

WEEKLY

Television Digest®

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The authoritative service for broadcasting, consumer electronics & allied fields

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Broadcast

CABLE, UHF & FV to get major congressional attention in 2nd session. Copyright bill likely to succeed; renewal approval unlikely. Many hearings, but passage of only routine legislation, mark first session. (P. 1)

CABLE-SATELLITE OUTLOOK: HBO sees 1975 growth doubling; S-A predicts 8-fold increase in earth station sales; Button says systems will add auxiliary services. (P. 2)

NAB'S GOOD BALANCE SHEET: Income for all funds exceeds expense by \$303,018 for 8 months. New budget of \$4.65 million includes 8% raise for professionals. (P. 5)

ENGMAN STEPS DOWN at FTC, cites increased openness, campaign to cut govt. 'over-regulation' & increase competition as greatest accomplishments. Barnum likely successor. (P. 4)

CPB FUNDING BILL signed by President Ford, who calls it 'milestone' but criticizes Congress' failure to approve 5-year appropriation. (P. 4)

CABLE, UHF & FV HIGHLIGHT 2nd SESSION: With major staff increases on both House & Senate Communications Subcommittees, first session of 94th Congress saw increase in number of hearings on communications matters, but passage of little—mostly routine—legislation. Similar outlook emerges for 2nd session. Here's what to look for:

Cable will get major emphasis in both House & Senate, though prospect for legislation is slim. Bills may be coming from FCC, Administration, House Communications Subcommittee & Senate Antitrust Subcommittee. Last has hired consultant (Vol. 15:52 p5) to help write bill; staff already has gone through several drafts, none yet submitted to retiring Chmn. Hart (D-Mich.). House cable report is in final stages, will be circulated to Subcommittee members Jan. 19. FCC & Administration bills still are being drafted; in recent speech, Senate Communications Subcommittee member Moss (D-Utah) warned that Subcommittee may begin hearing without waiting for Administration bill if it's delayed.

Bills proposing closer UHF parity with VHF also are likely to get extensive study this session—in House as part of comprehensive consideration of management of non-govt. spectrum, in Senate perhaps as part of HEW public broadcasting facilities bill. If FCC fails to act, Senate may consider codifying proposal to improve UHF submitted to FCC by Council for UHF Bcstg. (Vol. 15:29 p5, et seq.); in addition, Sen. Baker (R-Tenn.) will push for hearing if FCC doesn't proceed on VHF drop-ins, especially for WTVK (Ch. 26) Knoxville.

Family Viewing (FV), sex & violence and children's advertising will be 3rd subject to get major emphasis in session. House will hold extensive hearing on FV's impact on programming and possible improper governmental "pressure" to adopt FV concept, probably in March; hearing will be timed to coincide with release of data on violence profile for 1975 season developed for

Consumer Electronics

1976—ANOTHER YEAR of crisis—as indicated by our annual forecast, which sees only slight improvement for TV, but good sales for CB, upswing for audio. Import rise seen unchecked. Is this year for video-disc at last? (P. 7)

COLOR IMPORT RECORD for Nov. reported by Commerce. Shipments from Japan doubled same 1974 month. Nomura sees Japan color cheaper in 1976. EIA-J color output rose 3% in 1975, says exports set record. (P. 9)

FRANTIC CB YEAR gets underway at WCES with preview of changes to come. Calculator & watch action seen centering on prices. Audio role to be subdued. (P. 10)

FTC KICKS OFF new year with final warranty labeling rules along with probe of TV-appliance repair industry. (P. 10)

SONY SALES RECORD reported for fiscal 1975. Company says VTR, CCTV volume topped \$100 million. Curtis Mathes profits soar. (P. 12)

WRH

NIMH by U. of Pa. Prof. George Gerbner. Senate hearing also is possibility.

Other possible hearings for Senate Subcommittee: Continuation of fairness doctrine hearing, to fulfill Sen. Pastore's (D-R.I.) promise to allow Carl McIntire to testify for 2 hours; OTP oversight; satellite policy; nominations for seat of FCC Comr. Robinson (term expiring June 1976), 7 seats on CPB board (either now vacant or to replace members whose terms expire March 1976), 3 Comsat dirs., OTP dir.

