearly 90% in 1965. In b&w, sets with screens 13V" & smaller took 45% of market last year, up from 20% in 1965. Table below gives comparison of Japanese imports & U.S. production for last 6 years. It doesn't show total market since it omits imports from countries

other than Japan. Screen-size categories and total figures differ from those reported by EIA & Commerce Dept. and represent interesting supplement to available data on TV market.

U. S. TV PRODUCTION & IMPORTS FROM JAPAN
(add 000)

Description	1965	1966	1967	1968	1969	1970
Monochrome:						
Not over 13V"						
U.S. production.....	1,166	1,376	949	1,016	831	640
Japan imports.....	575	632	791	1,164	1,594	1,724
Over 13V", not over 16V"						
U.S. production.....	511	610	405	408	478	329
Japan imports.....	141	158	110	158	212	206
Over 16V"						
U.S. production.....	5,401	4,626	2,688	3,133	2,301	2,132
Japan imports.....	17	58	116	144	251	344
Color:						
Not over 16V"						
U.S. production.....	33	233	332	444	550	558
Japan imports.....	24	13	121	404	467	492
Over 16V"						
U.S. production.....	2,576	4,548	4,886	4,802	4,624	3,744
Japan imports.....	10	160	130	209	375	310

EIA HIGHLIGHTS: Recession-plagued electronics industry convened in Washington last week (see p. 10)—one manufacturer describing major problem as "survival"—but within EIA there was new era of good feeling, topped by Board of Governors' announcement that association's budget would balance for 1971, perhaps first time in history.

Consumer Electronics Group (CEG) has big surplus—proceeds of Consumer Electronics Show—which is earmarked for educational purposes only, and members heard plans for expanded Service Technician Development Program from Service Committee Chmn. Ray Yeranko. Summer workshops for technical teachers this year will be held at 15 locations (vs. 10 last year), backed by grants & equipment from CEG & members. CEG is supporting program with about \$100,000 per year.

People: New Audio Div. elected Donald Harper, Fisher, chmn.; Peter Larmer, Ampex, vice chmn. Zenith Sales Corp. Pres. Walter Fisher was elected to EIA Board, as was Warwick Pres. Robert T. Bloomberg, who succeeds Glen A. Evans, former Warwick pres. Retired Philco-Ford Vp Joseph H. Gillies was made honorary lifetime member. And ex-EIA Pres. George Butler was quietly presented citation for "responsible & statesmanlike handling of association affairs during a critical period in the history of the electronics industry & the association."

Membership: EIA Board voted to permit divisions to admit software manufacturers into full membership.

X-radiation: Ad Hoc Radiation Committee reported that set manufacturers are facing new June 1 deadline—for radiation measurements to include "simulated component failure"—with no available standards for tests. Manufacturers indicated they could easily comply with radiation limits but were in dark as to actual measurement procedures.

RCA CONSOLE PUSH: RCA—launching drive for larger chunk of console phono market—which it estimates will be \$500 million at retail this year, unveiled full new line at distributor meeting last week (see p. 10), instead of waiting for traditional May showing. Line has 22 models, down 4 from last year, plus 4 mini-consoles—which will be sold at \$99 during "Sound of Spring" factory promotion later this year.

New consoles include pair of phono-only 10-watt models at \$169.95; radio-phonos start with six 20-watters, 3 each at \$229.95 & \$279.95; 4 at 50 watts, \$329.95; 4 at 100 watts, \$449.95; 4 open list at 200 watts; 500-watt pair at \$895. New portable phonos include mono unit \$29.95, stereos at \$59.95, \$79.95 & \$89.95. Radio additions are 6-transistor portables at \$4.95 & \$6.95, AC-battery FM-AM at \$29.95. New AC-battery-auto 12-volt portable 8-track stereo tape player is \$89.95.

In addition to 11 new color sets, RCA premiered 4 monochromes—two 19V" at \$129.95 & \$149.95 (with cart), one 20V" with stand at \$179.95 and 22V" table model with stand at \$199.95.

Other introductions: General Time, which recently acquired Triumph Electronics, will begin marketing Westclox-brand clock radios next month. Initial 16-model line, 6 with digital clocks, will list at \$24.95-\$49.95... Crown introduces AC-battery portable stereo FM-AM cassette recorder combination at \$159.95.

Distribution notes: Motorola Consumer Products Div. appoints **Thermo Industries**, Charlotte, N.C., replacing Joe L. Pleasant Inc... **Philco-Ford** branches in Cleveland & Indianapolis will now handle areas formerly served by Bennett Distributors, Columbus, Ohio. Emerson Buffalo branch names A. Richard Arnold gen. mgr.

INSIDE CARTRIDGE TV: Admiral's contract with Cartridge TV Inc. (CTV) provides for purchase of 10,000 Cartrivision recorder-playback units, with option to buy 10,000 more, for integration into Admiral-produced color sets. This is revealed in preliminary prospectus for public offering of 1.1 million CTV common shares (no price yet established). Avco Corp., which originally held 50.2% of CTV shares (purchased at \$500,000), advanced CTV \$7.1 million, which was recently refinanced, giving Avco 57.4% ownership. After public sale, Avco would hold 22.9%. Other facts from prospectus:

CTV expects no sales to consumers before early 1972, will build no plants except cartridge & video head manufacturing facility in San Jose, Cal. Its assets Dec. 31, 1970 totaled \$274,172, liabilities \$879,288. CTV has spent more than \$4.8 million in developing system, estimates at least \$7.3 million more costs will be incurred before first units can be sold—plus requiring \$7.25 million for additional capital equipment & tooling.

CTV has pact for Avco to produce 25,000 VTRs, with option for up to 175,000 more. CTV is "presently negotiating" 5-year non-exclusive royalty-free license with Admiral to make & sell CTV units. San Jose facility will have capacity to produce more than 200,000 blank & recorded cartridges per month. Company says it hasn't yet determined marketing plans, but has non-exclusive rights to more than 300 film presentations, including 95 from Avco Embassy, 50 from UA, 28 from Lion International, 15 from American International. "Substantially all" initial programming will be "previously exhibited subject matter." CTV has 124 full-time employees. Pres. Frank Stanton receives \$75,000 annual salary, Mktg. Vp Donald F. Johnston \$65,000, Programming & Production Vp Samuel W. Gelfman \$50,000.

In other videoplayer news last week: (1) Sony indicated that its color VTR system, playback-only version, would initially sell for about \$800 in U.S. early next year, with 60-min. chromium dioxide tape cassette about \$30. Player will sell in Japan at about \$500 starting next fall. Sony also unveiled master VTR for making original color tapes (\$40,000 in U.S.) and video-cassette duplicator with 5 slave printers at about \$150,000.

(2) Time-Life Video (TLV) announced it plans to rent & sell video-player programs, primarily by mail, beginning next year. It also plans to offer videocassettes in retail stores in conjunction with player sales. TLV said it had agreement with CTV making possible programming "at prices which will make this a viable consumer medium," will also offer programs in Sony, Ampex, Philips, EVR & Teldec video disc formats. First catalog will be published this fall. TLV will stress information & instruction, is producing ski & environmental program featuring Robert Redford, Leonard Bernstein musical series, sex education programs, cooking, etc. Parent Time Inc. estimates at least 4 million players in U.S. homes by 1975.

Warwick will close Zion, Ill. stereo plant late this year, transferring most production to Forrest City, Ark. Company has 6 plants in U.S. & Canada in addition to Zion.

New method of measuring TV & FM oscillator radiation (Vol. 11:10 p11) has been adopted by FCC.

RCA SUMS UP '70: Confirming earlier forecast (Vol. 11:1 p12), RCA's annual report last week showed 1970 earnings down 43% on 2% sales decline, with 4th-quarter net declining 22% while sales rose 2% over 1969 level (see financial table). Breakdown showed home products, computers and other commercial products & services represented 47% of sales & only 29% of profits in 1970 vs. 48% of sales & 55% of profits in 1969. Broadcasting, communications, publishing & education contributed 23% of sales & 50% of profits last year vs. 22% & 33% in '69. Vehicle renting & related services (Hertz) accounted for 17% of both sales & profits vs. 15% & 10% year earlier. Govt. business was 13% of sales & 4% of profit in '70 vs. 15% & 2%.

Computers, Banquet Foods, RCA Service Co., Hertz & Random House achieved improved sales and/or profits in '70. RCA forecast 13% increase in total color TV sales this year—about 6.1 million vs. 5.4 million in 1970—including imports. Stereo 8 cartridge tapes now represent \$400-million business and their sales constituted more than one-third of RCA Records' domestic sales. Ten all-brand ServiceAmerica branches have now been established—5 each in Philadelphia & San Francisco areas.

Sole mention of SelectaVision in austere black-&-white pamphlet report: "During 1970, RCA continued preparations to participate broadly in the newly developing home video player industry. The company plans to market a variety of consumer products under the SelectaVision trademark."

In other financial activities, 2 component manufacturers reported widened losses—Muter Co. forecasting that its 1970 report would show deficit of more than \$1.5 million, and Varo Inc. reporting net loss of \$2 million in quarter to Jan. 31. Ampex said it would report net loss for year ending May 1 because of "change in accounting policy," charging some \$10 million of previously deferred engineering expense against fiscal '71 operations.

Tape topics: Dolby Labs of England has opened Tokyo office to handle details of licensing firm's cassette tape noise reduction system to Japanese manufacturers... Recorded tape marketers are expecting sharply increased cartridge sales this year as result of \$1 price increase announced by major disc album manufacturers. Cartridges had been selling for about \$2 more than comparable record... WATS line is being used by International Tape Assn. (ITA) to promote tape seminar May 13-15 in Washington. Workshops will cover audio equipment, audio & video software, legal matters. Emphasis will be placed on future of non-music recorded audio tapes. For details, call 800-243-6000... Victor of Japan seeks Dutch Philips' approval of compatible 4-channel cassette format with 8-tracks, each 0.2-mm wide. Victor has developed heads & cross-talk suppression circuits, is also ready to demonstrate improved version of "CD-4" quadraphonic phono disc recording & reproducing system (Vol. 10:42 p10) to U.S. record companies.

Korean TV venture has been launched by Dutch Philips & Chun-U Radio. Firm is to produce 2,000 b&w 18" sets monthly for domestic market. Hitachi, Sharp & Toshiba have similar Korean ventures.

Trade Personals

Dick Levin, ex-Philco-Ford video mktg. mgr., joins RCA Sales Corp. as color TV mdsg. mgr., vacant since Nov. when **Norman Schnell** was promoted to mgr. of color TV product management; **Joseph Curran**, ad & corporate identification vp, adds duties as Sales Corp. ad services mgr., succeeding **John Anderson**, resigned... **Frank Denneson**, ex-finance vp, promoted to exec. vp, H. H. Scott

William C. Rush, ex-Motorola, appointed Zenith Sales Co. mgr. in Tex., succeeding **Robert Hatfield**, now Zenith sales mgr. for Dallas distributor, Stewart Co... **Kenneth Lopolito** ex-eastern credit mgr., named Ky.-W.Va. sales mgr., Sylvania Entertainment Products; **Ernest van Guelpen**, ex-Philco-Ford, appointed Mountain States mgr., succeeding **Philip Houlston**, resigned... **A. Frederick Greenberg**, pres. of Optasound, named pres. of parent Castagna Electronics, succeeding **John Castagna**, now vice-chmn.

J. Frank Leach named deputy to Bunker-Ramo Pres. **George S. Trimble**; **John Buchholz** advanced at Amphenol Components Group from domestic operations vp to group exec., succeeding Leach... **Richard Henderson** shifts at Fairchild Camera from corporate mkt. development vp to Semiconductor Div. mktg. vp; in other Div. moves, **George M. Scalise** named international operations vp-gen. mgr. and **Andrew Procassini** returns to post of group dir. of reliability & quality assurance... **George Perris**, ex-Fairchild Semiconductor, named ITT Semiconductor North American distributor sales mgr., replacing **Dedy Saban**, who continues as mktg. dir.

Leon J. Dennis promoted at Sylvania Chemical & Metallurgical Div. to operations mgr.; he's succeeded as chief engineer by **Allen M. Alper**, formerly chemicals & electronic materials engineering mgr... **Robert O. Morehead**, ex-National Locks, joins Oak Electro/Netics as material & production control dir. of Oak Mfg. Div... **John Gilhooley** appointed mgr. of Signetics semiconductor plant in Scotland, replacing **Alan King**, who becomes engineering mgr. of Sunnyvale, Cal. facility... **Harry Estersohn**, Estersohn Assoc., elected Electronic Reps Assn. secy... **Russ Gimellaro**, ex-Jerrold distributor sales, named MATV mgr., Gavin Instruments.

BSR presented gold-plated record changer to Morse Electro Products, commemorating latter's purchase of millionth BSR automatic turntable.

Obituary

Philo T. Farnsworth, 64, one of claimants to title of "father of electronic TV," died March 11 in Salt Lake City after long illness. He conceived TV transmission system at age of 15, getting first TV patent at 21. He built own versions of camera & picture tubes, received more than 165 patents, including those of scanning, sync, focus, contrast. His inventions paralleled those developed by RCA's Vladimir Zworykin, and he was awarded several basic TV patents in interference proceedings with Dr. Zworykin. He first demonstrated electronic TV in 1935, founded Farnsworth Radio & TV Corp., later ITT's Capehart Farnsworth. He retired in 1967 as pres. of ITT Farnsworth Research Corp. He's survived by wife, 3 sons.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during past week. Dash indicates information not available at press time. Amounts expressed in dollars. Parentheses denote loss.

Company & Period	Revenues	Net Earnings	Per Share
Citizens Financial 1970-year to Dec. 31 ^b 1969-year to Dec. 31	18,095,000 15,197,000	1,525,000 ^a 1,368,000 ^a	1.40 1.24
Electrohome 1970-year to Dec. 31 1969-year to Dec. 31	50,000,000 ^c 44,500,000	1,300,000 1,853,249	2.56 3.69
Esquire Radio & Electronics 1970-year to Dec. 31 1969-year to Dec. 31 1970-qtr. to Dec. 31 1969-qtr. to Dec. 31	21,094,578 15,167,925 8,235,407 5,463,989	907,818 882,596 354,077 371,982	1.41 1.40 .55 .59
Fuqua Industries 1970-year to Dec. 31 1969-year to Dec. 31 1970-qtr. to Dec. 31 1969-qtr. to Dec. 31	327,837,000 324,607,000 94,848,000 99,591,000	9,880,000 ^d 11,654,000 ^d 4,990,000 4,838,000	1.37 1.66 ^e .71 .70 ^e
Griffiths Electronics 1971-9 mo. to Jan. 31 1970-9 mo. to Jan. 31 1971-qtr. to Jan. 31 1970-qtr. to Jan. 31	6,485,000 5,320,000 2,470,000 1,582,000	49,000 (32,000) 45,000 (40,000)	.06 -- .06 --
ITT 1970-year to Dec. 31 1969-year to Dec. 31	6,364,494,000 ^f 5,671,421,000	353,307,000 ^f 292,623,000	3.17 2.65
Lynch 1970-year to Dec. 31 1969-year to Dec. 31	27,427,178 30,850,310	(671,408) ^a (165,845) ^a	-- --
National General 1970-year to Dec. 31 1969-year to Dec. 31 1970-qtr. to Dec. 31 1969-qtr. to Dec. 31	525,544,000 476,412,000 126,767,000 121,304,000	4,627,000 ^d (70,339,000) ^d 4,121,000 ^a (79,928,000) ^d	.90 -- .79 --
Oak Electro/Netics 1970-year to Dec. 31 1969-year to Dec. 31	75,056,484 85,629,695	(448,849) 1,426,290 ^f	-- .66
RCA 1970-year to Dec. 31 ^b 1969-year to Dec. 31 ^b	3,325,562,000 3,409,853,000	91,735,000 159,832,000	1.26 2.27
TVC 1971-6 mo. to Jan. 31 ^b 1970-6 mo. to Jan. 31 ^b	3,473,079 2,847,860	248,853 ^a 218,364 ^a	.09 .08

Notes: ^aAfter special credit. ^bRestated. ^cRecord; exact figure not available. ^dAfter special charge. ^eAdjusted. ^fRe-cord. ^gBefore special credit.

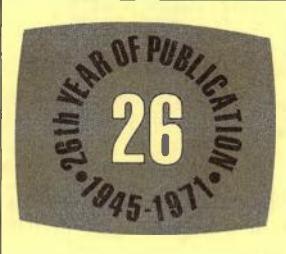
Ad accounts: Motorola Auto Sound Products names Draper Daniels, Chicago, replacing Clinton E. Frank Inc., which retains Consumer Products Div... Morse picks Gaynor & Ducas, succeeding MLF Advtg... CBS Labs shifts from Fred Thompson Co., Stamford, Conn. to Kupper/Grant, Hartford.

Audiotronics enters CCTV field with 3 VTRs, made in Japan by Standard Radio, at \$995, \$1,095 & \$1,295; cameras at \$550 & \$375; 5 monitors, 9V", 16V", 23V" (all b&w) & 25V" color, from \$189 to \$825. Monitors are produced by subsidiary Setchell Carlson.