Other House Communications Subcommittee goals: FCC Reform Act (Vol. 15:25 p5), satellite policy, public broadcasting (with emphasis on minority programming & employment) promised by Rep. Macdonald (D-Mass.) (Vol. 15:49 p5). Subcommittee also may examine employment practices of commercial broadcasters.

Copyright legislation is likely to be enacted before end of session. Senate bill goes to floor early in 1976; House Copyright Subcommittee plans to begin markup around same time, will try to make as few changes as possible from Senate version to maximize chances of bill emerging successfully from conference.

Still in limbo is renewal legislation. Pastore still says he'll wait for House to act first on bill, though he declines to say what he'll do then; Macdonald has made commitment to hold hearing but won't say when.

Joint regulatory reform initiative by House Investigations Subcommittee, Senate Commerce and Govt. Operations Committees will continue in higher gear in 2nd session after late start. Committees succeeded in obtaining FCC promise to turn over confidential documents on Commission's conglomerate inquiry (Vol. 15:51 p6). House Subcommittee will call FCC Jan. 29, recently sent questionnaires to 77 former FCC employes GS-15 and above who left in last 3 years to determine where they went, what would have made them stay on.

Other areas of interest: (1) FTC will get extensive questioning. Senate Consumer Subcommittee will hold nomination hearing for new chmn. & commissioner, while House Consumer Subcommittee will hear departed Chmn. Engman in Jan., probably will call new chmn. as well. (2) Broadcast coverage of House proceedings may well become reality during session. (3) Continued examination of TV advertising of OTC drugs, especially during heavy child-viewing periods, by Sen. Nelson's (D-Wis.) Monopoly Subcommittee, perhaps other committees as well. (4) CPB appropriation bill. (5) Continuation of conference on sports anti-blackout bill (Vol. 15:51 p5). (6) Agency for Consumer Advocacy, which President Ford will veto. (7) "Govt. in Sunshine" bill, which would open to public most FCC & FTC meetings. (8) Daylight Savings Time revision.

Areas of potential conflict: (1) Continuing FCC-OTP-OT struggle over who forms Administration's communications policy. (2) Competition among possible successors to retiring Communications Subcommittee Chmn. Pastore.

CABLE-SATELLITE OUTLOOK: Quick run-through of prospects for satellites & pay cable this year gives this wrap-up by several industry leaders: (1) Home Box Office Pres. Gerald Levin—"We hope to see our 1975 figures double," largely due to satellites. HBO-served cable homes rose from 57,000 to 275,000 last year. Though HBO still needs to "assimilate that kind of growth," pay cable will do "things not now done by conventional TV...to make the industry grow."

(2) Teleprompter Cable Div. Pres. William Bresnan noted that TPT introduced HBO to 7 systems in Dec. alone (6 via Westar satellite, one via microwave), expects to offer pay service in 24 systems with 447,000 subscribers by end of Jan., putting company "ahead of schedule...to make pay cable available to 870,000 of our subscribers nationwide."

(3) Scientific-Atlanta Cable Div. Gen. Mgr. Jay Levergood: "I believe we're looking at a substantial market with about a 3-year life." He said S-A completed 11 earth stations in 1975, has orders for 36 in first 6 months of 1976, predicted last half of year would see another 50 orders. "The orders are still coming in, though they're coming one at a time now"; 1975 saw mostly multiple orders from MSO's. He estimates pay-cable potential at about 300 systems, mainly those with more than 3,000 subscribers. Other markets include commercial networks, PBS,

smaller cable systems close together and sharing stations.

(4) TransCommunications partner Robert Button believes S-A estimate conservative. Within 5 years, he believes, every cable system will be served by satellite. He said TransCommunications is considering owning earth stations itself, serving industry. He predicted that 1976 will see earth station owners adding auxiliary services such as data transmission. "I see this settling into a national organization—a nationwide cable-satellite multi-network."

* * * *

ABC proposal on earth station size and satellite frequency allocation (Vol. 15:42 p4) is lauded by broadcasters in comments to FCC, but criticized as monopolistic by potential users of smaller earth stations. NCTA pleads that satellite regulation be "marketplace in nature," charges that ABC petition intends to reserve desirable frequencies "solely for broadcast network uses." NCTA is joined by satellite manufacturer Hughes Aircraft, Cable Satellite Access Entity (CSAE) & HBO; latter notes that use of small earth stations "would provide an impetus for the full utilization of satellite services by cable [enabling] HBO and other nationwide program suppliers to more effectively compete with the existing TV networks." PBS calls ABC approach "too simplistic in general." CBS, all 3 network affiliate assns., AT&T & NAB state they're "in full support" of ABC petition.

Broadcast coverage of black elected officials was strongly criticized in recent resolution adopted by National Institute for Black Elected Public Officials (NIBEPO) during annual Washington meeting. Seizing upon ABC's last-minute cancellation of Issues & Answers program featuring Rep. Rangel (D-N.Y.) & Atlanta Mayor Maynard Jackson (for program featuring Sen. McGovern [D-S.D.] on busing), NIBEPO charged: "Too often, what black elected officials have to say is either unreported or misrepresented... We hold the ABC action to be contemptible of both black elected officials and of the offices they represent... The manner in which this particular cancellation was handled mirrors a racist, or at best cavalier attitude, to the importance of this National Institute and of the proposed black guests in comparison to the white guest who was chosen."

Meeting with film producers, scheduled for Dec. 29 by Paul MacAvoy of White House group (Vol. 15:52 p3), was canceled by him that morning—no new date set. Meanwhile, MacAvoy returned to NAB Chmn. Wilson Wearn the letter latter had written, criticizing MacAvoy (Vol. 15:50 p2), marked up with comments. MacAvoy's final comment: "The posturing by imputing motives, attitudes, and tastes to me when I ask for data and analysis is discouraging. We are not getting anywhere."

Some increase in carriage of network news is provided in FCC cable rules change finalizing proposal issued in Oct. 1973 (Vol. 13:45 p4). Effective Feb. 13, rule permits carriage of: "Any TV station broadcasting a network news program at any time when no station regularly carried is broadcasting the same program and when no station licensed to the market in which the system is located is broadcasting a local news program..."

"Minority Communications Forum" has been established by NAB to distribute speeches & papers about minority communications to groups, students, et al. Monthly summaries of material will be mailed by Office of Community Affairs (Patti Grace, dir.).

PBS petition to reserve signal line 21 for captioning for deaf was criticized by CBS and JCIC ad hoc committee on TV broadcast ancillary signals, in comments to FCC. Noting availability of admittedly more complex but more versatile "teletext" decoder in Germany, as well as of simple amplification of sound through earphones, CBS asks PBS to continue study of alternative methods one more year. CBS & ad hoc committee also cite following: (1) System can't be used for live or filmed programs. (2) Cost estimates are too low. (3) Tests were conducted in lab; over-the-air results might show substantially more interference.

"Considerable awareness" of PTV by black community in Columbus, O. was found in survey conducted by "Friends of WOSU-TV Columbus" and CPB. Telephone survey concentrated on section of Columbus with at least 50% black population, found that: (1) "Someone watched PTV sometime" in 86% of black households. (2) Someone watched PTV weekly in 52% of black households. (3) More-educated blacks watched more, were more aware of PTV. (4) Programs oriented toward black viewers were watched more frequently by black viewers.

Rulemaking on rate regulation of cable was announced by FCC, as anticipated (Vol. 15:52 p2). Comments are due Jan. 30, replies Feb. 10. Suggesting it might drop rule on rate regulation entirely, Commission said "it did not intend to become the arbiter of local disputes over the procedure of making rate decisions, and therefore it might be administratively clearer if it left these matters totally to the discretion of non-federal officials."

NAB's appeal of pay-TV decision in D.C. Appeals Court has been broadened to include FCC's action removing restrictions on use of series programs. Now, NAB said, "the possibility that pay subscribers will receive original and innovative programming has diminished considerably."

NAB has been given hour to protest relaxation of CATV rules at Feb. 17 en banc FCC open meeting; no other groups have asked for time yet.

ENGMAN STEPS DOWN: "Positive progress" toward FTC openness and beginning cutback of federal "over-regulation" were cited by Lewis Engman as FTC's greatest accomplishments while he was chmn. In final press conference before stepping down Dec. 31—to seek seat of retiring Sen. Hart (D-Mich.)—Engman hammered away at "the terrible problem in this country" of excessive govt. controls and restraints on competition.