WEEKLY

Television Digest®

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The authoritative service for executives in broadcasting, consumer electronics & allied fields

MARCH 22, 1971

VOL. 11, NO. 12

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

STIFF KID'S TV RULES proposed in report to White House by Conference on Children. Says FTC & FCC should take over Code enforcement, require kid's programs, without commercials, during certain hours. TIO study finds 74% don't object to commercials in children's shows. (P. 1)

DINGELL PLANS CODE HEARINGS: Self-regulatory efforts of NAB, AAF under investigation. TV Code Subcommittee recommends revised dues structure, plans 'mini-hearings' before adopting new guidelines. NARB in final stage. (P. 2)

BURCH AIMS FOR QUICK CABLE DECISION: Expects tentative conclusions in April to place before Congress. Witnesses' broad differences over federal-state-local regulation. Taverner endorses heavy ETV reservations. Shapiro promises 40 channels promptly, if there are distant signals & demand. (P. 3)

AGNEW & GOP vs. NETWORKS: Agnew attacks 'subtle but vicious' CBS Pentagon documentary. Resurrects staged news charges against Hunger in America & Haiti reports. Senate Republicans accuse CBS & NBC of 'brainwashing' in Laos coverage. FCC gives CBS 30 days to answer Haiti charges. (P. 5)

DOMESTIC SATELLITE DEADLINE brings applications from Fairchild Hiller, Tele-Communications. (P. 6)

STIFF KIDS' TV RULES PROPOSED: White House soon will get from its 1970 Conference on Children a report proposing extensive govt. regulation of commercial broadcasting's service to children. Report of Forum 20 (Child Development and the Mass Media) is highly critical of NAB TV Code, says it's time that "enforcement of truth in advertising and standards in broadcasting" be turned over to FCC & FTC. Agencies "should establish an organization to defend the public interest in the media at both the national & local level," report concludes.

Taking page from ACT petition now subject of FCC inquiry (Vol. 11:4 p1), Forum 20 recommends Commission adopt rules "which will require a minimum number of programming hours per week for children in different age groups at times when children are able & likely to be watching." Other rules should "encourage the underwriting of children's TV programs to replace commercial interruptions aimed at children."

Forum 20 also wants all commercials (except credit lines) deleted from children's shows beginning this fall, suggests that "advertisers... consider the responsiveness of the networks & stations when making their purchasing decisions." Recommendation flies in face of Roper study released by TIO last week which shows 74% of adult Americans approve of commercials in kid's pro-

Consumer Electronics

RCA PLANS PICTURE TUBE manufacturing in Taiwan with local partner, approval already granted by Taiwan govt. Corning & Japan's Asahi going ahead with Taiwan glass plant. Nixon okays import-impact aid for H. H. Scott. (P. 7)

FCC MAY EASE TUNER-PARITY rule, asks industry about 70-channel continuous detent tuner in same set with vhf memory tuner. Move could help bring low-priced sets into compliance. FCC also weighing inquiry into other set characteristics. (P. 8)

INDUSTRY PROFITS DOWN 64% in 1970, key-firm survey shows, but consumer electronics manufacturers pulled out of collective loss position in 2nd half. Fourth-quarter earnings down only 10% from 1969. (P. 9)

JAPAN'S TV EXPORTS to U.S. in Jan. set record, shipments jumping 64%. Clock-radio breakout given for first time. Full 1970 export totals. (P. 10)

4-CHANNEL MOVES TO CAR, Motorola showing its quadraphonic player at \$159.95. 'Philco Week' promotional specials. Other new sets. (P. 10)

STEREO 8 SALES—players plus cartridges—will approach billion-dollar retail this year, Motorola forecasts. 3M claims new 'High Energy' tape as good as chromium dioxide, reveals details of high-speed duplicators. (P. 11)

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grams. "The findings indicate quite clearly that there is no groundswell of dissatisfaction with the present mode of advertiser support of programs designed for younger viewers," according to TIO Dir. Roy Danish.

Fred Rogers, producer-star of public TV's "Misterogers' Neighborhood," was chairman of committee of 6 which drafted Forum 20 report. He said it's committee's version of recommendations approved by 200 members of Forum at Dec. 13-18 conference (Vol. 10:50 p5). However, many broadcasters who attended Forum meetings dispute this. They say—and several reporters who covered sessions verify it—that critical elements of report were scarcely mentioned, certainly weren't voted on. (Surprisingly, despite anti-TV conclusions & recommendations, daily newspapers didn't follow through when parts of report were published by Advertising Age March 15.)

Forum 20 report is one of many now being printed for presentation to White House in April. Among other Forum 20 conclusions: "Mass media have an overwhelming influence on the lives of our children and, consequently, the future of our society. TV, particularly, plays a dominant role... Awareness [by TV] of the problem is increasing, but action so far has been unimpressive... Real improvement has yet to appear on the TV screen... Today's TV programs for children typically have a high fantasy quotient (2/3 cartoons). Such programming not only wastes children's time, but amounts to throwing away a priceless opportunity."

Among "urgent & affordable" recommendations: (1) Establishment by President of "National Children's Media Foundation...not later than July 1, 1971." Foundation would use Forum 20 report as guide in fostering greater awareness of children's needs. It also would "explore the influence of commercialism in mass media, evaluating both its positive & negative features." (2) "Immediate & permanent" funding of public TV. (3) "That at least 20% of cable TV channels be reserved and made available free of charge for educational, municipal and other non-commercial purposes." (4) Govt. financing of non-commercial programs; "appropriate action" by FCC to ensure that public TV is available to all viewers.

(5) That FCC warn broadcasters & advertisers that airing of shows & commercials intended to influence children "is a privilege that must be earned & re-earned by a strong emphasis on accurate presentation and by the maintenance of acceptable standards." (6) Industry codes adopted & enforced by FCC & FTC. (Rogers told us that NAB TV Code is "certainly too weak... Action has to come from the FCC. It's too bad there can't be self-regulation."). (7) By fall, advertisers & networks "show meaningful innovations in the current TV advertising structure, including tests of clustering commercials to assure uninterrupted program content and tests for eliminating all commercials except credit lines." (8) That programs emphasizing violence or defamation of ethnic groups "be immediately excluded" from all programming. (9) That FCC establish rules requiring "increased public service broadcast time on commercial radio, part of which will be children's programs." (10) That FCC require radio stations to "disseminate information" that high-amplification music can cause hearing loss.

In study for TIO, Roper questioned 1,993 persons over 18. Only 18% would ban commercials from kid's shows; 74% said they're all right "if they don't take unfair advantage of children"; 8% had no opinion. Of 18% who favored banning commercials, 9% would keep commercials if omission meant "considerably reducing the number of children's programs."

DINGELL PLANS CODE INVESTIGATION: Just as NAB TV Code is in process of painful self-evaluation, and AAF is pushing hard for an all-media self-regulatory code, House Small Business Subcommittee announced May hearings on both. Chaired by broadcast critic Rep. Dingell (D-Mich.), Subcommittee said it would investigate "the effect of such self-policing mechanism" by broadcasters & advertisers on small business.

Witnesses will include NAB, networks, stations, AAF, FCC, FTC, consumers. "We aren't just shooting at broadcasters," Subcommittee official said, but added "TV Code subscribers simply ignore its provisions."

Many smaller stations which subscribe to Code can expect dues increase if recommendation of TV Code Subcommittee is adopted. Subcommittee also made novel recommendation that Code hold "mini-hearings" before adopting any new guidelines. Code fees haven't changed in years—except for doubling of network dues 3 years ago—and Subcommittee concluded that fees for small stations

are too low. Thus, new fee structure—to bring in undetermined amount of extra money—will be presented to full TV Code Board March 28 in Chicago. Subcommittee wants more money to balance budget (\$22,749 in red for year ending March 31; \$30,645 for year beginning April 1) and for: Increased staff; special research; more meetings of Code Board & subcommittees; Scientific Advisory Panel; increased travel to Washington by Code director.

TV Code fees now are based on highest one-time hour rate, plus 15%, with \$350 minimum per year, \$1,400 maximum. Networks pay \$30,000 each, plus \$1,400 for each owned station—totaling 25% of Code budget. Code Dir. Stockton Helffrich will present new fees in Chicago, based on multiples of 30-sec. rate rather than hour. It will result in increase for some stations, and minimum is expected to be boosted.

Subcommittee also will recommend that Code Board &/or subcommittees hold mini-hearings with advertisers, agencies & public on guidelines. This was favored over adding non-broadcasters to Board or establishing viewer-advisory group to Code. Position that Code subscription should be mandatory for NAB membership (tabled at Jan. NAB TV Board meeting) was reaffirmed. Subcommittee was divided over whether Code Authority should shift hq from N.Y. to Washington, but it recommended Code director spend much more time in latter.

* * * *

In report to members last week, AAF Pres. Howard Bell discussed plans for National Advertising Review Board (NARB) for all media (Vol. 11:10 p1). Bell said AAF decided it would be "im-practical" to seek exemption from antitrust laws for enforcement provisions of NARB. Instead, he said, if persuasion doesn't work, specific problems will be turned over to FTC in cases where it has jurisdiction. NARB also will work closely with reorganized Council of Better Business Bureaus—which would investigate & evaluate complaints—to avoid duplication of function & financing. NARB will have 18 members (6 from public), fulltime exec. dir. In sharp departure from NAB TV Code policy, NARB plans to publicize violations of its standards. AAF, NAB, ANA, CBBB and other trade associations plan to meet with Dept. of Commerce March 22 to seek support for NARB-CBBB joint operation.

BURCH AIMS FOR QUICK CABLE DECISION: Good test of FCC Chmn. Burch's optimism & patience will come next month. When CATV hearing is over, he says, he expects staff to present series of alternatives quickly—and Commission to come up promptly, in April, with tentative conclusions. Then, recognizing that Sen. Pastore (D-R.I.) intends to put large oar in (senator said he doesn't want FCC to present him with CATV "fait accompli"), Burch is prepared to present conclusions to Senate. And, presumably, Rep. Staggers' (D-W. Va.) won't be far behind, surely will get into act. And, of course, Sen McClellan (D-Ark.) will be waiting with his Judiciary Subcommittee. And, can Rep. Kastenmeier (D-Wis.) let this goodie get by without some licks by his Judiciary Subcommittee?

Burch told us last week: "I don't think we need to write a book. I don't think it needs to take a lot of time. I think we'll all be ready to move." Commissioners believe their hearing has been quite educational, meanwhile. Said newest member Houser, for example: "I don't know about the others, but it's been great for me."

It's been intriguing to watch strategy ebb & flow. When Commission was strongly anti-cable, CATV forces ran to Congress for succor. Now that tide seems shifting somewhat at Commission, broadcasters & moviemens (though film-makers have little political clout) are educating congressmen at a rapid clip.

One of most complex portions of hearings last week dealt with federal-state-local relationships—who should regulate what. Variations in advice FCC received were enormous, most of them predictable, reflecting panelist's angle of view. But even those with little or no financial interest differed widely. For example: U. of Cal. Prof. Stephen Barnett would have substantial state regulation of most matters other than carriage of broadcast signals; he'd have states "getting into the franchise process" but not necessarily picking the franchisee. He'd have state prescribe rates, but "not rate-base regulation"; he'd have FCC get out of Sec. 214 regulation when states take over. FCC should prescribe the "what" of franchises but not the "who".

Ex-FCC Comr. Cox would give FCC "primary jurisdiction" but it would set guidelines for states & cities in other areas. He'd have states & cities pick franchisees, set rates, specific

maintenance, "add their own operating requirements," etc. Cox repeated his oft-stated theme that CATV has too much "loose talk" about new services (2-way, etc.), said FCC should make cablemen project revenues & costs. Alan Novak, who headed staff of LBJ Task Force, countered Cox with statement that it's "unfair burden" on CATV to ask it to predict "the unknowable future." He urged FCC to "let it develop...attract investment...get it built." He opposed federal preemption now, in fact said he doesn't believe CATV needs regulation affecting programs—such as Sec. 315 (equal time)—probably won't get much support for that.

Cable operator Amos (Bud) Hostetter pleaded for federal preemption, said states are taking over fast, told Commission it could delegate items back to states & cities later. Attorney E. Stratford Smith, in later session, stated: "The NARUC was organized to protect state rights and it is laughable to think that once the majority of states have a grip on any aspect of CATV that this Commission can take it away...It will not happen. It is one thing that the law may permit you to do so, and quite another to exercise the right in the face of the political power wielded by the states."

There was amusing aside in session. Brice Rhyne, representing city attorneys, found little wrong with present system. When asked by Barnett how newspaper (Courier) got Buffalo franchise, Rhyne stated, startled: "The political aspect is something I know nothing about." (Laughter.)

In another panel, educators asked for preference in getting franchises, lots of free channels, reservation of ETV channels 5-10 years—held vacant if not used, etc. NCTA Pres. Donald Taverne surprised many by agreeing to Comr. Johnson's proposal that first 10 channels be reserved for ETV before anything else is carried. Said Johnson: "We've finally made some headway." Note: Forum on mass media of White House Conference on Children has recommended that "at least 20% of cable TV channels be reserved and made available free of charge for educational, municipal and other non-commercial purposes" (see p. 1).

Johnson's theme throughout hearings is "access," reserved channels. He pounded away at General Instrument's (Jerrold) Moses (Monte) Shapiro, who begged for distant signals ("we're bleeding...no kidding"), got him to say he'd "guess" 40-channel system would cost only 15-20% more than 20-channel. Comr. H. R. Lee noted that Shapiro had once told him 40 would cost about 10% more than 20. Shapiro also agreed with Johnson's premise that manufacturers could start 40-channel system "next week" if they got orders. Said Shapiro, whose GI is big TV tuner maker: "I remember all that jazz about all-channel tuners would cost \$8-\$10. We're making them now for \$1.50-\$2 and delighted to get the business." As for channel demand: "You [H. R. Lee] might want a little ballet. Comr. Johnson might want a little Bach & a little rock...but the name of the game is import of distant signals."

One of the happiest witnesses around was Fred Ford, former NCTA pres., onetime FCC' chmn. He long ago urged en banc FCC cable hearing, on grounds it was best & fastest way for Commission to get facts. He urged avoidance of common-carrier status for cable, sought elimination of non-duplication requirements for local channels, said FCC has followed policy of protecting telecasting—contrary to law.

Burch was generally commended by witnesses for handling of hearings. We asked former Chmn. Hyde what he thought of panel device. He likes it—"but I'd add a man in the pit—a Commission counsel, like Harry Plotkin was." Former Chmn Ford prefers it as is—no "man in the pit."

"Full exploration" should be made of possibility of financing public TV through a national lottery, FCC Comr. R. E. Lee told Forum on Federalism at St. Louis U. "Properly insulated from politics, it could satisfy a human need for winning a prize, could supply non-commercial broadcasting with a ready & adequate source of funding." Onetime FBI agent Lee saw another benefit: "It would also drain away funds from illegal gambling and save on law enforcement costs."

IEEE CATV Task Force has formed subcommittee to prepare technical report on recommended frequency plans for CATV systems. Chmn. is Robert Powers, Commerce Dept.'s telecommunications office.

FCC said "no" last week to 2 Colo. groups seeking 2nd extension of deadline to file petitions to deny license renewals against stations in state. Commission had granted earlier extension from March 1 to March 12, and groups wanted further delay to March 19 to file against stations unwilling to negotiate agreements. Comr. Johnson dissented.

Bowing to "public demand," Canadian Radio-TV Commission permits TV stations to exceed maximum on U.S. shows (35%) to carry Sesame St.

TV Cinema Sales, L. A., has formed new CATV div. to offer tape & film programs to systems.

AGNEW & GOP VS. NETWORKS: Vice President Agnew descended on CBS last week, labeling network's Feb. 23 documentary *Selling of the Pentagon* "a subtle but vicious broadside against the nation's defense establishment," compared it with CBS's *Hunger in America* & Project Nassau (Haiti)—both accused of staged news & bias by House Investigations Subcommittee. Meanwhile, Senate Republicans followed up President Nixon's displeasure with media criticism of his Southeast Asia policies (Vol. 11:10 p4) by attacking CBS & NBC for "subtle brainwashing" & "irresponsible TV reporting" on Laos.

"The matter of [CBS] own record in the field of documentary-making can no longer be brushed under the rug of national media indifference," Agnew said in March 18 address to Boston's Middlesex Club. While he didn't rebut charges made in Pentagon documentary, he said program was suspect because it was written by Peter Davis, who also wrote *Hunger in America*, and produced by Perry Wolff, who produced *Haiti* documentary which was never aired. He didn't mention either person by name.

"In this regard," Agnew continued, "it is CBS, not the Dept. of Defense, that leaves much to be desired in terms of 'the free flow of information'." Later, he told newsmen there was "great reluctance to criticize the media by another organ of the media... I have no thoughts of intimidation. I have no thoughts of asking for stronger laws." Criticism, he said, was "simply to show the people they cannot rely on CBS documentaries for facts... I don't say CBS is untrustworthy... The media are not infallible, and they have acted as if they were. It's time they realized their infallibility is less than concrete."

CBS Pres. Stanton called Agnew's attack "a vivid example of the traditional conflict between government and the free press which has marked this country's history. CBS does not claim any immunity from criticism. CBS does not claim to be infallible. But the Vice President's indictment is mistaken... I am confident that impartial, professional observers will agree that these documentaries are important contributions to 'the people's right to know'." Pentagon documentary will be rebroadcast March 23, same date CBS News

Remote control of vhf's, long sought by NAB, was authorized by FCC effective April 30. Uhfs have had remote control several years, and they have been given one year to comply with new rules applying to uhf & vhf. Calibration & transmitter inspections will be required at least 5 days weekly (uhf had one weekly) unless equipment can operate with at least 20% of power and station has installed switching equipment from remote control point in case of transmitter malfunction. Rules also require off-air monitoring which includes visual wave form & picture monitors, loud speaker and aural modulation monitor. FCC also asked for comments by April 30 on test signals to be used in remote operation.

FCC is expected to deny request of ACT and other groups that networks & stations be required to submit mass of data month before May 3 deadline for comments in children's TV inquiry (Vol. 11:4 p1). Commission believes it would be too burdensome (on broadcasters & FCC staff) to force stations to submit logs, networks to file tapes, of all shows aired during special composite week.