In answers to questions, he said: (1) He's "not satisfied with the progress made or the time it's taken" to protect children from TV ad abuses, and he hopes FTC will continue to work in this area. (2) "There ought to be input other than from industry" in agency proceedings. "Only too often, solely the economic arguments are presented." He noted FTC has stepped up its own participation in other agencies' proceedings, underwrites public interest group participation in FTC proceedings, but warned against any group which would "attempt to monopolize the consumer's view." (3) Bills to establish congressional veto power over agencies' rules would be okay "so long as Congress is willing to commit the manpower and the time to do an adequate job." He noted that Congress delegated rulemaking power to agencies in first place.

Meanwhile, reported front-runner to succeed Engman as FTC chmn. is antitrust lawyer John Barnum, now Deputy Secy. of Transportation. UCLA economist Thomas Sewell is probable successor to Democrat Mayo Thompson, who resigned as FTC comr. in Sept.

Broadcasters are "totally confused and ill prepared" to meet April 15 deadline for installation of type-accepted 2-tone EBS signalling system, NAB told FCC last week in asking for 2nd extension. Moreover, NAB said, no effort has been made to tie EBS into many existing private systems, and to require all broadcast stations to install EBS transmitting equipment "would be redundant to the point of absurdity."

Cable testing program, to meet FCC requirements, is offered by CATA through contract with Mid State Communications, Beech Grove, Ind. Equipment valued at \$5,000 will be bicycled among systems. Using gear 4 days, CATA members are charged \$500, non-members \$600. Details: CATA, 4209 N.W. 23rd, Oklahoma City, Okla. 73107.

"**World Press**," produced by KQED (ETV) San Francisco, will tape 2 half-hour programs in Moscow Jan. 28 to compare Soviet and U.S. press. They'll be first PBS shows originating from Soviet Union, will air in mid-Feb.

Group of WADO(AM) N.Y. executives is buying station from Bartell Media for \$4.8 million cash. George Wilson, Bartell vp and chief of Bcast. Div., and WADO Vp-Gen. Mgr. Nelson Lavergne, head buyers.

Reporting ad revenues of \$127.3 million in 1975, TV Guide figures it's top U.S. magazine in advertising. It sells more than 19 million copies weekly, for yearly total over 1 billion. Revenues from copy sales weren't reported.

CPB long-term funding authorization was signed by President Ford, who lauded legislation as "a milestone" though "not perfect." In message accompanying bill-signing, Ford said he was "disappointed...that the present bill does not include the corresponding 5-year appropriation originally proposed by the Administration" but rejected by House Appropriations Committee (Vol. 15:29 p5). OTP Acting Dir. Eger also urged Congress to pass multi-year appropriation to "provide the kind of insulation recommended by the President," stressed that public broadcasters, along with free & pay TV, must provide "diverse and alternative means" to inform public.

Use of newscast in promotional film for product was barred by N.Y. State Supreme Court Appelate Div. News item appearing on WCBS-TV N.Y. lauded value of Rapco-Foam, manufactured by Rapperswill Corp., as home insulator. Firm used news excerpt in promotional film, but 3 reporters went to court seeking injunction against use of excerpt, as well as punitive and compensatory damages. Granting preliminary injunction, court held: "To be effective, a news reporter must maintain an image of absolute integrity and impartiality."

FCC procedures governing petitions for reconsideration of prior actions have been amended to "more clearly provide" that anyone may seek reconsideration of rulemaking actions—even if he didn't participate previously. New guides, sought by Washington law firm Haley, Bader & Potts, also provide that 30-day period for filing starts day after publication in Federal Register, and that time for filing oppositions was extended from 10 to 15 days, replies from 7 to 10 days.

Renewal application is "not an appropriate setting to decide the validity of charges relating to a licensee's cable interest," FCC said in renewing licenses of KELO-TV Sioux Falls & KPLQ-TV Reliance, S.D. Protesting cable system claimed licensee discriminated against competitors and misled FCC on KELO-TV's ownership of 50% of Sioux City system.

Network TV advertising increased 8.3% to \$261.9 million in Nov., according to Tvb-BAR. Network billings for first 11 months of 1975 totaled \$2.2 billion, up 8.1%. Of total, \$790.7 million went to CBS; \$758.6 million to NBC; \$649 million to ABC.

"**A modern look of distinction & quality**" is way Pres. Herbert Schlosser describes NBC's new corp. symbol—modernistic "N" with red block on left, blue on right, "BC" no longer show. It was first used during Jan. 1 Rose Bowl.

FCC will codify into trade regulation rules existing principles of law in 14 consumer protection areas, including bait & switch ads, games & contests promotions, deceptive demonstrations, endorsements & testimonials, use of "free" & "special offer" in ads.

"**Bcast. News Handbook**," by Donald Miles of Fla. U., has been published by Howard W. Sams & Co., 4300 W. 62nd, Indianapolis 46206 (\$9.95).

NCTA schedules board meeting in Washington Jan. 19, shifting from Feb. 3 in L.A. because of copyright legislation activity.

NAB's GOOD BALANCE SHEET: First 8 months (ended Nov. 30) of NAB fiscal year shows Assn. with net income for period of \$303,018 (including all funds) over expenses. Income was \$3.02 million, expenses \$2.72 million. NAB had budgeted \$2.9 million in income & expenses for 8 months, \$4.4 million for full year (ending March 31).

Exec. Committee meets next week to work up 1976 budget for approval at Jan. 19-23 board meetings in Key Biscayne. New budget will total about \$4.65 million, including planned increase of \$150,000 in TV dues (Vol. 15:51 p5). Most NAB professional employees are due for 8% raise April 1.

Expenses by divs. for 8-month period: General, \$715,569 (\$115,833 less than budgeted); station relations, \$715,569 (\$16,334 over budget); PR, \$482,635 (\$86,007 under budget); govt. relations, \$424,035 (\$38,336 under budget). Radio Code has taken in \$164,516, spent \$130,067; TV Code income was \$435,863, expenses \$427,790.

NAB has \$1.4 million in time deposits — \$1 million in general fund, \$250,000 Radio Code, \$150,000 TV Code. Included in total income are \$379,026 surplus from Las Vegas convention, \$102,000 in rent from tenants in hq bldg. (mortgage is down to \$370,948), \$28,000 interest and \$84,320 in contributions to Pay TV Committee (which has \$97,165 reserve, had spent \$46,951 through Nov.).

"I often thank God for Richard Wiley... and Vincent Wasilewski... We have never had stronger leadership than the combination of character and a true sense of responsibility under God in public service than we have in these 2 men... I pray for them that their strength shall be equal to the burdens America has laid on their stout shoulders": Paul Stevens, pres., Radio-TV Commission, Southern Baptist Convention.

Total expenditures of 154 PTV licensees during fiscal 1974 was just under \$200 million, according to CPB. Of total, about 17% came (directly or through CPB) from federal govt., 12% from local govt. or local board of education, 31% from state govt. or board of education, 5% from business, 35% from universities, foundations, subscribers, auctions, etc.

RCA Satcom I domestic communications satellite, launched Dec. 12, achieved synchronous orbit Dec. 18 and is undergoing testing before going into commercial service, scheduled for Feb. Satellite has 24 channels, double capacity of any other yet launched.

Two new categories—access programs and new services—have been added to NCTA Cable Services Awards, winners to be designated at annual convention.

Delivery of 100th AML unit is reported by Theta-Com—to Cablevision Systems (Charles Dolan), Long Island. It's called "largest such system in the world," has 39-channel capacity.

FCC has amended environmental impact rules to apply them to all towers over 300 ft.; formerly, microwave towers over 100 ft. were covered.

Electronic newsgathering equipment being added by Philips: Portable videocassette recorder weighing 22 lb., capable of recording for 60 min. on standard Philips videocassette, and 7.7-lb. color camera. Both can be powered by AC or from own battery packs. Philips says camera has new type of tube providing color reproduction standards heretofore unobtainable with single-tube cameras. Units have been announced in Europe as available for both PAL & NTSC standards. Philips probably will demonstrate them in U.S. next spring. Meanwhile, Philips is starting delivery in U.S. of LDK-11, 15-lb. portable camera at \$43,500, first shown at NAB convention (Vol. 15:15 p8). In Japan, JVC announced portable 3-vidicon professional color camera at about \$5,300, weighing about 28 lb.