Pres. Richard Salant and Asst. Defense Secy. Daniel Henkin will debate program at Columbia U. Graduate School of Journalism.

Senate Republican criticism of Laos coverage was based on excerpts from CBS & NBC compiled by Vanderbilt U., shown on Capitol Hill March 12. "I have rarely seen such irresponsible TV reporting as has come from Laos," said Sen. Hansen (R-Wyo.), who arranged day-long showings, demanded CBS reply. "If the tapes show CBS has not covered the news objectively then I believe CBS has a moral obligation to say so." He didn't write NBC, and it's understood all 3 networks have requested the material from Vanderbilt. Other Republicans were just as critical. GOP National Chmn. Dole (Kan.): "Perhaps we should have listened a little closer when Vice President Agnew tried to warn us about the dangers inherent in biased news reporting."

According to Vanderbilt spokesman, "time & equipment limitations" prevented supplying Hansen ABC film from University library which started recording network evening news programs in 1968. Tapes from CBS & NBC shown to senators were aired between Feb. 4-March 5, totaled about 55-min. each. Meanwhile, Sen. Baker (R-Tenn.) reintroduced bill authorizing \$162,000 to Library of Congress to record network news & public affairs programs.

* * * *

FCC has given CBS 30 days to respond to "serious questions of license responsibility" raised by House Investigations Subcommittee report on network's role in 1966 aborted invasion of Haiti (Vol. 10:25 p3). Commission asked network for "detailed information as to CBS management present policy & practice to insure that there will be proper supervision of the conduct of CBS employees engaged in investigative reporting. Your response should include what changes, if any, have been made or are planned in the policy & procedures for assuring proper conduct by CBS employees in the investigative reporting field... Also specify whether in circumstances like [project Nassau] there is any policy to have responsible CBS officials notify appropriate U.S. officials."

FCC waived one-to-a-market rule in approving sale of WARD-AM-TV Johnstown, Pa. to Ben Werk Group (Werk was manager) for \$750,000 (\$175,000 of it for radio). WARD-FM license is being surrendered. Seeking waiver, Werk said without economies of joint operation TV station would have quit long ago. Rule also was waived to permit Combined Communications to continue to own KBLU-TV-AM Yuma, Ariz. FCC approval of purchase in 1969 was conditioned on outcome of one-to-a-market rulemaking. Condition was removed last week because of small market (205th), large CATV penetration (35%).

NBC has asked Supreme Court to review Mass. Supreme Court ruling that WTEV Providence newsmen Paul Pappas must divulge news sources to grand jury investigating last July's civil disturbances in New Bedford. NBC said if decision stands, it "would severely stifle the ability of the press to obtain & report the news... The recent widespread service of subpoenas on newsmen requiring them to testify [on] such groups [as Black Panthers] has already adversely affected the capacity of the press to report on these groups."

Personals

All FCC members will attend NAB convention next week. Staff going: Robert Rawson, Harold Kassens, William Ray, Lloyd Smith, Willmar Roberts, Kenneth Miller, Sol Schildhause, Stephen Ross, Richard Wiley.

Jack Ansell promoted to special projects dir., ABC-TV president's office; **Thomas Wertheimer** promoted to business affairs vp, ABC Circle Entertainment; **Herbert Jellinek** elevated to production coordination & administration vp...**Bill Hughes**, ex-ABC-TV Spot Sales, named licensing-merchandising account exec., CBS Enterprises.

Louis Rocke promoted from gen. sales mgr. to acting gen. mgr., WSTV-TV Wheeling-Steubenville, W. Va., succeeding **George Bregge**, resigned...**Carl Flickinger**, ex-regional sales dir., Taft Bcstg., Cleveland, promoted to gen. sales mgr., WKRC-TV Cincinnati, succeeding **H. Needham Smith**, retiring June 1.

James Baker promoted to chief engineer, WABC-TV N.Y...**Thomas Kyle** elevated to promotion dir., KTAR-TV Phoenix, succeeding **Marilynn Brown**, on leave...**Art Hafer**, ex-W.J. Kessler Assoc. (telecommunications consultants), Miami, named engineering dir., WPBT Miami...**Robert L. White**, formerly called "Bob Grey" while KOGO-TV San Diego news producer, rejoins KLZ-TV Denver as news dir.

Cox Bcstg. is seeking 3 radio stations (it now has 4 AMs), Pres. Leonard Reinsch told stockholders at annual meeting. He said broadcast division accounted for 65% of revenues in 1970, even greater share of earnings. Outlook for 1971 is "uncertain," and first quarter revenues were down 3-5%, he said. He predicted improvement for full year. Number of subscribers to CATV systems wholly or partly owned by Cox Cable (principally-owned by Cox Bcstg.) rose 13% last year to 197,000, and 5,000 more were added in first 2 months of 1971, Pres. Henry Harris told annual meeting. He said Cox shares will be traded on ASE starting March 30. Secondary offering may be made later this year by holders who obtained Cox shares when firm acquired Telesystems in 1969 (Vol. 9:21 p9), Harris stated. Acquisition involved one million Cox shares.

Reconsidering fee schedule, FCC is expected to turn down requests for major changes in broadcasting. It's likely to waive annual fee for station proving it's in financial trouble, also for licensees who sell & buy because of Commission requirements. It's likely that base of transfer fee will be changed from price to fair market value. In satellites, it's anticipated fee will be modified from \$100,000 for launch & \$50,000 for earth station to 0.5% of cost. In safety & special area, prospects are that fees will be tailored to number of mobile units, as in common carrier field.

Closed circuit TV would be banned from major sports events under legislation being considered by Reps. Aspin (D-Wis.) & Sandman (R-N.J.).

Television Digest - Suite 1706

NAB convention hq for Television Digest & Fact-book will be Suite 1706, Conrad Hilton. On hand: David Lachenbruch, Irving Lichtenstein, John Loftus, Dawson Nail, Ed Sellers, Albert Warren.

CBS has clarified its offer of free time to major Presidential candidates to include 8 hours between Labor Day and election day if Congress repeals Sec. 315. Earlier, CBS Pres. Stanton told Senate Communications Subcommittee: "We are not going to provide or be put into a position of saying here's a half hour, do with it what you want to." Chmn. Pastore (D-R.I.) then accused Stanton of dictating format and jeopardizing chances of Sec. 315 repeal (Vol. 11:10 p3). Last week, Stanton wrote Pastore that format "suggested" by network "would be determined in consultation with the candidates, and with their agreement." He hoped that during first & 8th hours candidates would present their over-all views either individually or in joint appearances with remaining time for joint appearances or back-to-back interviews. Meanwhile, Pastore said Commerce Committee is making "tremendous progress" toward reporting out campaign spending bill. He said provisions would carry "a very strong & very brutal" disclosure requirement, but didn't say what approach Committee would take toward limiting spending in broadcast & print media. However, Committee has received opinion from Legislative Council that Congress has authority to limit political spending in print media. Committee meets again March 23.

Deadline for domestic satellite applications passed at FCC March 15 with no surprises. As expected, Fairchild Hiller and Western Tele-Communications filed, bring total applications to 8 (Vol. 11:11 p5). All applicants have made strong pitch for TV business, and networks have until middle of next week to comment. Western Union amended application to include 11 West Coast receive-only earth stations for TV networking, stating: "Growth to a nationwide system for the networks, CATV, educational broadcasters and other users can follow this initial system in a logical, orderly fashion." TelePrompTer filed last week for 5 receive-only earth stations to service CATV systems in tie-in with partner Hughes Aircraft's application for satellite system. Applicants still have 2 weeks to apply for earth stations, and several such bids are strong possibility from commercial broadcasters. CPB Pres. John Macy asked FCC to make sure any satellite grant includes low-cost or free service for public TV with same flexibility enjoyed by commercial networks.

Corinthian-Dun & Bradstreet merger will go before FCC early next month, probably April 7. Odds still favor approval, though there's some betting in Washington it could go 4-3 either way. Speculation is that Comrs. Johnson & Bartley, at least, would oppose sale —otherwise without problems—on grounds it doesn't break station group into smaller pieces.

Minor engineering problems produce about 150 license deferrals each month—and FCC is considering granting renewals conditioned on resolution of problems at later date. It's estimated half deferrals would be eliminated.

Obituary

William P. Massing, 77, who retired from FCC in 1956 as asst. secy. & License Div. chief, died March 14 in Washington following cerebral hemorrhage. He was with old Federal Radio Commission as chief of Broadcast Section & License Div. Wife, son, daughter survive.

Consumer Electronics

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MANUFACTURING & SALES • TV • PHONOGRAHS • TAPE PRODUCTS • RADIO • COMPONENTS • NEW PRODUCTS • FINANCE

STATE OF THE INDUSTRY

Sales to dealers (domestic-label only), from EIA, for week ended March 5 (9th week of 1971):

	Feb. 27 March 5	1970 week	% change	Feb. 20-26	1971 to date	1970 to date	% change
Total TV.....	186,575	176,125	5.9	241,034	1,758,023	1,594,314	10.3
color	106,766	89,796	18.9	129,705	953,027	837,259	13.8
monochrome	79,809	86,329	- 7.6	111,329	804,996	757,055	6.3
Total radio	317,682	288,323	10.2	375,421	3,130,879	2,855,086	9.7
home, portable ..	100,570	103,993	- 3.3	152,349	1,170,672	1,267,024	- 7.6
AM-only	64,272	63,818	0.7	98,349	702,481	823,839	-14.7
FM & FM-AM	36,298	40,175	- 9.7	54,000	468,191	443,185	5.6
auto	217,112	184,330	17.8	223,072	1,960,207	1,588,062	23.4
Total phono.....	70,926	69,533	2.0	98,530	697,323	551,692	26.4
portable-table	55,824	44,646	25.0	78,586	526,378	345,139	52.5
console	15,102	24,887	-39.3	19,944	170,945	206,553	-17.2

Color TV 5-week moving average: 1971—108,731; 1970—91,284 (up 19.1%)

RCA ENTERING TAIWAN TV TUBE VENTURE: Establishment of picture tube manufacturing joint venture on Taiwan by RCA with local partners is to be announced this week. Move has received go-ahead from govt. there and would give island its 3rd picture tube operation. Clinton Electronics is producing b&w tubes, and Dutch Philips is constructing combination glass & tube facility. In closely related development, Corning Glass has decided to build plant in Taiwan.

Confirming report, RCA spokesman declined details, pending simultaneous release of statement by RCA & Taiwan partner. It's understood, however, that venture results from efforts launched last year by govt.-endorsed China Electronics Development Corp., a private financed holding company, to find U.S. partner (Vol. 10:28 p9). About 2 years ago, Taiwan govt. became concerned over Japanese-financed ventures' control of island's production of most key electronic components, began luring investors from other countries.

RCA decision is considered important factor in Corning plan to build \$6.85-million b&w glass plant. Corning TV Products Vp-Gen. Mgr. Henry M. Frailey told us last week that engineering work on facility has begun. Application for venture, in partnership with Japan's Asahi Glass, received Taiwan govt. approval last year.

Japanese still anxiously seek own Taiwan TV tube operation. Toshiba has had application pending for 2 full years, and Hitachi is believed to be considering asking permission to convert part of Taiwan receiving tube facility to picture tubes. At stake are OEM contracts, now held largely by Japanese, to supply tubes to booming TV export-assembly operations on Taiwan. Nearly 840,000 b&w TVs, plus 52,000 color, went into U.S. last year from Taiwan; this year's b&w should go well over million, with color near 100,000. Currently exporting TVs to U.S. from Taiwan are Admiral, Hitachi (both shipping b&w & color), Philco & RCA. Zenith has cut ribbon on new plant there; Motorola may start shipping TVs later this year and several Japanese firms have TV export venture plans.

Initial output of new venture probably will be b&w tubes, with color tube capability possibly added later. Likely source of at least some of production equipment is RCA's Marion, Ind. faci-

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lity, which will shut down company's last domestic b&w tube manufacturing line next month, convert to all color (Vol. 11:6 p7).

* * * *

Casting vote to break Tariff Commission deadlock, President Nixon last week declared H. H. Scott eligible for import-adjustment assistance. Commission agreed firm suffered serious injury, divided 2-2 on required finding that tariff concessions granted by U. S. negotiators had led to increased hi-fi equipment imports.

Scott's job now is to draw up comprehensive aid program, submit it to Commerce Dept. Scott can seek technical help, tax assistance and/or financial aid—latter in form of low-interest govt.-backed loans. Assistance proposal must show how it would help firm recover from import impact, provide for interest of employes and demonstrate how firm will use own resources.

Scott will ask for all 3 forms, we were told by Pres. Victor Pomper. Discussing persistent reports that Scott is take-over target, Pomper said there were merger talks last year, but they were broken off and "we are not negotiating with anyone at the moment and do not intend to." Scott's poor financial shape won't result in product-line cutback, he indicated. Scott, he said, plans full new-line introduction at Consumer Electronics Show, including "innovative 4-channel stereo" equipment. There are indications Scott will have 4-channel receiver with decoder, possibly for Electro-Voice system. Pomper also said that Scott's management team had been overhauled (see *Trade Personals*, p. 12).

In other foreign trade activities: Another postponement has pushed hearing date for preliminary motions in NUE's \$360 million damage suit against Japanese to April 12. AFL-CIO plans national conference on jobs in Washington this spring. Emphasis will be on impact of imports and increased establishment of foreign U. S.-owned manufacturing plants on employment in domestic industries.

FCC MAY EASE TUNER-COMPARABILITY RULE: In surprise move, FCC last week asked industry whether it should make exception to its tuner-comparability rules to permit uhf tuning device which could considerably ease transition by set manufacturers—particularly in low-end sets.

In another possible move affecting receiver manufacture, FCC is considering start of inquiry into set performance—sparked originally by problems of FM interference to Ch. 6 (see below).

Commission issued public notice (65093) describing new Sarkes Tarzian 70-channel tuning device with detents on each channel, which is claimed to provide positive identification of each channel, to cost less than 1/3 of uhf memory tuners and be small enough to fit any set. Question raised by FCC: Would it be in public interest to use this tuner, without memory tuning, in combination with vhf tuner which has memory tuning?

Question seems like hair-splitting, but does point out paradox in FCC tuner rules: A 6-channel uhf tuner with memory tuning would be considered "comparable"—but full 70-channel tuner without memory might be verboten, although actually more desirable for promotion of uhf. FCC says it would consider such 70-channel tuner permissible right now if manufacturer "degraded vhf tuning accuracy" by eliminating memory tuning—another paradox.

Competitive tuner manufacturers were surprised that single proprietary tuning device was singled out for FCC's notice. However, Arnold G. Skrivseth, chmn. of Commission's TV Tuning Panel, told us Sarkes Tarzian's was the only request for such clarification. "We know of at least 2 other companies working along the same line," he said. He said Tarzian tuner was "smallest we have seen to date" and is "close to what the Commission had in mind" in tuner rules, "but may not be close enough." He indicated that if FCC decided to make exception for Tarzian tuner it would "change the rules to cover all things of the same class."

Tarzian told us tuning mechanism is different from others, had been shown to manufacturers. "It's small enough to fit in a 9V" portable and has a positive detent and number presentation for each channel. The presentation is comparable to vhf." He said deliveries could be made in 8-10 weeks, adding that he had filed for patent protection and invited domestic & foreign competitors to take out licenses.

Tarzian's principal domestic competitor, General Instrument's F. W. Sickles Co., said it had asked FCC for clarification of similar questions in July—and at that time Commission didn't even

concede that such tuning would be permissible if vhf tuning were purposely degraded by elimination of memory fine tuning (which it specifically affirms in public notice). GI Group Vp Edgar Messing said Sickles had developed similar tuner years ago.

"We favor the use of a 70-position detent mechanism to tune uhf as a means of achieving equivalence," he said. "In March 1970, samples of the Sickles detent tuner with specifications like those described in the new public notice were demonstrated to the FCC's Tuner Panel and discussions have been continuing since that time."

Manufacturers unquestionably will favor changing rules to permit use of 70-channel detented uhf tuners without memory tuning in combination with conventional memory vhf tuners. It would help solve real knotty problem—since even 6-channel uhf memory tuners are cumbersome, complex & expensive—and vastly ease transition to compliance with FCC order in 1972 & beyond. Uhf broadcasters' reaction—still unknown—probably will provide key to whether FCC rules that this type of tuner should be considered "comparable."

FCC asked that comments be submitted to its chief engineer by this Fri., March 26. Public notice also states that Commission will consider "limitations on any grant of authority, relating, for example, to the duration of the grant or to the size or price of receivers to which it may apply."

Another FCC nose under set-makers' tent appears to be nuzzling closer. Last year, MST, NAEB, CPB, EIA & FCC began discussing FM interference to Ch. 6, and MST sought formation of advisory committee to help Commission. FCC staff, it's understood, has concluded better way of getting at it would be "Notice of Inquiry," asking all segments of industry to comment on problem—and many other kinds of receiver difficulties.

Some questions FCC engineers have in mind: How do receivers & antennas perform in functions affected by interference? How can they be improved, by placing more requirements on receiver makers? Should FM transmitters be limited to out-of-town spots?

INDUSTRY PROFITS DOWN 64% IN 1970: Consumer electronics manufacturers, in the aggregate, pulled out of their red-ink position in 2nd half of 1970, but total net profits of bellwether specialist firms were about 64% below 1969's levels. In 4th quarter, earnings were only 10% below same 1969 period.