Rep. Frey (R-Fla.) plans to insist on his amendment to sports anti-blackout extension bill now in deadlocked House-Senate conference (Vol. 15:51 p5). He will see amendment (limiting blackout to 75 miles from border of home team's hometown) stricken "over his dead body," according to aide. In first conference meeting, Sen. Pastore (D-R.I.) suggested amendment was designed to favor Fla., asked its defeat, but House conferees refused, and meeting adjourned without resolving dispute. Though present law expired Dec. 31, NFL Comr. Pete Rozelle earlier promised there'd be no blackouts of sold-out post-season games.

FDA would have authority to regulate vitamin & mineral ads under Senate-passed health bill. Legislation also would allow FDA to seize products using misleading & deceptive ads. House-passed bill lacks these provisions. FTC wrote House Commerce Committee Chmn. Staggers (D-W. Va.) last Oct. that provisions are "duplicative" of FTC authority; passage would be "contrary to the interest of the public"; seizure provision violated due process. Conference will be set early next session.

Ala. Supreme Court has rejected ABA recommendation barring broadcast coverage or photography in state's courtrooms. Decision allows each court to decide whether it will allow TV cameras. Chief Justice Howell Heflin announced State Supreme Court would set example by beginning modifications to its courtroom to allow inconspicuous filming of court proceedings.

Broadcasting "has made good progress" in hiring & promoting minorities, NAB Pres. Wasilewski told National Black Lawyers Conference. He noted minority employment had risen from 3% to 12% in last 3-4 years. "A few years ago, there were 8-10 black-owned radio stations. Today there are more than 40... This progress represents a bare beginning [but] the trend is in the right direction."

As aid to deaf, FCC has asked for comments (due Jan. 29, replies Feb. 9) on proposal to require TV stations to transmit emergency information visually as well as aurally. In 1970, Commission asked stations to comply voluntarily, said only about 30% are doing so; thus, FCC said, "mandatory transmissions" would serve public interest.

Personals

NAB Legislative Counsel **Kenneth Schanzer** resigns to direct Senate campaign of Rep. **John Heinz** (R-Pa.), seeking seat to be vacated by retiring Minority Leader **Hugh Scott**...Rep. **James Hastings** (R-N.Y.), member of House Commerce Committee, resigns from Congress to become pres. of Associated Industries, N.Y.

Jack Brennan promoted to vp-sales, Wis. TV Network; **Bruce Liljegren**, gen. mgr. of WAOW-TV Wausau, advanced to vp, takes on responsibility for programming of parent Wis. TV Network...**Hal Levinson**, ex-WNEW-TV N.Y., appointed news dir., WTTG Washington.

Ronald Schubert advanced to ABC music dept. dir., succeeding **Harry Sosnik**, retired; **Kay Mac-Kay** promoted to business administrator, ABC PR, West Coast, new post.

James A. Gammon & **John L. Tierney**, latter ex-Greeley, Bernard & Tierney, form law firm Gammon & Tierney, 2011 Eye St. NW, Washington 20006, 202-293-7979; **John M. Duty** also is member of firm...**Michael Finkelstein** joins Washington law firm Boasberg, Hewes, Finkelstein & Klores.

Mal Gilbert, Snyder, Tex. CATV system, appointed chmn., NCTA Ind. Operators' Board, replacing **Joe Kusky**, resigned...**Neal Orr** forms Cable Program Services, 39 W. 16th St., N.Y. 10011, 212-242-8566...**Curtis Kring**, ex-Harris Best. Products Div., named national mktg. dir., Microwave Assoc. Communications Equipment Div.

Gary Gross promoted to national mktg. mgr., Cinema Products...**Jack Bondus** promoted to 3M Audio-Video Products Div. commercial & educational mktg. mgr.; **John Miller** advanced to sales supervisor...**Earle Gillis**, ex-Ohio ETV Network, named WCET (ETV) Cincinnati development dir...**Robert Lloyd** named eastern sales mgr., Time-Life TV...**Walter Breede**, ex-Carl Byoir & Assoc., joins Teleprompter as PR dir.

Gregory Weiss, FCC Cable Bureau, transfers to Gen. Counsel's Office as asst. chief, Admin. Law & Treaties Div...**William Wormington**, Target Network TV, joins TransCommunications in exec. capacity...**Ron Winders**, ex-WJAR-TV Providence, named sports dir., WOWK-TV Huntington, W.Va.