Our quarterly survey of industry's financial results indicated that companies specializing in consumer electronics tallied an aggregate loss in year's first half (Vol. 10:31 p7), then pulled very slightly into black in 3rd quarter, thanks to increased efficiencies, economy programs, changed accounting methods and end of truck strike (Vol. 10:45 p9). For 4th quarter and full year, industry was very much in the black.

Of 11 companies considered specialists in consumer electronics, only 2 (Admiral & Warwick) showed loss for year. Eight of 11 reported lower profits for 1970 than 1969; 3 showing increases are relatively small firms heavily in import trade—Esquire, Superscope, Soundesign. The 11 specialist firms registered sales decline of less than 5% for year, and 7 of the 11 actually showed sales increases.

Fourth-quarter picture—12 companies were included in this tally—showed an indicated profit decline of 10%, with sales down 5.5%. Four firms indicated loss operations in quarter, and 4 increased their profitability, or reduced losses, from 1969 period. Seven showed sales increases in quarter.

Large, diversified firms which produce consumer electronics along with many other product & service lines registered 34.5% profit dip for year on sales drop of less than 4%. For final quarter, their net was down 21% and sales off less than 1%. Two improved profits (GE, Sylvania) and 3 improved sales (GE, RCA, Sylvania) in quarter.

Our tally of specialist firms included Admiral, Andrea, Automatic Radio (quarter only), Esquire, Magnavox, Curtis Mathes (6 months & quarter ended Nov. 30), Morse (9 months & quarter), Soundesign, TMA (quarter to Nov. 30), Tenna (6 months & quarter), Warwick, Zenith. Diversified firms consisted of Arvin, GE (not included in aggregate totals), Motorola, North American Philips, NUE, RCA & Sylvania.

JAPAN'S EXPORTS: Apparently undisturbed by dumping furore, Japanese TV exporters' 1971 shipments to U.S. were off to flying start, setting all-time highs for Jan., according to Finance Ministry. Exports of complete TVs were up 63.7% from same 1970 month to 246,951—color up 51%, monochrome 70.5%.

Home transistor radio exports for Jan. were off 5.7% to 529,927, with sharp increase in clock radios—category being reported for first time—making up much

JAPANESE EXPORTS TO U.S.

	Jan. 1971		Jan. 1970	
	Units	Value (\$)	Units	Value (\$)
Total TV.....	248,591	21,443,261	151,863	13,083,867
color.....	80,452	12,843,892	53,220	8,200,581
b&w.....	166,499	8,539,669	97,643	4,848,978
b&w chassis & kits.....	1,640	59,700	1,000	34,308
Rad.-phono, stereo.....	34,570	2,228,589	40,703	606,031
Rad.-phono, mono*.....	40,953	471,925	—	—
Rad.-rcrdrs. & other comb.....	188,708	7,832,161	112,264	4,734,856
Clock rads.....	140,122	2,170,142	10,522	392,408
Tr. rads. w/FM	248,323	6,595,953	385,390	8,804,347
Tr. rads., other	141,482	763,278	166,110	1,714,264
Auto rads.....	108,655	1,777,292	45,874	720,864
Trcvrs., under 100 mw.....	56,274	198,272	37,009	142,108
Trcvrs., other ..	19,489	724,261	9,225	401,706
Phonos.....	24,767	345,808	25,315	379,969
Rcrdrs. & players	531,622	11,239,628	418,032	9,447,231

*Not reported separately in 1970.

	1970		1969	
	Units	Value (\$)	Units	Value (\$)
Total TV.....	3,376,477	264,838,233	3,272,466	263,581,858
color.....	883,357	141,075,550	929,897	148,322,597
b&w.....	2,467,297	122,891,008	2,300,019	113,650,403
b&w chassis & kits	25,823	871,675	42,550	1,608,858

4-CHANNEL MOVES TO CAR: First on market with 4-channel auto tape players probably will be Motorola, promising deliveries this month. In distributor showings last week, company unveiled 4-channel 8-track auto player featuring left-right & front-rear balance controls, at \$159.95, including 4 speakers for door installation. Motorola also showed "Side Track" 8-track stereo player, which loads through slot in side, claimed to be safety feature, at \$99.95, including 2 speakers. Company's car stereo players start at new low of about \$49. To cope with tape-player theft, Motorola has tool-steel lock, claimed hacksaw-proof, anchored into steel channel behind dash.

Motorola also has added new universal in-dash AM-FM-stereo radio with adjustable tuning shafts, and mounting panels to match decor of any car. Company is promoting authorized "installation stations" to install radios sold by dealers not equipped to install car radios.

"Philco Week" specials for spring promotion starting March 22: AFT 25V" color console at \$599.95, lowest price reported by Philco for that category; 16V" color at \$329.95; 8V" b&w at \$79.95 and 18V" b&w at \$134.95.

of deficit in other types. Phono exports were off 2.2%, while gains were posted by radio-phonos (up 85.5% to 75,523), radio-recorders (up 68%) and auto radios (up 137%). Ministry compiled new breakouts for tape recorder & player exports, but because of what appear to be classification errors we have indicated them below in combined form. Unit tape instrument exports were up 27.2%. Following tables indicate Japanese exports-to-U.S. for selected consumer electronics for Jan., plus full totals for 1970 & 1969.

	1970		1969	
	Units	Value (\$)	Units	Value (\$)
Rad.-phono ..	1,455,728	42,202,855	1,689,273	38,832,992
Rad. rcrdrs. & other				
comb.	3,063,418	130,623,994	1,488,955	57,235,844
Auto rad.	1,084,996	17,955,539	958,923	13,574,719
Tr. rad., port., with FM ..	2,797,239	47,727,661	7,301,766	91,013,317
Tr. rad., port., other*2,014,999		13,316,931	—	—
Tr. rad., home, with FM ..	4,439,460	117,222,425	6,430,788	110,387,981
Tr. rad., home, other*1,747,760		13,107,708	—	—
Tr. rad., chass. & kit.....	814,458	12,502,186	1,516,472	21,900,611
Trcvrs., under 100 mw	2,066,035	7,165,783	1,857,261	7,004,642
Trcvrs. other.	402,766	12,468,889	273,749	8,950,683
Phonographs ..	367,105	5,051,775	293,443	4,137,106
Tube rcrdrs..	18,530	893,333	10,476	724,867
Tr. rcrdrs., rim dr.	397,860	2,713,650	801,019	5,320,522
Tr. rcrdrs., cassette ..	5,122,926	100,766,797	3,874,034	78,820,333
Tr. rcrdrs., capstan ..	393,005	18,785,042	780,833	35,664,636
Tape players, auto	2,407,069	50,918,939	2,570,328	56,274,422

*Included with item directly above in 1969.

In other introductions: Benjamin Electronics is U.S. import-distributor of Swiss-made Lenco transcription turntables. First models have walnut base, variable speed control, \$85 & \$99.50...Hegeman Labs will test-market slim, 2-ft. high, top-firing omni speakers, vinyl finish teak, black grille, \$180 per pair...Harman-Kardon addition to omni speaker line is Citation 13, \$295 each.

"Appropriate federal agency" should require that all sound amplification equipment sold in U.S. after Dec. 31 "clearly designate the danger of high-tone hearing loss from excessive amplification," Forum on Mass Media of White House Conference on Children has recommended. (HEW official said that agency has such power under x-radiation law.) Forum also recommended that FCC require all radio stations to warn public of danger of hearing loss from high amplification (see p. 1).

New art forms for Cartrivision system have been commissioned by Cartridge TV—including patterns of light set to classical music, series of short modern films, experimental video composition of "stereophonic color visual musical abstractions."

1970 COMPONENT IMPORTS: Decline in 1970 unit imports of key components from 1969 levels reflects last year's sales slump and cutback in domestic production. Imports of picture tubes (color & b&w), microphones, variable resistors, receiving tubes & transistors, all failed to reach 1969 levels, according to Commerce Dept. Total value of selected component imports—excluding TV tuners & ICs—was \$178.5 million, up 2.3% from 1969.

TV tuner classification, new in 1970, indicates growing importance of offshore production to U.S. parts manufacturers. Unit imports, up 36% from Tariff Commission's estimate for 1969, were enough to supply 66% of U.S. OEM requirements. More than 90% of imported tuners came from Hong Kong, Taiwan, Mexico, Portugal and other areas where U.S. manufacturers have foreign assembly plants. Of IC unit imports, 97% came from such export-assembly countries, along with 93% of transistor imports and about 25% of capacitor imports.

Lowest-priced TV tuners came from Taiwan. Average of less than \$1 indicates most shipments were semi-finished assemblies. Highest average price was \$6.02 for West Germany's 25,000 tuners, followed by \$5.46 on 22,000 from Canada. Both countries are supplying electronic tuners, and Germany's Preh is selling detent uhf mechanisms to some U.S. OEM. Other tuner averages were Hong Kong \$4.28, Japan \$4.07 & Mexico \$2.89. Average price of Japanese color tube was \$45.07 vs. \$52.43 in 1969; b&w tube average was \$13.97, up from \$11.86.

U.S. IMPORTS OF COMPONENTS

	1970		1969	
	Units	Value (\$)	Units	Value (\$)
Color Tubes	37,477	1,622,181	148,153	7,995,859
Japan	31,897	1,437,544	96,707	5,070,326
Canada	3,867	159,866	51,250	2,900,762
B&W Tubes	32,889	459,044	62,472	770,103
Japan	30,086	420,264	58,986	699,425
Canada	2,117	17,527	3,052	58,367
TV Tuners*	10,577,312	27,499,232	—	—
Mexico	5,350,731	15,466,345	—	—
Hong Kong	1,078,217	4,613,796	—	—
Taiwan	3,061,708	3,023,024	—	—
Japan	939,487	3,824,112	—	—
Loud Speakers	30,802,319	32,908,367	30,787,365	26,085,734
Japan	27,466,622	28,141,367	28,869,695	22,575,790
Taiwan	1,136,049	547,894	791,550	274,685
Microphones	2,294,545	4,927,177	3,349,048	5,301,931
Japan	2,088,649	3,602,368	3,049,972	3,822,287
Audio Amplifiers . . .	1,319,382	13,466,940	1,296,493	11,429,499
Japan	683,080	8,607,819	655,087	7,165,918
Ireland	564,354	2,166,371	544,706	2,140,524
Fixed Capac.	508,426,233	21,468,943	N.A.	31,800,867
Var. Capac.*	278,979,172	11,001,878	—	—
Fixed Resis.	988,742,913	9,978,870	837,094,247	7,740,285
Var. Resis.	126,640,159	5,377,604	129,704,425	5,885,170
Rcvg. Tubes	46,713,707	17,551,332	48,713,610	18,403,641
Japan	28,863,702	11,443,000	31,421,144	11,468,723
Netherlands	8,989,034	2,790,485	8,488,009	3,199,382
U.K.	3,626,266	1,312,927	4,703,948	1,856,326
Transistors	602,343,083	59,818,585	701,359,658	59,001,265
ICs*	248,710,268	69,443,577	—	—

*Not reported separately in 1969.

Add to videoplayer entrants Japan Electron Optics Lab, which reports development electron beam film color system, demonstration "soon." JEOL says it has filed about 100 patent applications, estimates player cost of \$555. 30-min. film cartridges less than \$30.

STEREO-8 FORECAST: Consumers will spend more for 8-track cartridges this year than for players, as industry approaches \$1-billion mark, according to Motorola. Firm sees retail player sales this year at \$470 million, up 14.6% from 1970; while cartridge sales jump 30% to \$520 million. Sales of tape & players for home are seen more important, as expansion of auto field is hampered by slow economy and shift to compact cars. Motorola says factory-plus-dealer new car player installations will hit 450,000 in 1971, about 5% of car sales, with after-market absorbing some 3 million. Last year, our survey showed factory-only installation of about 247,000 in 1970-model cars (down 10% from 1969 model year) with player sales in both years equal to 3.3% of new-car volume (Vol. 10:43 p8).

New entry in high-performance tape field is 3M, whose "High Energy" (HE) video-audio recording tape utilizes cobalt-modified ferric oxide coating to provide performance claimed to equal that of chromium dioxide, but without latter's abrasion of heads. HE video tape improves signal-to-noise ratio by 4 db over standard tape, makes possible 4th generation duplicates nearly equal to masters recorded on standard tapes, provides half-speed performance equal to standard tape operating at full speed, according to Magnetic Products Div. Gen. Mgr. Daniel Denham.

3M has begun showing HE tape to U.S. & foreign cartridge videoplayer manufacturers. Price will be some 10-12% higher than standard tape, but well under chromium dioxide—now selling at about 50% premium—Denham said. In cassette form, HE will be priced somewhat higher than standard, but levels haven't been established, he stated. Cassettes with claimed improvement of 3-to-5 db across sound spectrum, will be marketed in July.

Denham said 3M will demonstrate newly developed high-speed tape duplication system sometime later in year. System, he indicated, will duplicate hour-long video tape in 6 min.; each master machine can handle up to 3 copy stations at a time. Though no mirror-image master tape is required, system is understood to involve contact duplication process in which information from master is transferred first to interim tape, then to slaves.

Tape topics: Superscope's recorded tape operation expands into spoken-word field with educational cassettes. First will be ready in June at \$5.95. Firm plans promotion tie-in with recorder sales, with purchaser of Sony recorders eligible to buy 12 spoken-word tapes at \$1.60...RCA adds blank 8-track cartridge, 90-min., \$4.90...Japan's Music Tape Council reports recorded 8-track sales in 1970's first 11 months at 16.3 million cartridges, up 53% from 1969 period; recorded cassette sales rose 171% to 1.9 million; EP cassettes up 72% to 54,000; recorded reel up 20% to 164,000.

Confusion over X-ray measurements after June 1 under TV set rules (Vol. 11:11 p12) has been cleared up in discussions between HEW & EIA. Letter to set makers last week from EIA Consumer Products engineer Eb Tingley clarified conditions of set operation under "simulated component failure" mode prescribed in Phase 3 of progressively tightening measurement standards.

Trade Personals

Elmer W. Engstrom, former RCA pres., and **W. Walter Watts**, former exec. vp, announced they would not seek re-election to board at annual meeting... **William C. Fortune** resigns as RCA Sales Corp. mgr. of audio product management to become vp of Allison-Irwin Co., Charlotte, N.C., Zenith-Westinghouse distributor... **Thornley C. Jobe**, former resident engineering mgr. at now-closed Memphis b&w TV plant, shifts at RCA Consumer Electronics to product analysis & control lab mgr. in Indianapolis.

Francis Dennesen advanced at H.H. Scott to new post of exec. vp & gen. mgr.; **Thomas Lubberman**, former Technical Operations controller, succeeds Dennesen as finance vp; **James Dhimos**, ex-Sylvania, joins in new position of mktg. vp; **Joseph Cornelius**, ex-Stevens Mfg. & one-time tube plant mgr. for CBS & Raytheon, named mfg. vp; **John Eckert**, ex-SynerData, named production mgr.; **Raymond Barnes**, ex-Sylvania Semiconductor, appointed quality control mgr.

James N. Ryan, ex-Emerson sales vp, appointed Phono Sonic Radio Corp. mktg. & sales dir... **William J. Peters**, ex-Gibson, joins Sylvania Entertainment Products as sales promotion mgr... **John J. Williams**, ex-Motorola, joins Admiral as contract sales product planning mgr... **Edward J. Roberts** joins Zenith as information systems mgr.

James M. McDonald, formerly with Visual Communications Products Dept., advanced at GE to gen. mgr. of Electronic Component Sales Dept., replacing **J.N. Phillips**, now on staff of Senior Vp **Hilliard Paige** in N.Y... **Jack B. Clarkson** promoted at Sylvania Electronic Components to gen. mgr. of circuit module operation... **James von Harz** resigns as Transitron exec. vp to become ITT Cannon gen. mgr.

Steven Teachout, ex-Superscope mktg. mgr., joins Electronic Industries Speaker Div. as mktg. & sales dir... **Kelly P. Ohka** advanced at TEAC (U.S.) to Technical Products Div. engineering dir... **Clyde Harris** appointed 3M/Wollensak product sales mgr. for education markets.

William E. McQueeny advanced to gen. mgr. of Sprague's Wis. manufacturing subsidiary, succeeding **Harry W. Rubinstein**, retired... **Mel Bowman** resigns as Fairchild Semiconductor MOS mfg. & testing mgr... **John W. Matheus**, Allen-Bradley personnel relations dir., named vp, succeeding **Ralph W. Ellis**, retired.

Robert Galvin, Motorola chmn., named 1971 recipient of B'nai B'rith Great American Award.

Audio manufacturers-importers meeting has been called by EIA Audio Div. March 29 in Chicago to develop industry-wide position of FTC's proposed amplifier power rules. EIA is likely to recommend: (1) RMS measurement as proposed by FTC. (2) Adding power of stereo channels together rather than FTC's proposed "watts-per-channel" formula. (3) When power figure is printed without modification, it reflects not over 5% distortion; lower distortion percentages may be advertised. (4) Measurements to be made according to EIA standards. (5) Minimum of 90% of production must conform with advertised power. (6) Speaker impedance of 8 ohms to be assumed unless otherwise specified.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during past week. Dash indicates information not available at press time. Amounts expressed in dollars. Parentheses denote loss.

Company & Period	Revenues	Net Earnings	Per Share
Admiral 1970-year to Dec. 27 1969-year to Dec. 28	368,533,000 354,394,000	(16,103,000) ^a 1,492,000	-- .29
Admiral International Enterprises 1970-year to Dec. 31 1969-year to Dec. 31	106,242,323 104,355,465	4,393,697 ^b 4,887,900	1.37 1.52
AT&T 1971-year to Feb. 28 1970-year to Feb. 28 1971-qtr. to Feb. 28 1970-qtr. to Feb. 28	17,187,871,000 15,874,198,000 4,381,982,000 4,061,751,000	2,194,557,000 2,198,760,000 554,875,000 538,866,000	4.00 4.00 1.01 .98
Castagna Electronics 1970-year to June 30 1969-year to June 30	665,500 399,736	(72,553) 6,267	-- .01
Clarostat 1971-year to Jan. 2 1970-year to Jan. 3	10,728,700 12,246,000	102,300 111,000	.18 .20
Doyle Dane Bernbach 1971-qtr. to Jan. 31 1970-qtr. to Jan. 31	65,595,000 ^c 67,002,000 ^c	627,000 ^a 740,087	.33 .39
Dynamics Corp. of America 1970-year to Dec. 31 1969-year to Dec. 31	121,060,545 147,921,893	(9,943,222) 2,297,105	-- .46
Elgin National Industries 1970-year to Dec. 31 1969-year to Dec. 31	120,343,855 112,043,246	(895,476) ^a 4,139,388 ^b	-- 1.22
MPO Videotronics 1971-qtr. to Jan. 31 1970-qtr. to Jan. 31	3,395,264 3,918,522	(45,823) 31,397	-- .06
Republic 1971-qtr. to Jan. 31 ^d 1970-qtr. to Jan. 31 ^d	49,991,000 48,138,000	(22,216,000) ^a 1,778,000	-- .20
20th Century Fox 1970-year to Dec. 26 1969-year to Dec. 27	202,146,000 139,164,000	(77,355,000) ^b (25,249,000) ^b	-- --

Notes: ^aAfter special charge. ^bIncludes special credit.

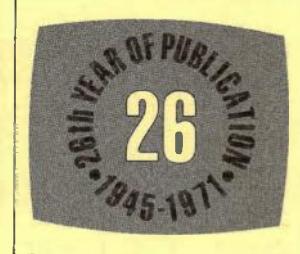
^cBillings. ^dRestated.

Magnuson warranty bill could hurt consumer by requiring price increases, or by causing some manufacturers to offer no warranties at all. So said EIA Consumer Electronics Group counsel J. Edward Day at Senate hearings last week. Referring to bill's distinction between "full warranty" & "partial warranty," he said: "To expect a company to... advertise that it gives a 'partial' warranty is like expecting [it to advertise] its product has an 'incomplete' color reception or a 'mediocre' sound clarity." He also urged that bill be amended to clearly supersede all state warranty laws, and that section expanding FTC powers be removed and introduced as separate bill. FTC Chmn. Miles Kirkpatrick generally backed bill but appeared to agree with Day that requiring manufacturers with "full warranties" to make repair or replacement without charge might be detrimental to smaller manufacturers. He generally endorsed new section of bill strengthening FTC.

WEEKLY

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MARCH 29, 1971

VOL. 11, NO. 13

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

BUSINESS UPSURGE BUOYS NAB: Only slight drop in registration expected at 49th annual convention, though some frills missing. Burch will question fairness doctrine. Wasilewski to warn govt. on news interference, criticize FCC on song lyrics. Programs, renewals, CATV, EBS, major subjects. (P. 1)

NETWORKS DEFEND NEWS, as Agnew lambasts CBS Pentagon documentary. Salant claims validity 'stands unscathed.' Goodman attacks 'continuing effort to discredit & intimidate network news.' Lower says ABC 'stands squarely behind its correspondents.' (P. 2)

FCC GEARS FOR EARLY CATV WRAP-UP: Members think April-May reasonable target for tentative decision, reflecting Burch views. Staff less optimistic. (P. 4)

NAB EQUIPMENT PREVIEW: Exhibits more austere, emphasis on lower-cost products. RCA, Ampex cartridge VTR systems come closer to compatibility. GE to feature 'Mini-Telecenter,' low-cost color film-live system. (P. 6)

USE OF DOLBY NOISE-CUTTER can extend useful range of FM station 3 times, provide equivalent of ten-fold power increase, NAFMB is told. Station equipment would cost \$1,050, receiver unit \$10. (P. 6)

MORE CAMPAIGN HEARINGS: Pastore cries 'dirty pool,' accuses Senate GOP of blocking campaign reform bill, renews hearing March 31-April 1. Justice Dept., college professors to testify. Nixon's support for spending limits jolts Republicans. (P. 7)

NAB-NEWS, PROGRAMS, RENEWALS, CATV, EBS, FAIRNESS: Recent business upsurge on network & local levels buoyed NAB executives considerably as broadcasters converged on Chicago for 49th annual convention. Most expect registration to be down slightly from 1970's record 5,498 (predictions are 200-600 drop). Only NAB Chmn. Bill Walbridge told us he expects new record, but nobody expects major dropoff such as occurred at IEEE (see p. 12).

FCC didn't drop any blockbuster week before convention—sort of a tradition—but govt. matters as always will be prime subject in & out of meeting rooms. Chmn. Burch, for instance, will pose many questions concerning fairness doctrine (including impact on commercials) and where present trend of rulings may lead. At Wed. speech, he'll also discuss CATV among other subjects.

NAB Pres. Wasilewski, at Mon. opening session, is expected to attack FCC's pending inquiry on renewals (Vol. 11:8 p1) and warn govt. to keep hands off news operations (see current CBS imbroglio with Vice President Agnew & congressmen, p. 2). White House Communications Dir. Her-

Consumer Electronics

ADMIRAL DROPS COLOR TUBE manufacture. RCA confirms Taiwan b&w tube joint venture with Chinese holding company. Zenith Mexican-border facility to supply picture-tube parts; company may supply Chromacolor to outside OEM customers. (P. 9)

TARIFF COMMISSION SPLIT leaves RCA Memphis workers hanging on import-aid request; President will make final decision. Allied Stores drops Japan as supplier in favor of GE as result of dumping price uncertainties. Jan. TV imports up. (P. 10)

1971—YEAR OF THE MODULE: Various approaches to modular design used in color TV by RCA, Zenith, Magnavox, Warwick, Wells-Gardner, Heath & Toshiba, following movement started by Motorola in 1967. Manufacturing & servicing flexibility cited. (P. 10)

PANASONIC GOES EVR, taking license from British Partnership, becoming 4th Japanese manufacturer to do so, withdraws scheduled demonstration of new VTR at IEEE convention. (P. 12)

DOWNBEAT IEEE SHOW mirrors depressed industry state. Exhibitors, attendance well down from 1970 event. Sony draws crowds with videoplayer system, Panasonic with opulence. (P. 12)

JAN. TAPE UNIT IMPORTS post strong gains over 1970 month, with 1.1 million recorders & players entering. Radio imports up, phonos decline. Tape-player combinations triple. (P. 13)

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bert Klein undoubtedly will discuss same subject in 10-min. speech at Tues. lunch and news conference same day. Wasilewski also is expected to criticize Commission's policy on song lyrics (Vol. 11:10 p4), though NAB doesn't plan court appeal. He'll also attack closed-circuit Frazier-Ali fight, labeling it forerunner of nationwide cable-pay TV.

Every time 2 telecasters get together in Chicago, a leading question will be: "What are you going to program in your half-hour of prime time?" And NAB hopes to provide some answers regarding FCC 3-hour rule with Wed. morning's "Program Conference '71." It features NBC-TV Pres. Donald Durgin, Westinghouse Pres. Donald McGannon, TelCom Chmn. Herb Jacobs, Ted Bates' Senior Vp Richard Pinkham, NATPE Pres. John Comas & ex-FCC Comr. Kenneth Cox, who was vociferous advocate of 3-hour rule while on Commission. Panel will be moderated by producer Jules Power.

There'll be more than routine meetings of NAB Exec. Committee & TV Code Board in Chicago, too. Troika of exec. vps (Grover Cobb, Paul Comstock & Paul Haney)—with assistance of Wasilewski & Secy.-Treas. Everett Revercomb—have been striving mightily to bring NAB budget into black by June Board meeting (Vol. 11:10 p6). They'll report on plans to Exec. Committee Tues. TV Code Board meets Sun. to consider controversial recommendations of ad hoc subcommittee—including hike in fees, hearings with advertisers & consumers (Vol. 11:12 p2).

Several engineering sessions will draw major attention, and couple are expected to attract large management delegation. There's Mon. afternoon panel on Emergency Bcst. System, moderated by FCC Defense Comr. Wells. White House considers it important enough to send 2 representatives—Brig. Gen. James Hughes (Air Force) & Col. Albert Redman (Army). EBS session will be followed by FCC-Industry panel, always a crowd pleaser. Added significance has been given Tues. morning panel on vhf TV remote control by Commission's approval 2 weeks ago (Vol. 11:12 p5). Engineering luncheon speakers are CBS Labs Pres. Dr. Peter Goldmark (Mon.) & Brooklyn Polytechnic Institute Pres. Benjamin Adler (Tues.). Benjamin Wolfe, Post-Newsweek station vp, receives Engineering Award.

Engineers join managers at Mon. opening session and Wed. luncheon. NAB's first fulltime pres., Washington lawyer Neville Miller, receives Distinguished Service Award Mon. morning. Apollo 14 Astronaut Alan Shepard—who attended NAB convention 10 years ago, just days after becoming first American in space—also will make brief remarks. Management luncheon speakers, in addition to FCC chmn., are Notre Dame Pres. Rev. Theodore Hesburgh (Mon.) and cartoonist-humorist Al Capp (Tues.), latter speaking on drug abuse. Joint TV-radio session Mon. afternoon features speeches by Washington attorney Clifford Alexander, HUD Secy. George Romney & CPB Pres. John Macy.

There's perennial intensity about TV Board elections—and at least 9 candidates are vying for 6 seats. Incumbents Peter Storer and William Grant seek reelection; others include Wilson Wearn, Robert Wright, Earl Hickerson, Fred Weber, Leonard Patricelli, Robert Bennett & Mort Watters. In procedural departure (nominations & election were Wed.), nominations come Mon. afternoon, and polls remain open until 5 p. m. Tues. Results will be announced at TV session Wed. morning.

Highly successful early bird sessions will be repeated (8:30 a. m. Mon.; 7:45 a. m. Tues. & Wed.). Most popular are likely to be those on "minority renewal challenges" and 4 FCC executives (Robert Cahill, Harold Kassens, Robert Rawson, William Ray) discussing station problems "as seen by the Commission staff."

Delegates—TV particularly—are likely to have more spare time than usual. While there's no dearth of hospitality suites (though some popular setups such as Triangle's will be missing) many have cut back on frills & live entertainment. Big bashes of TV networks are out entirely, all 3 dropped in budget slashes.

NETWORKS DEFEND NEWS AS AGNEW CHARGES ON: Vice President Agnew continued his spring offensive against network news last week by again attacking CBS for using "propagandistic manipulation," editing remarks out of context and using "false pretense" in filming documentary "Selling of the Pentagon." Network, which originally aired program Feb. 23 and drew scathing criticism from Agnew and hawkish Democrats & Republicans alike (Vol. 11:12 p5), rebroadcast it March 23 to include rebuttals from Agnew, Defense Secy. Laird, House Armed Services Committee Chmn.

Hebert (D-La.) and an answer to them by CBS News Pres. Richard Salant. (Note: Network news controversy will play major role at NAB convention this week, where it will be discussed by several speakers; see p. 1.)

"No one has refuted the essential accuracy of 'Selling of the Pentagon,'" Salant said. "You have seen and you have heard Pentagon activities for yourselves: The manipulation of news, the staging of events and the selling to the public of the Pentagon's points of view. None of our critics has said that these things didn't happen or weren't done—and so the validity of the broadcast stands unscathed." But Agnew, who like Hebert had challenged CBS to let him edit his remarks on documentary, called CBS's reply "a typical non-rejoinder" that "cleverly avoids an encounter with the direct evidence of CBS error."

Meanwhile, NBC Pres. Julian Goodman ripped into Senate GOP efforts to discredit network reporting of Laos fighting. He said network tapes obtained from Vanderbilt U. by Sen. Hansen (R-Wyo.) and shown on Capitol Hill March 12 (Vol. 11:12 p5) were "straightforward" reporting. "The charges of bias are not only unsupported, but dangerous," Goodman said in letter to every House & Senate member, "because they seek to interfere with the free flow of information essential to the public. The standard for news coverage is accuracy and fairness, not whether the news presentation serves the purpose of those who would like to see it reported in a way that would support their own views.

"This latest incident, taken with other equally groundless attacks on TV journalism, for partisan purposes, appears to be part of a continuing effort to discredit & intimidate the network news organizations so that they will not be effective or independent in presenting the facts the public must have to examine the course & soundness of government policy... TV journalism, together with the rest of the press—deserves the support of all who recognize that the very nature of our democratic system rests on the independence of the press to report events & issues, free of political pressure. This is a right that belongs to the public and needs careful & constant protection."

ABC News Pres. Elmer Lower said network "stands squarely behind its correspondents & camera crews in the field." He told Alpha Epsilon Rho TV-radio fraternity in Chicago that "when the dust has settled and the charges fade away, history will show that their reporting was in the finest traditions of American journalism... If there's been any unfairness concerning coverage of Laos it has come from our critics. From their offices in Saigon & Washington they have complained that the news... has been biased. I reject their complaint."

Networks also picked up support from some Senate Democrats. Former Vice President Humphrey accused Agnew of waging "media guerrilla warfare." Senate Majority Leader Mansfield (Mont.): "For the 2nd time, we have seen the Administration launch a major attack on the media which is nothing less than an assault on the institution of a free press... I hope this consistent criticism will not have the effect of intimidating networks." And White House Communications Dir. Klein, while stating that CBS Pentagon documentary was not "fully balanced," said he didn't "concur in all phases" of Agnew's criticism and would not "join my friends" in a "blanket indictment of any one of the networks" or rating "one against the other."

Klein also said war critics had appeared on network news "to a greater degree" than Administration spokesmen. At same time, however, Democratic National Chmn. O'Brien asked NBC & ABC for free time to respond to "an unprecedented public relations drive" by President Nixon to improve his image. He was referring to interviews on both networks, particularly on ABC March 22 in prime time when President said:

"I have noted a considerable amount of discussion on the networks and in the newspapers and so forth... as to whether [Laos action] is a victory or a defeat... What have the pictures shown? They have shown only those men in the 4 ARVN battalions of 22 that were in trouble... That is not because it has been deliberate. It is because those make news... You will remember that in 1962 I had my showdown with the press, and I have avoided one since. I have respect for the press. It is true that of all the Presidents in this century... I have less, as somebody has said, supporters in the press than any President. I understand that and I do not complain about it, because it is philosophical... I have never taken on a member of the press individually. I have never called a publisher since I have been President. I have never called an editor to complain about anything. I have never called a TV station to complain about anything, and I never shall, as long as I have the

opportunity to talk to the American people on a program like this directly. Then if I fail to communicate, it is my fault."

[ABC estimated that 9-10 million watched Nixon March 22, far fewer than saw entertainment on other networks. CBS reports that while 165 affiliates carried Pentagon documentary Feb. 23, 170 carried it 2nd time. Network estimates 14.1 million persons saw it March 23, vs. 9.6 million first time—47% increase. Also, network reports mail "overwhelmingly in favor" of documentary.]

House Investigations Subcommittee has launched staff investigation into Pentagon show, specifically on complaints from Hebert that network obtained film clip from his office under false representation, and from Asst. Defense Secy. Daniel Henkin that his words were rearranged through film "reverses." [When only one camera is available, newsman asking questions is filmed as he repeats questions facing camera after main interview is over. These reverses are then spliced to show newsman's face on screen during interview.] Hebert claimed he gave CBS film clip of his interview with ex-POW after being assured network wanted it for POW documentary. Salant denied it, but Hebert wrote Salant saying: "I can't help but feel you have been done in by your own people ... I have a feeling you never had the facts." Hebert's Press Secy. Lou Burnett said he talked with CBS reporter James Branen about POW documentary on & off "for months." "We had discussed it enough on the phone," Burnett added; he didn't think it necessary to repeat it in letter authorizing network to use film. "I just didn't think they would cross us up like that," he said. Other congressmen who wrote Hebert claiming CBS also asked them for film for POW documentary are: Reps. Dickinson (R-Ala.), Steiger (R-Ariz.), Belcher (R-Okla.), Downing (D-Va.) & former Rep. Forman (R-N. M.).

In letter to CBS Pres. Stanton, Commerce Committee Chmn. Staggers (D-W. Va.) requested "your views as to whether the practice of filming reverses appears to you to be a necessary & desirable feature of TV news coverage." He sent copy of letter to FCC Chmn. Burch saying that Henkin's allegations "are deserving of an investigation by your agency." Replying for CBS, Salant said reverses are used only with "expressed consent" of person being interviewed and subject must be present. He said Henkin's accusations "were not justified," and CBS News "achieved what it set out to do" by fairly presenting his views. He added that editing "is the heart of responsible journalism," and must be left to media.

COMMISSIONERS GEAR FOR EARLY CATV WRAP-UP: Roughed out CATV decision in April, or soon thereafter, is possibility not only to Chmn. Burch (Vol. 11:12 p3) but to other commissioners—now that hearing is over. Staff isn't so optimistic about that target—probably because it has brutal job of carving out alternatives for Commission discussion. Commission plans to dig into subject 2 days during week of April 12 or April 19. At end of hearing last week, we couldn't reach Houser for comment; here's what others said:

Bartley—"April is a little optimistic. I think May is OK. The hearing didn't produce many facts. A lot of advocacy. In the past we've been legislating fears."

R. E. Lee—"I'm prepared to act in April. I'm all for it. I think it's possible—but we have a new Commission and it's hard to read."

H. R. Lee—"April or May. It would be better now, while it's still fresh, than a few months from now. After we discuss it, I can't see any point in waiting around. Of course, we may find we have 7 different opinions on various things—and it may take some compromising, such as Congress does."

Wells—"Our schedule is a mess. We're tight as hell in April, but you can bet Dean will try. I'd say that sometime in May is more realistic."

Johnson—"No comment."

Speaking "not for attribution," some commissioners had addenda. One was willing to predict: "I think we'll grant distant signals with some restrictions. There will be lots of compromising. I'm willing to compromise. Reserved channels are too much pie-in-the-sky and there are too few systems with more than 12 channels to make it very meaningful now. The CATV industry will promise anything to get distant signals." Another: "If we get bogged down trying to agree with Congress on something, who knows when, if ever, a decision will come." Another: "Don't quote me, but I think the hearing has been good for some of the others. I didn't learn much."

CATV Bureau Chief Sol Schildhause thinks July is realistic date for decision. Burch Asst. Henry Geller said: "I haven't talked to Burch about the timetable, but the hearing was scheduled so that the Commission could move quickly." Another top staffer: "I think Burch will come very close to meeting the April target."

NAB & MST officials got shook up last week, meanwhile, after reading FCC's status report on various projects, released by Senate Commerce Committee. This quote from report will get more than a little attention at NAB convention:

"It appears that it is time to comprehensively examine the present and future effects of technical progress, to trace the pattern of population growth, to review the basic premises on which the TV allocation structure was founded, and to establish goals and the necessary steps to achieve them. Only after such an evaluation will the Commission be in a position to properly assess spectrum usage. It may well be that such a study will show that not all of the uhf channels will be needed for TV...and that some of that part of the spectrum may be used for other services instead.

"Among the factors to be considered...are whether TV service will continue to be provided by terrestrial based stations, what the future potential is for a wire service supplementing or supplanting over-the-air TV broadcasting service, and what the prospects are for use of high resolution TV and satellite TV broadcasting system."

"Normal business market competition" will accomplish diversity of media ownership, and FCC shouldn't attempt to force diversity through rulemaking. This is conclusion of NAB-financed study of station-newspaper ownership trends from 1922-67 in top 100 markets. Study, by Temple U. Prof. Christopher Sterling, finds that proportion of newspaper-owned stations has decreased sharply since peak year of 1950: Top 10 markets—18% in 1950, 6% in 1957; top 100 markets—21% in 1950, 7% in 1967. Filed at Commission in one-to-a-market rulemaking, Sterling concludes that FCC proposal "is ill-advised, at least at this time. Past trends in market media concentration do not suggest the need for such a ruling...The minor role newspapers are playing in broadcasting today would seem itself to obviate any need for prevention of their ownership. The importance of their role in radio-TV has declined so far in recent years that their right to have a broadcast license as much as anyone else should far outweigh any policy to the contrary."

Take KRAB off hook, FCC Examiner Ernest Nash recommended in initial decision concluding Seattle educational FM should be given 3-year renewal. Commission had given station one year, charging it with poor supervision permitting obscenity (Vol. 10:8 p7). Nash concluded that station didn't deliberately offer offensive material, that there's no evidence anyone was shocked, that "KRAB seeks and most often attains those standards of taste and decency...that we should like to see reflected more often in our broadcast media." He also said "our times are indeed changing" in terms of meaning of obscenity.

House Commerce Committee is seeking \$989,000 for 1971, up from \$625,000 in 1970. Most of increase (\$200,000) is earmarked for study of self regulation of securities industry; rest goes for salary increases and additional minority staff. Committee also plans to add 2 professional staffers; their salaries will come from separate funds. "Deceptive practices in the preparation of news programs [see p. 2] will continue under study," Committee said. Further investigation also is planned of FCC policy on comparative hearings—subject of critical report by Investigations Subcommittee (Vol. 10:51 p2).

Nightly waiver of 3-hour prime-time rule to permit networks to schedule half-hour of "quality children's/all family programming" has been proposed by Foote, Cone & Belding. In letter to FCC Chmn. Burch, FC&B Pres. John O'Toole said "this modification of the present ruling would stimulate both networks & program suppliers in the area of content most neglected." He predicted advertisers would support such programming, said rule hasn't provided diversification intended: "Based on plans, concepts & episodes which have been submitted to our Broadcast Dept. and our clients...I must conclude that just the opposite has taken place. Almost without exception, producers, packagers & syndicators are plotting the same old shows but with lesser budgets." He suggested NAB establish "a review panel" to determine suitability of programs offered for waived time.

"Dramatic" proposal for more effective use of TV spectrum is expected to be made soon by Corp. for Public Bcstg., according to Philip Rubin, dir. of engineering. In preparation, he has quizzed manufacturers on protections built into TV sets against adjacent-channel interference. He said responses so far have been disappointing, that TV sets are very poorly engineered in this respect and would be totally unacceptable for cable hook-ups. Rubin declined to elaborate on what CPB has in mind ("I'm not sure it'll work"), but said Corp. didn't plan to seek shorter separations or drop-ins.

Trenton CATV franchise award to TelePrompTer (Vol. 11:10 p5) resulted in grand jury indictment of 4 present or former City Council members on charges of extorting \$50,000 from TPT. No indictments were made against TPT officials, who "cooperated fully" in investigation, according to county prosecutor. Pres. Irving Kahn, Vp Robert Symons & local representative Thomas Moscarello were named "co-conspirators." TPT stated that indictment "bears out that [TPT] was a victim of extortion." In Jan., Johnstown, Pa. & TPT officials were indicted on similar charges (Vol. 11:5 p2).

Speaker possibilities for NCTA July 6 convention in Washington, proposed in recent Board meeting, include Nixon, Agnew & Sen. Pastore (D-R.I.).

NAB EQUIPMENT PREVIEW: With slightly more austere exhibits and emphasis on lower-cost products, there may be somewhat fewer innovative products at NAB convention exhibits in Chicago this year than in past—but there will be at least a sprinkling of new items. RCA & GE both will use "cost" in their pitches, RCA's theme being "the cost-effective line," and GE's appeal "cost-conscious." Nevertheless, virtually all broadcast equipment manufacturers have put price increases into effect, and CBS Labs will join in at show time, announcing 8% across-board boost in video prices, 5% on audio, effective April 15. Here are some of highlights of what you'll see in Conrad Hilton and nearby exhibit rooms this week:

RCA & Ampex will display production models of cartridge video recorders for station-break commercials, prototypes of which highlighted last year's show. Both systems have been modified to bring them closer to compatibility, and there are indications that complete cartridge interchangeability can be achieved without further changes in record-playback mechanism. RCA will emphasize videotape in its exhibit, premiering new time-code electronic editor. Ampex will show production model of its high-speed videotape duplicator.

GE will feature "Mini-Telecenter," lower-cost color film & live origination system, with 3-tube camera capable of being switched from film to live use in small-studio situations without being physically removed from film center. System can use both 16-mm & super-8 film. Improved live color camera will also be shown, with kits to update previous models. GE will debut first 60-kw uhf Klystron amplifier, permitting stations to go to 60-kw using single power tube.

CBS Labs will have completely automatic version of its Color Corrector, designed to keep color consistent and in balance without human operator. New-generation Vidifont character generator, using several type sizes & faces, will also be in CBS display. At same time, CBS Labs will announce extensive revision of distribution system, will deal through some 20 nationwide independent distributors, no longer selling direct; even CBS network will be supplied through distributors.

Philips (Norelco) will demonstrate production units of its digitally controlled studio & field camera, as well as portable camera and telecine cameras.

ABTO Inc. will announce lower-cost, color-from-b&w-film system, to be available to stations on lease basis—including 16- & 35-mm cameras and projectors. For first time, it will demonstrate slide process using untreated vinyl pliofilm in place of conventional film transparencies.

TeleMation promises to talk about, and probably display, self-contained automatic color camera with LSI/MSI circuitry, operable by one man with 12-sec. setup. IVC will demonstrate studio console version of its helical-scan VTR, and new time-base corrector claimed to make possible helical-scan picture comparable to that from quadruplex recorders, and to permit combined use of helical-scan & quadruplex machines. 3M's major product will be new-formula High-Energy videotape, designed to provide 3-5 db improvement in signal-to-noise ratio (Vol. 11:12 p11).

Station automation equipment will receive increased attention at NAB. Sarkes Tarzian will show Starcom

data processing system for TV stations, available with no start-up fee and fixed monthly cost of \$1,700.

Newly formed Marconi Electronics, U.S. subsidiary of big British firm (Vol. 11:11 p6), will launch own marketing effort for its Mark VIII—"world's most automated TV camera"—at convention. Memorex will show video recording of CBS-Memorex CMX computer-assisted editing system.

There's been slight drop in number of exhibitors (142 vs. 154 in 1970) and amount of space (53,178 sq. ft. vs. 57,143 sq. ft.) for March 28-31 show.

DOLBYIZED FM: Certain to fire up enthusiasm of FM broadcasters attending NAFMB convention in Chicago this week—with interesting implications for high-quality radio makers—was scheduled March 27 presentation in Chicago by England's Dolby Labs of method by which it's claimed FM broadcasters can extend useful coverage 300%.

Demonstrated at preview in N.Y. last week, plan uses same "B"-type Dolby noise reduction system now being used to improve performance of high-end cassette recorders (Vol. 10:25 p9). System has been tested at WFMT Chicago, is claimed to provide equivalent of 10-fold increase in FM station power by sharply reducing background noise. It's also claimed to eliminate "chatter" in FM stereocasts caused by simultaneous SCA transmissions. Dolby claims system should be usable without changes in FCC regulations, since it doesn't increase ERP or compromise bandwidth restrictions.

Equipment at station would cost about \$1,050, with decoder in receiver adding perhaps \$10 to manufacturing cost, with decrease forecast in large-scale production. Dolby officials classify system as "compatible," saying brighter "highs" reproduced by non-Dolbyized receivers would actually improve performance of cheap radios and can be compensated in better-quality sets by turning down treble control. Consumer could use same Dolby decoder for cassette recorder & FM radio. Dolby now claims 20-25 licensees for consumer unit (used largely in conjunction with cassette recorders), negotiations with 30 more firms, and 6 due to be announced at Consumer Electronics Show.

Special "pony" edition of Chicago Tribune will be transmitted to NAB convention via subcarrier of Bonneville's WCLR(FM) Skokie, Ill. FCC granted authority to Bcst. Facsimile Network (BFN) for experiment until April 20. Standard telephone fax transmitters & receivers will be used; signals will be received in BFN's exhibit (Continental Room, Booth 343). BFN Pres. John Porterfield hopes for Commission approval of subscription fax as regular FM SCA service. He said non-stereo FM could transmit 4 fax signals simultaneously.

WKYT-TV Lexington, Ky. names Avery-Knodel rep.

Television Digest—Suite 1706

NAB convention hq for Television Digest & Fact-book will be Suite 1706, Conrad Hilton. On hand: David Lachenbruch, Irving Lichtenstein, John Loftus, Dawson Nail, Edward Sellers, Albert Warren.

MORE CAMPAIGN HEARINGS: Hopping mad over what Sen. Pastore (D-R.I.) labeled "dilatory tactics" & "dirty pool," Senate Democrats nevertheless bowed to Republican demands last week to reopen hearing on campaign reform to give Justice Dept. and others chance to testify. New hearing is March 31-April 1. Commerce Committee had hoped to complete work on bill March 23, but parliamentary maneuver backed by Minority Leader Scott (Pa.) prevented Committee from meeting that day. Later, Committee voted to reopen hearing for 2 days.

Meanwhile, President Nixon jolted Republicans by breaking long White House silence on issue. He solidly endorsed spending limits for all media—same approach taken by Democrats and opposed by Senate Republicans who favor full disclosure. "We do favor a limitation on expenses. There is no question about that," Nixon said in televised interview March 22 with ABC's Howard K. Smith. "So the problem is not the control of the cost, the problem is how... It must be comprehensive. It must cover television. It must cover all campaign expenses." He made only passing reference to Scott's bill, didn't endorse it or even mention disclosure.

Republicans deny they're trying to sabotage campaign bill, and both Scott & GOP National Chmn. Dole (Kan.) have said they can live with spending limits attached to their disclosure approach if alternative is no legislation at all (Vol. 11:10 p2). "The Committee has agreed to a lot of our amendments," Scott aide told us. "We are not at all discouraged... After these hearings we expect to get right down to business again." Sen. Cotton (R-N.H.), ranking Republican on Commerce Committee, said "there is no disposition on the part of Republicans as a group to stall for time," and Sen. Baker (R-Tenn.) denied anything "sinister" in delay. Pastore said he aims for 2-day hearing limit: "I hope they won't read *Gone With the Wind*," he quipped.

Deputy Atty. Gen. Richard Kleindienst also asked Committee to reopen hearing. He noted that hearing started March 2 and was announced Feb. 2, but said his late offer to testify was "not an unusual delay." But a Committee member termed it "absolute stupidity." Other witnesses March 31 include George Washington Law Prof. Jerome Barron & Yale Law Prof. Ralph Winter. April 1: Wesleyan U. Prof. David Adamany, Georgetown U. Prof. Howard Penniman & Citizens Research Foundation Dir. Herbert Alexander. Penniman & Winter co-authored book on campaign financing recently published by American Enterprise Institute.

■ ■ ■

ETV uses of cassettes, according to NAEB study, "should be managed by large-scale public educational communications entities which could be developed from existing educational TV stations & authorities, major non-broadcast systems, state departments of public instruction or combinations of these groups." Study was prepared by George Hall, James Fellows & Vernon Bronson, is available for \$3.50, 1346 Connecticut Ave. NW, Washington 20036.

CATV in Salt Lake City, Ogden & Provo-owned 50% each by KSL-TV & Tele-Communications—is to start this summer, take 2 years to complete, under \$3,712,000 contract with Jerrold. First phase involves 200 miles in Salt Lake, 50 each in Ogden & Provo. Total Jerrold project will run 1,000 miles, \$8 million.

Two uhfs are going dark—WATL-TV Atlanta & KEMO-TV San Francisco—U.S. Communications Pres. Frank Minner announced. "Advertising revenues have not kept pace with projections. We needn't restate the economic conditions in our industry which contributed to this problem," he said. "What is clear to us is that uhf was hurt the most and the earliest... The growing indication is that the Commission may be willing to allow cable systems to import outside signals on a major scale to give these systems an economic base. This apparent propensity, which could gravely injure uhf stations, has all but dried up our sources of funding." Both stations will suspend operations March 31, and USC's remaining uhf WPHL-TV Philadelphia, WPGH-TV Pittsburgh & WXIX-TV Cincinnati will pick up some employees. "We are most regretful that we cannot retain everyone," said Minner. There are now 884 commercial stations operating, 590 vhf & 294 uhf (684 commercial & 200 non-commercial). These figures do not include WATL-TV, which went on air Aug. 1969 or KEMO-TV, since April 1968. Also, WBFF (Ch. 45) Baltimore plans to go on air full time April 11, while WCPB (Ch. 28 ETV) Salisbury, Md. started programming March 18.

CBS & NBC have joined Ford Foundation in financing 11-week intensive program at Columbia U. Graduate School of Journalism this summer to train minority groups for broadcast news careers. Networks are contributing \$90,500 each, and Ford Foundation will match their total. About 30 students (who will be paid room, board, tuition & salary) will be picked, and graduates are guaranteed jobs as TV-radio newsmen. Those with less than year's experience when course starts June 21 are eligible. Program has been in existence 3 years, has trained 64 in broadcast news, 29 in newspaper reporting. Applications are available from Summer Program, Rm. 601, Columbia U. Graduate School of Journalism, N.Y. 10027.

Tentative ban against TV cameras on floor at 1972 Democratic convention has been rescinded by Reform Commission, which voted 8-2 last week to leave issue up to Arrangements Committee. Ban, adopted year ago, was reconsidered after 2 Commission members argued it would be "discriminatory" and was based on "false presumption" that TV floor coverage of 1968 convention was unfair.

Network TV attracted 427 advertisers (42 new to network) who spent \$1.73 billion in 1970, up 2.1% according to TvB-BAR. P&G remained largest advertiser—\$128.5 million (up 6.6%), more than double \$57 million of runner-up Bristol-Myers.

GE's Syracuse-based Visual Communications (makes studio gear, transmitters, cameras, antennas, etc.) becomes part of Telecommunication Products Dept. headed by Charles Eaton, Lynchburg, Va., but retains present location.

Common carriers would be prohibited from owning Comsat stock after Jan. 1, 1974, under legislation introduced by Rep. Tiernan (D-R.I.). Bill also abolishes Presidential right to appoint directors.

Sale of WIRL-TV Peoria to Forward Communications for \$2,750,000 has been approved by FCC, Bartley & Johnson dissenting.

Personals

FCC Comrs. **Robert Wells** & **Thomas Houser** were sworn in by Chief Examiner Arthur Gladstone March 24 in brief ceremony; Houser will make first appearance before industry group in April 22 speech at NCTA program conference in Chicago.

E. K. Hartenbower elected senior vp, **Meredith** Bcstg.; **Charles McAbee**, gen. mgr., **KCMO-TV** Kansas City, elected **Meredith** vp... **James H. Gross** elected pres., **WJIM-TV-AM-FM** Lansing, succeeding **Harold F. Gross**, who becomes chmn.; **Paul Trigg** elected vp; **Philip Sherck**, secy.

Carlo Anneke, ex-**WKBS-TV** Philadelphia, named gen. mgr., **KBHK-TV** San Francisco, succeeding **Robert Somerville**, now gen. mgr., **KFOG(FM)** San Francisco; **G. William Ryan**, **WKBS-TV** gen. sales mgr., promoted to gen. mgr., succeeding Anneke; **Peter Taylor**, ex-**KFOG** gen. mgr., promoted to Kaiser radio vp.

J. Law Epps, sales & development vp, **Cosmos** Bcstg., becomes station vp, **WTOL-TV** Toledo, **Carter Hardwick** continuing as gen. mgr... **Kenneth Ferry**, owner of **WJSM-AM-FM** Martinsburg, Pa., has announced as candidate for President in 1972. Independent Republican, Ferry was defeated in 1970 race for Congress from Pa. 12th Dist.

Edward Gradinger promoted to east coast business affairs dir., **ABC-TV**, succeeding **George Reeves**, now west coast business affairs vp; **Al Rabin** to west coast business affairs dir.; **Robert Epstein**, ex-**CBS News**, named **ABC News** attorney... **William Leeds Jr.** appointed **NBC News** public affairs dir., succeeded as Cleveland news dir. by **Roy Wetzel**, former Chicago radio news mgr.

Albert Holtz, ex-sales mgr., **WCBS-TV** N. Y., appointed sales mgr., **KYW-TV** Philadelphia... **Keith Adams** promoted to operations mgr., **KGN-TV** Amarillo... **Robert Spina** elevated to promotion & public service dir., **WKRC-TV-AM-FM** Cincinnati... **James Grobe** advanced to promotion & ad mgr., **KHOU-TV** Houston, succeeding **Bob Levy**, resigned.

Judith Evans promoted at **KMOX-TV** St. Louis to public affairs mgr., succeeding **Parker Wheatley**, retired... **Carl Brazell** promoted to Metromedia Washington news bureau chief.

Ralph Demgen, **NCTA** chmn., home in Willmar, Minn. recovering from heart ailment... **Mrs. Morgan Murphy** elected pres. of 6 San Francisco-area CATV systems owned by Superior (Wis.) Evening Telegram, succeeding late husband; daughter **Elizabeth Schirmer** elected treas. & a dir.

Terry Kahn promoted to west coast vp & gen. mgr., **Fred A. Niles Communications Centers**... **Arnold Friedman** named ad & sales promotion dir., **Metromedia Producers Corp.**... **Robert Sniffen** advances to Mid-America mgr., **Learning Corp. of America**.

Robert Flanders, engineering dir., **WFBM-TV-AM-FM** Indianapolis, begins term as Society of Bcst. Engineers pres., succeeding **Lewis Wetzel**, **Triangle Stations**; **Richard Monroe**, Group W, is vp... **Barrett Guisinger**, ex-**Barger Corp.**, appointed advanced engineering vp, **International Video**; **Daniel Yomine**, ex-**Ampex**, named operations vp.

Takashi Morimura shifts from international operations mgr. to sales mgr. at newly opened L. A. office of **Kokusai Electric**, Japanese producer of components & transmitters... **Edward Dudley** promoted to news & information mgr., **RCA Govt. & Commercial Systems**, Moorestown, N. J... **Robert Moore**, ex-**HRB-Singer**, named technical sales coordinator, C-COR.

Carlos Killian, **Empresa Nacional de Telecomunicaciones**, Argentina, elected INTELSAT Interim Communications Satellite Committee chmn., effective July 1; **Ernst Eliasen**, Canadian Overseas Telecommunication Corp., elected vice chmn. Committee is meeting in Washington... **Dr. Richard Uray**, exec. dir., S. C. Bcstrs. Assn., named chmn. of 1971 NAB exec. secretaries meeting, April 26, Washington.

Robin Fisher & **Barbara Czachorski** promoted to ARB advertiser & agency sales account execs... **W. Sherwood Campbell**, ex-**RCA**, appointed engineering mgr., **GE Cablevision**... **Bill Thomison**, ex-**Cable Construction**, joins **Spencer-Kennedy Labs** field engineering dept... **Alan Shiel**, ex-**Anaconda Electronics**, named systems mgr., **Hillsborough County Fla. CATV system**, **TM Communications**.

Michael FitzPatrick promoted to industrial div. mktg. mgr. and bcast. div. eastern mktg. mgr., **Rank Precision Industries**... **Ed Kessler** elected secy.-treas., **TV Cinema Sales**, L. A... **Richard Ellison** promoted to overseas production supervisor, **Time-Life Films**... **Dr. Stanley Donner** resigns as U. of Texas radio-TV film dept. chmn.

Big-name panel at April 29-May 1 AWRT convention in Washington features **FCC Chmn. Dean Burch**, **NAB Pres. Vincent Wasilewski**, **USIA Dir. Frank Shakespeare**, **Comsat Pres. Joseph Charyk**, **NCTA Pres. Donald Taverner**, **CPB Pres. John Macy**. **HEW Secy. Eliot Richardson** speaks at lunch; **Pearl Bailey** is featured at banquet. **Avco Bcstg.**'s **Marianne Campbell** will succeed **Virginia Pate**, **WASA(AM) Havre de Grace**, Md., as AWRT pres.

Bullfighting on segment of CBS's Feb. 3 60 minutes isn't covered by fairness doctrine, FCC advised **Lyn Sherwood**, editor & publisher of the **Clarion**, Long Beach, Cal. Segment comprised anti-bullfighting presentation by **Cleveland Amory**. Commission said that CBS showed "good faith" judgment and that "cruelty to bulls in Spain need not be considered a controversial issue of public importance in this country." Vote was 6-0, R. E. Lee absent.

Newsmen's Privilege Act similar to bills pending in House (Vol. 11:7 p5) has been introduced by Sen. **Pearson** (R-Kan.). Reporter's right not to disclose sources wouldn't apply to defamation suits, threat of life, espionage or foreign aggression. Also, U.N. Committee on Human Rights has urged that General Assembly authorize safe conduct passes for journalists on dangerous assignments, particularly in war zones.

Charging that **TV** threatens survival of professional sports, Rep. **Udall** (D-Ariz.) introduced legislation limiting broadcast seasons of major sports. Bill orders FCC to limit televising baseball between 2nd Mon. in April to 2nd Sun. in Sept.; football, Sept. 1 to 2nd Sun. in Jan.; basketball, Dec. 1 to 2nd Sun. in April.

Consumer Electronics

A Section of *Television Digest with Consumer Electronics* ®

MANUFACTURING & SALES • TV • PHONOGRAHS • TAPE PRODUCTS • RADIO • COMPONENTS • NEW PRODUCTS • FINANCE

STATE OF THE INDUSTRY

Sales to dealers (domestic-label only), from EIA, for week ended March 12 (10th week of 1971):

	March 6-12	1970 week	% change	Feb. 27 March 5	1971 to date	1970 to date	% change
Total TV	177,058	149,544	18.4	186,575	1,935,081	1,743,858	11.0
color	100,749	68,964	46.1	106,766	1,053,776	906,223	16.3
monochrome	76,309	80,580	- 5.3	79,809	881,305	837,635	5.2
Total radio	324,810	295,778	9.8	317,682	3,455,689	3,150,864	9.7
home, portable . . .	139,087	119,829	16.1	100,570	1,309,759	1,386,853	- 5.6
AM-only	84,366	72,980	15.6	64,272	786,847	896,819	-12.3
FM & FM-AM	54,721	46,849	16.8	36,298	522,912	490,034	6.7
auto	185,723	175,949	5.6	217,112	2,145,930	1,764,011	21.7
Total phono	58,844	64,141	- 8.3	70,926	756,167	615,833	22.8
portable-table	44,496	44,333	0.4	55,824	570,874	389,472	46.6
console	14,348	19,808	-27.6	15,102	185,293	226,361	-18.1

Color TV 5-week moving average: 1971—108,175; 1970—87,675 (up 23.4%)

ADMIRAL DROPS COLOR TUBE MANUFACTURE: In a week when RCA finally announced joint-venture b&w picture tube plans in Taiwan, and Zenith revealed Mexican-border feeder plant for picture tube parts, Admiral left color tube business "for the foreseeable future."

Admiral shutdown March 26 didn't come as big surprise; company had been phasing production down in recent weeks, announced a month ago it was negotiating to sell tube-producing equipment to RCA (Vol. 11:8 p7). Company said halt in tube output was "pending the outcome of these negotiations." It's believed basic agreement has been reached between Admiral & RCA, and that contract has been awaiting Justice Dept. approval for some time.

Admiral, which reported \$16.1-million loss in 1970 (Vol. 11:12 p12), announced earlier last week that it had agreed to sell "certain corporate assets" during 1971 to bring working capital up to requirements of lenders, and had obtained permission from long-term creditors to waive working-capital requirements until these assets could be sold. Company declined to state which assets would be sold—but, in addition to tube equipment sale, company has stated it was trying to sell former stereo & monochrome TV plant in Dixon, Ill.

Plant closing will affect some 800 employees, fewer than half total once employed there. It has capacity of 600,000 large-screen color tubes annually, and Chmn. Ross Siragusa Sr. said in announcing financial results that tube operation contributed materially to company's losses.

RCA, meanwhile, confirmed our report last week that it's entering joint venture to produce monochrome picture tubes in Taiwan (Vol. 11:12 p7). Partner, as we stated, will be govt.-blessed but private Chunghwa (China) Electronics Development Co., formed to stimulate Chinese-foreign joint electronics investments. RCA will put up bulk of capital, it's understood, with Chunghwa eventually owning 51%, presumably buying shares out of profits. New venture, Chunghwa Picture Tubes Ltd., plans to build 80,000-sq.-ft. plant at location to be determined, will first produce small tubes, selling to domestic & foreign TV plants in Taiwan.

Pres. of Chunghwa Tubes is Velin Kung, prominent Taiwan electronics industrialist, whose China Electronics Corp. makes electronic components & plastic cabinets and also makes Admiral

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brand TVs & air conditioners under license for domestic Taiwan market. In addition, he heads radio manufacturer Lloyds Electronics International and construction firm which has built several U. S.-owned electronics plants in Taiwan.

Zenith is building its 2nd foreign plant to supply products for domestic market. New plant is picture tube gun & parts facility, being constructed in Matamoros, Mex., opposite Brownsville, Tex. Griffiths Electronics also has Mexican gun plant, in Nogales, near Tucson. Zenith recently dedicated new TV plant in Taiwan.

Although all Chromacolor tubes currently go into Zenith TV sets, it's believed Zenith will soon start selling them to other set makers, entering already crowded (and depressed) OEM market. Toshiba, incidentally, is manufacturing Chromacolor-type tubes in Japan, where Zenith hasn't filed for patent—but can't export them to U. S. Toshiba and other Japanese manufacturers, however, are also developing conventional black-matrix tubes for use in export sets. Only company known to hold Chromacolor patent license is RCA, which says it has no plans to produce it.

In another color tube patent matter, CBS now has infringement suits pending against Philco-Ford, GE & Westinghouse in Boston Federal Court, Zenith in Chicago court. CBS claims basic patent on spherical shadow mask, won suit against Sylvania (Vol. 10:36 p12), has had RCA as paid-up licensee from start. GE claims patent is invalid.

Everything else is quiet along picture-tube front, where manufacturers are battening down for long, slow period starting April 2. That's when \$1.80-\$5.53 color tube price hikes go into effect (Vol. 10:52 p7)—and set manufacturers have been stocking up since Jan. 1.

RCA WORKERS AWAIT AID VERDICT: Former RCA Memphis plant employees were left hanging last week by Tariff Commission's "no-findings" report on their eligibility for import adjustment assistance. And they probably found little comfort in indications that domestic TV producers are trying to break Japan's near-stranglehold on small-screen private-label business here.

Commissioners deadlocked 2-2 in report to President Nixon on whether help should be given to ex-workers at RCA's closed b&w TV facility. Though details weren't released, it's assumed Commission agreed workers were import-injured, split on required finding that duty-rate concessions were major factor in import growth. White House can break tie, as it did to rule in favor of aid in General Instrument & H. H. Scott cases. Verdict should come in about 6 weeks. Case involving displaced Emerson workers still awaits Commission action.

Pricing uncertainties resulting from finalized TV dumping finding (Vol. 11:10 p8) have caused at least one major switch from Japanese to U. S. TV supplier. Allied Stores, nation's largest dept. store private-label TV operation, is buying GE color (18V" & smaller) & monochrome (19V" & smaller) portables, dropping Japan Victor. Other big private-labelers plan to get some sets from domestic sources. A few have already switched over.

Setback to Japan is likely to be temporary, lasting perhaps year. Once U. S. Customs completes follow-up investigation into Japanese TV pricing, importers here will know where they stand on dumping-duty liability. Until then, however, importers can't be sure their resale prices are high enough to cover extra duties—retroactive to Sept. 4. Risk of pricing too high and being non-competitive, or too low and losing money, is one which Allied has chosen not to take.

Pricing woes didn't stop TV importers from setting new Jan. records, bringing in 347,500 sets, up 63.2% from same 1970 month, according to Commerce Dept. Color TV imports, at 79,000, were nearly doubled, while b&w jumped 55.6% to 268,400. Month's TV imports from Japan put color up 102% to 75,000, with b&w up 31.5% to 193,500. Taiwan's b&w gain over Jan. 1970 was 205%, with imports at 64,400. For details see p. 13.

1971—YEAR OF THE MODULE: If there's any major technological trend in color TV for 1971-72 it will be creeping modularization. Movement, which started in 1967 with introduction of Motorola's Quasar (although Setchell-Carlson pioneered field in heyday of b&w), has now been taken up in various forms by RCA, Zenith, Magnavox, Warwick, Wells-Gardner, & Heathkit—plus Scott & Fisher in audio field. Others undoubtedly will join.

Approaches to modularization vary widely—from Motorola's rather large modules, designed to be sent back to factory for repair or replacement, through Zenith's small Dura-Modules intended

to be repaired by service technician, to RCA's smaller ceramic units destined to be thrown away.

No matter what the specific approach, those using or planning to use modular construction point to various advantages. In production, they permit phasing in improvements as they come along, without waiting for model-change. They make for easy model additions, because many of same modules are used with only slight rearrangements—no need to design new chassis. They permit easy testing before assembly—each module can be tested by itself before insertion in set. In some cases they make possible more automated & computerized production.

Ease of servicing is, of course, major attraction of modules. As color TV becomes increasingly solid-state, old-time tube jockey may be reincarnated into "module jockey," who merely need be trained to make prescribed tests and replace defective module, returning it to shop or factory for repair by expert—or just throwing it away. Some manufacturers see worsening shortage of skilled service technicians and growing sophistication of TV design making this approach mandatory.

Interesting byproduct of modularization is that TV sets are almost certain to last longer, and can be updated progressively. When Motorola repairs modules sent from field, it also incorporates many newer features which improve performance or reliability. Color TV Product Mgr. Richard Kraft says modular concept "extends set life tremendously—it creates sets which aren't replaced in a short time. We feel it gets consumers to trust in the product and buy additional color sets without fear."

Are there arguments against modules? Yes, indeed. GE TV Business Div. Vp-Gen. Mgr. I. L. (Chuck) Griffin says GE is struggling with question of whether to go modular, points out this drawback: If every service technician must carry at least one of every module made by every manufacturer, he's going to need huge truck and tie up substantial amount of money—to point where some service dealers may just decide which makes to carry, and decline to repair other brands.

Two papers on modular TV design—by Zenith & RCA—were featured at last week's IEEE convention in N. Y. Zenith gave first major exposition of its solid-state 1972 Dura-Module chassis. Dura-Modules, 2.4-x-3.5-in. flat plug-in boards with 225 holes, are computer-designed, turned out largely automatically, with many of components machine-inserted, remainder put in by hand. Zenith can turn out 12,000 boards in single 8-hour shift, including hand assembly & testing. Zenith believes in placing only one function on module—now has 5 automated modules—horizontal, vertical, AGC, audio, RGB—plus non-automated IF module. They'll be in hybrid as well as solid-state sets.

RCA's recently introduced 21V" & 25V" color sets have 12 modules, 9 of them interchangeable with earlier 18V" 110-degree set (Vol. 11:11 p10). Unlike other manufacturers' modules, which snap flat into chassis, RCA's are plugged in at 90-degree angle. Three of them currently are throw-away thick-film ceramics made in special RCA Consumer Electronics facility; other types will be converted later to ceramic.

Heathkit uses 10 plug-in modules, repairs or replaces them free during first 90 days, charges \$5 per module for next 2 years. Warwick claims its modular sets are built in world's most automated TV plant. Wells-Gardner private-label color sets have 6 modules. Magnavox now makes modular sets for hotel-institutional market, will phase them into 1972 consumer line.

Motorola's first Quasar, introduced in 1967, had 10 modules. Recently introduced Quasar II has 6 different ones, remote control add-on another 3. "Originally we felt the optimum number of boards was 10," said Kraft. "Today we think it's 6. We're not aiming at throwaway boards, and we think fewer boards are less expensive and more serviceable."

But Motorola is fighting board proliferation. There have been "literally hundreds of changes" in 10 original Quasar boards, but new ones fit (& update) oldest Quasar sets. All changes are incorporated in boards in tune with retrofit principle, keeping input & output same as original. Although boards are field-repairable, Kraft said most are returned to factory for either repair or replacement.

Kraft outlined how modularization makes for easy model changes. "We moved in 6 months from a single Quasar II set to a complete line covering all size ranges. We used 5 of the same 6 panels. No one could do this if he had to create separate chassis for each one. If all we change is screen size, we just have to rearrange the boards physically and change the power supply."

Motorola has 90% of color TV circuitry on modules, is working for highest percentage possible—as compared with some newer sets only 50% modularized.

Is modularization a prelude to consumer-serviceable set? With one eye on next year's "Friend of Service" award, set makers either deny it or duck question. Best guess is that it will be relatively long time before average set owner can remove module, bring it to drugstore for testing & replacement. But in future years, modularization certainly will approach point where relatively hip consumer will be able to handle many repairs.

PANASONIC GOES EVR: Matsushita Electric (Panasonic) became 4th Japanese firm to take out license from EVR Partnership of London, as forecast here last month (Vol. 11:7 p9). Although license does not permit sales in U.S., it's expected that Matsushita—along with other licensees Hitachi, Mitsubishi & Toshiba—will also be licensed by CBS/EVR for sales in U.S. & Canada. At same time, Partnership announced first cassette-processing order from Japanese firm—Mainichi Bctg., which will select programs from its previously telecast material.

Something of a landmark—first review of a video-cassette—appeared in March 27 Saturday Review, in new "Cassette-TV" dept. Subject was "The Abacus," 15-min. EVR demonstration cassette produced by Video-record Corp. of America. Music Critic Irving Kolodin gave it a rave, comparing it in historic interest with Edison's first recording ("Mary Had a Little Lamb") and "The Great Train Robbery."

CBS announced, meanwhile, that Bellevue-Pathe Systems Ltd. had been named Canadian sales rep for EVR cassettes. Same firm is exclusive Canadian distributor of Motorola EVR Teleplayers.

And something funny happened on way to last week's IEEE (see adjoining column). Panasonic had planned to exhibit 2 models of cartridge color VTR—one with built-in color set, other a deck for addition to existing color set—but plans were cancelled. Cancellation is believed to have no connection with company's signing of EVR pact, but there's speculation it involves its reported standardization agreement with Sony. Recorders which Panasonic was scheduled to exhibit were incompatible with Sony's. Pullback bolsters theory Panasonic will, in final analysis, introduce machine compatible with Sony's.

In Japan, Akia Electric announced it has single-tube "home" color camera, for eventual U.S. marketing at \$555.

Support for anti-import fight was asked in wire to President Nixon from IUE Pres. Paul Jennings. Citing report that Nixon had expressed regret "for ground lost to foreign countries" by U.S. electronics industry, Jennings urged "you back your word with action" and help recover past production & job losses by backing import quotas & other restrictive measures. Nixon reportedly made electronics comment while wooing congressional support for SST program.

Deadline for comments on Sarkes Tarzian proposal to consider new 70-channel uhf detent tuner "comparable" to vhf tuners with memory tuning (Vol. 11:12 p8) was extended by FCC to April 9 at request of EIA Consumer Electronics Group.

LOW-KEYED IEEE: Shrunken in size & attendance, IEEE in N.Y. last week offered mirror-image of industry's depressed state, particularly in govt. & commercial segments. Coliseum's once-bustling 4th floor was void of exhibits, 3rd floor was half booked, and numerous open areas were scattered throughout show. Bulk of domestic semiconductor producers were drop-outs this year; exhibit count, 425, was down 160 from 1970; attendance appeared well below predicted 42,000. Firms which did display tended toward austerity, making Panasonic's multi-hued, roofed & carpeted location appear ultra-lavish by comparison.

For 2nd year in row, consumer electronics got short shrift; even Japanese exhibitors failed to show anything significantly new in TV or audio equipment. Sony, as usual, was main crowd-puller, with demonstration of videoplayer & duplication system (Vol. 11:11 p13). Color camera wasn't on view, but may be shown this week when Sony holds invitation-only demonstrations for potential U.S. customers & licensees. Sanyo pre-viewed own-brand entry into b&w half-inch-reel VTR market with system, including electronic viewfinder camera & monitor, to retail in Japan for under \$700.

TV came in for 4 mentions at seminar & technical sessions. Both Zenith & RCA papers discussed modular construction (see p. 10); HEW's Robert Elder touched on TV X-ray control regulations during talk on need for further development of radiation standards; Arthur D. Little Inc. covered market & technical forecasting techniques as applied to flat-screen TV.

Help-wanted ads were scarce in trade & daily papers. Things are apparently getting tough south of border too. Trade ad placed by unnamed U.S. manufacturer offers to sell or take partner in Mexican free zone factory presently producing "sophisticated" consumer electronics and operating "well below capacity."

Four-channel stereo activity continues to see introductions of more new systems & subsystems. Japan's Pioneer will unveil at Consumer Electronics Show its "Quadralyzer," using 4 channels of amplification, with switch for phase shift, a la Dynaco (Vol. 10:23 p11), for rear speakers or for all 4 speakers. System also can be used with other 4-channel inputs. Sansui will show own version of phase-shift system in "Quadraphonic Synthesizer" at \$199.95. Dynaco has developed "Quadraptor" to use phase-shift system with any 2-channel stereo amplifier, at \$29.95. Electro-Voice, meanwhile, has licensed Metroltec Industries, Roslyn, N.Y. to make kit version of decoder for matrix system, priced under \$50.

Receiver-performance inquiry has been started by FCC as expected (Vol. 11:12 p9), looking into interference from FM and other sources. Industry comments are due July 1.

JAN. IMPORTS: Tape recorders & players provided strongest gains for importers in Jan. over 1970 month, outpacing TV (see p. 10), according to Commerce Dept., which shows month's tape unit imports up 71.2% to nearly 1.1 million. Recorder imports climbed 42.5% to 439,000, with cartridge—mainly cassette—units up 64.7% to 356,000, accounting for all gain; tape players jumped 69.7% to 417,000. Imports of tape-player combinations tripled, radio-recorders doubled.

U.S. IMPORTS

	1971		1970	
	Units	Value (\$)	Units	Value (\$)
Color TV, over 17V"	34,129	6,018,587	9,494	1,708,637
Japan	32,383	5,638,712	9,364	1,670,841
Taiwan	872	149,500	—	—
Color, 11-17V" . . .	41,168	5,956,847	18,289	2,509,841
Japan	38,959	5,633,529	15,103	2,280,678
Taiwan	2,209	323,318	3,184	228,547
Color, 10V" & under	3,817	579,184	12,691	1,782,972
Japan	3,817	579,184	12,691	1,782,972
B&w, over 17V" . . .	75,632	4,416,699	12,016	704,215
Japan	31,885	1,920,495	11,790	693,561
Taiwan	13,322	480,997	211	8,481
Mexico	29,668	1,930,748	—	—
B&w, 11-17V" . . .	136,902	6,424,865	84,778	3,863,812
Japan	95,027	4,657,806	65,598	3,081,588
Taiwan	41,840	1,762,337	14,934	561,441
B&w, 10V" & under	55,853	2,687,150	75,672	3,899,431
Japan	46,558	2,299,462	69,714	3,553,873
Taiwan	9,209	376,663	5,940	343,917
Clock radio	324,138	3,172,825	115,981	1,328,456
Japan	133,858	1,576,459	71,073	941,238
Taiwan	32,926	344,803	—	—
Hong Kong	99,959	796,079	27,664	204,527
Singapore	42,504	329,194	—	—
Tr. rad., AM, AC	80,354	388,141	167,966	735,180
Japan	22,954	165,640	17,974	205,577
Hong Kong	45,308	173,815	128,432	448,642
Tr. rad., AC, other	241,784	6,830,162	174,241	3,919,203
Japan	189,201	5,879,180	153,366	3,716,877
Taiwan	30,627	561,275	—	—
Hong Kong	13,607	572,658	15,593	125,234

PICTURE TUBE PERFORMANCE: Sales of domestic picture tube industry last year represented 44% of production capacity, according to EIA totals showing factory color and b&w tube sales of just over 10 million units. Capacity, 22.6 million tubes, was revealed by EIA during Tariff Commission TV dumping hearings (Vol. 11:5 p9). In 1969, industry sales of 11.2 million tubes equaled 46.4% of capacity.

U.S. plants sold nearly 5.8 million color TV picture tubes last year, down 7.3% from 1969. OEM sales were off 16.7% to 4.4 million, while increases were posted by exports (up 206.9% to 537,000) and replacements (up 8.9% to 833,000). Replacement market excludes sales by non-reporting rebuilders.

B&w volume was off 15.1% to 4.25 million, with sales value off 18.4% to \$65.7 million. B&w tube sales by markets: OEM 3.6 million units at \$51.4 million (down 13% & 18.2%), renewal 488,000 at \$11.5 million (down 18% & 17.5%); exports 119,000 at \$2.7 million (down 46.6% & 24.9%).

Color tube sales in 1970 equaled 46.6% of plant capacity (based on 3-shift, 6-day week), up from 44.1% in 1969. B&w volume last year was at 41.7% rate, down from 49.6%. Color tube capacity was lower in

Reversing 1970 trend, home transistor radio imports for month were up 29.9% to 2.25 million; clock radios jumped 179%, other types rose 19.2% to 1.9 million. Major increases were posted by AM battery & FM-inclusive line-cord receivers. Others improved were auto radios, transceivers, record changers & VTRs. Phonos & radio-phonos declined. In table, where no country of origin is indicated, Japan is dominant supplier:

	1971		1970	
	Units	Value (\$)	Units	Value (\$)
Tr. rad., AM, batt.	741,047	2,489,438	408,624	1,365,378
Japan	207,225	1,149,949	76,938	538,547
Taiwan	138,540	357,435	86,604	301,070
Hong Kong	365,850	869,342	196,524	398,913
Tr. rad., batt, other	867,656	10,406,857	869,342	7,959,231
Japan	351,156	6,113,475	300,222	5,688,868
Taiwan	145,409	1,670,171	52,720	488,107
Hong Kong	347,640	2,168,577	448,336	1,597,985
Auto radio	123,564	1,942,354	91,384	1,385,042
Transceiver	147,757	2,273,914	118,264	1,352,480
Radio-phonos	91,469	3,155,160	110,353	2,971,022
Phono, stereo	23,021	457,576	29,540	563,726
Phono, mono	13,079	164,049	29,443	229,717
Record changers	351,362	3,856,427	297,699	3,348,821
United Kingdom	299,528	3,099,595	241,343	2,604,972
West Germany	28,847	668,265	36,184	691,139
Rcrdrs., AC, stereo, cart.	34,900	1,314,827	14,328	534,765
Rcrdrs., AC, stereo, reel.	39,617	2,131,498	42,824	2,241,467
Rcrdrs., AC, mono, cart.	83,423	1,985,269	39,152	804,239
Rcrdrs., AC, mono, reel.	5,954	289,785	14,704	522,721
Rcrdrs., batt., cart.	237,845	4,401,815	162,806	2,733,975
Rcrdrs., batt., reel.	37,408	908,530	34,455	474,632
Radio-recorders	115,862	4,742,225	40,881	1,576,683
Tp. player, auto	211,353	4,240,783	115,980	2,597,105
Tp. players, other	205,354	4,596,875	129,613	3,058,129
Tp. players comb.	101,409	4,650,255	31,953	1,650,105
Video recorders	1,922	754,924	711	314,210

1970 than 1969 because of plant closings. Though some b&w plants also shut down, production efficiencies increased capacity.

EIA also reported receiving tube sales decline. Sold last year were 231.4 million tubes, off 17.6% from 1969, as all market areas posted losses. OEM sales were down 21.8%, replacements off 4.6%, exports 0.1% and govt. purchases 41.4%.

Tape topics: ITA Tape Seminar May 12-15 in Washington will be keynoted by Bell & Howell Chmn. Donald Frey, with President's Consumer Affairs Asst. Virginia Knauer and syndicated columnist Art Buchwald as luncheon speakers. Agenda includes 24 workshops on various aspects of tape. For information, ITA, 315 W. 70th St., N.Y. 10023...GRT is closing east coast tape duplication facility, consolidating on west coast... **Qatron's** 8-track cartridge changer at \$299 will be offered through direct mail by Diners' Club & CBS' Columbia House... **Audio Communications** & 6 affiliates (tape cartridges & parts) filed Chapter XI petition in Newark with \$2.5 million, liabilities \$2.2 million... **TDK** joins Institute of High Fidelity, becoming first tape manufacturing member.

Trade Personals

Saburo Matsumoto moves up from pres. to chmn. of Matsushita Electronics Corp. (picture tubes parts), succeeding founder Konosuke Matsushita, who retires; Seiji Miyoshi advanced from vp to pres... Edward B. Martin advanced at GE from Hotpoint mdsg. & ad mgr. to retail strategy planning mgr., Appliance & TV Business Group... Milton Dienes resigns as Harman-Kardon mktg. dir. to join Md. rep firm.

George Bechtel, ex-Lear Jet Stereo national sales mgr., forms G. Bechtel Assoc., Detroit rep firm; Lear is first account... **N. E. Johannsen** resigns as Ampex asst. treas. to become treas. of Aerojet-General, succeeding **T. F. Kernan**, now with Republic Corp... **Jerome L. Willbach** joins Castagna Electronics as financial exec. vp.

John Hart promoted from operations vp to pres., Stackpole Components, succeeding George Ritter, who continues as pres. of parent Stackpole Carbon. . . . Richard Corcoran, former Parts Div. new product planning & mktg. research mgr., moves up at Sylvania to Electronic Tube Div. product line mgr., military & industrial display devices. . . . H. James Bush promoted at Antennacraft to gen. mgr.

Edgar Sack, General Instrument vp, named gen. mgr. of Hicksville, L.I. semiconductor plant... **Atsushi Suzuki** heads Dolby Labs' new Tokyo office... **James Ryan**, who joined Phono Sonic Corp., is not former Emerson sales vp as reported (Vol. 11:11 p12).

Harris Wood, Philco-Ford, receives citation for contribution to EIA Engineering Dept., by Consumer Electronics Group; **Leon Podolsky** receives Merit Award from EIA Parts Div.; **William H. Moore**, EIA secy., given Govt. Products Div. Outstanding Performance Award; **Samuel Watson**, retired RCA standards mgr., receives Outstanding Accomplishment Award of Engineering Dept.; **David Hull** retires from EIA; he's former EIA pres., was Engineering Dept. dir., more recently consultant to pres. Awards were made at Spring Conference.

CBS has agreed to purchase Pacific Electronics, operator of 5 retail hi-fi stores in San Francisco & L. A. for undisclosed cash. Pacific would come under wing of CBS/Columbia Group, which now is in retailing through mail-order Columbia House operation and Discount Records chain with outlets mainly on college campuses... **General Instrument** is acquiring Philco-Ford's Taiwan semiconductor operation for undisclosed price June 1. Sale won't affect Philco's other Taiwan facility which assembles b&w TVs & other consumer electronics for export to U. S. ... **Corning Glass** is buying, for stock, Components Inc. (tantalum capacitors, diodes, etc.) with plants in U. S. & Mexico... **Gould** is acquiring Dictaphone for \$54 million in stock.

Benjamin Electronics is negotiating private-label purchase contract with Aiko, Japanese hi-fi firm. Aiko pres. is Mitsuo Ikejiri, who headed Aiwa until Sony acquired control in 1969 (Vol. 9:3 p11).

EMI Ltd. is now official name of Electric & Musical Industries, British majority owner of Capitol Industries.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during past week. Dash indicates information not available at press time. Amounts expressed in dollars. Parentheses denote loss.

Company & Period	Revenues	Net Earnings	Per Share
Standard Kollsman			
1970-year to Dec. 31	86,126,130	(1,012,435)	--
1969-year to Dec. 31	114,435,001	844,715	.35
TelePrompTer			
1970-year to Dec. 31	33,023,403	4,760,715	1.53
1969-year to Dec. 31	26,917,533	2,782,864 ^a	.97
1970-qtr. to Dec. 31	8,832,139	1,264,584	.41
1969-qtr. to Dec. 31	7,408,449	805,663	.28
Terminal-Hudson Electronics			
1970-year to Dec. 31	16,733,000	(143,000)	--
1969-year to Dec. 31	17,628,000	399,000	.31
TMA			
1971-6 mo. to Feb. 28	3,472,808	(311,525) ^a	--
1970-6 mo. to Feb. 28	3,881,428	(535,129) ^a	--
1971-qtr. to Feb. 28	1,667,279	(188,614) ^a	--
1970-qtr. to Feb. 28	1,705,722	(306,410)	--
Transitron Electronic			
1970-26 wk. to Dec. 26	37,878,000	(3,510,000)	--
1969-26 wk. to Dec. 26	45,774,000	(2,229,000)	--
1970-13 wk. to Dec. 26	18,175,000	(3,476,000)	--
1969-13 wk. to Dec. 26	25,160,300	(849,000)	--
Trans-Lux			
1970-year to Dec. 31	12,409,333	942,246 ^b	.90
1969-year to Dec. 31 ^c	12,368,045	819,040 ^b	.83

Notes: ^aIncludes special credit. ^bAfter special charge. ^cRe-stated

Zenith engineers are working toward flat-screen & projection color TV, home videoplayers & 4-channel stereocasting, according to annual report, which reiterates claim (disputed by RCA) that "in 1970 Zenith achieved first place in color TV sales." Chmn. Joseph Wright forecasts "exciting new home electronic products in the next few years, most of them geared to the use of the home color TV receiver as a display device." Specifically, report refers to company video recording-playback projects "using unique approaches to develop a system that is simple to operate [and] in a price range practical for the mass market." Zenith also is "evaluating" announced tape, film & disc systems. Other technical projects: (1) "A surface-wave ultrasonic filter for TV circuits which can do the work of conventional coils & transistors in TV sets." (2) Development of new picture tubes and tube substitutes including "approaches...using electroluminescence, gas discharges & laser technology." Zenith scientists "received a significant patent" in 1970 for color light-emitting diodes and have improved light efficiency at least 20 times.

Hazeltine Research has petitioned U. S. Supreme Court for rehearing of litigation with Zenith. Court has ruled for Zenith in \$19-million antitrust suit (Vol. 11:9 p11).

Olympic moves HQ from Manhattan to plant at 89-89
Union Turnpike, Glendale, N. Y.