In variation of pay-cable, San Jose's Gill Cable will offer 2 movies monthly to all subscribers, charging all added \$2 monthly—increase from \$6.95 to \$8.95. Arrangement has been approved by franchising bodies. Serving some 57,500 subscribers, Gill thus avoids cost of adding traps or converters. A major objective is to increase subscriber penetration which is now about 38%.

FTC took further steps to lift advertising bans imposed by various professional groups, proposing to allow advertising of prescription eyeglasses' prices & availability and physicians' fees & services. FTC earlier proposed lifting bars against advertising of prices for OTC drugs, while Justice Dept. attacked ban on advertising for lawyers.

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"During critical periods such as this, your national associations deeply need your endorsement & financial support," wrote NAB Pres. Harold Fellows in July 1951. Fellows was soliciting radio memberships, offering combined deal with Best. Ad Bureau (forerunner of RAB). Under deal, BAB would get 30% of combined dues. Commented NAB official last week: "When you look at current financial assistance to RAB [Vol. 15:52 p3], you realize there's really nothing new."

FCC operator licensing procedures long have been sore spot for broadcasters, and Commission is trying to improve situation. Agency is "soliciting information" by Jan. 30 on how to improve process, including processing, examination & administration, said follow-up meetings will be held in Washington.

More co-op ad dollars for TV is goal of 8 regional Tvb seminars beginning Jan. 14 in Boston. Others: Jan. 20 Dallas, Jan. 22 Atlanta, Jan. 27 Detroit, Jan. 29 Cincinnati, Feb. 3 San Francisco, Feb. 5 L.A., Feb. 10 Kansas City.

NAB's 1975 engineering conference convention papers now are available in booklet (\$10) from Engineering Dept., 1771 N St. NW, Washington 20036.

Obituary

Andrew D. Ring, 76, founder of A.D. Ring & Assoc., Washington consulting engineers, died of cancer Dec. 29. Native of Tenn., he joined GE in 1959, pioneered in high-power radio broadcasting and in early TV experiments. He came to Federal Radio Commission in 1929, became asst. chief engineer of FCC in 1934, established engineering firm in 1941, retired in 1969. Ring was active in formulation of standards and international agreements, was a founder of AFCCE in 1948. Survivors include wife, son, daughter.

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Dec. 19 (50th week of 1975):

	Dec. 13-19	1974 week	% change ¹	% change ² (adj.) ²	1975 to date	1974 to date	% change
Total TV.....	251,702	249,575	+0.9	+5.1	11,026,704	13,171,597	-16.3
color	141,125	145,205	-2.8	+4.3	6,230,422	7,505,783	-17.0
monochrome	110,577	104,370	+5.9	+6.1	4,796,282	5,665,814	-15.3
Total radio	746,851	914,531	-18.3	-4.0	33,294,737	40,973,622	-18.7
home, portable ..	510,153	744,332	-31.5	-19.9	24,317,200	30,704,694	-20.8
AM-only	114,995	278,404	-58.7	-61.0	6,638,655	11,906,774	-44.2
FM & FM-AM ..	395,158	465,928	-15.2	+15.5	17,678,545	18,797,920	-6.0
auto.....	236,698	170,199	+39.1	+67.7	8,977,537	10,268,928	-12.6
Port.-comp. phono. .	71,254	140,130	-49.2	-38.7	3,312,922	4,219,089	-21.5

Color TV 5-week moving average: 1975—153,750; 1974—138,500 (up 11.0%).

¹Official EIA comparable week. ²Vs. most nearly comparable 1974 calendar week.

1976—ANOTHER YEAR OF CRISIS: Things will be better in election-year 1976—but just a little better. Recovery will be slower than many have anticipated, and by midyear govt. finally will take action which, on surface at least, will appear to be heading economy in right direction. For consumer electronics, degree of recovery will vary by product—CB running stronger than ever, audio picking up sharply, TV improved but still sluggish. For everyone, it will still be difficult to make a buck.

That's our general sizeup of industry & economy for 1976 as we go out on our usual New Year's limb to forecast what next 12 months will bring. At best, 1976 looks like transition between 1975's disastersville and hoped-for better times in 1977.

In TV, we see slow business continuing through first half but with sales at somewhat higher level than 1975, followed by strong improvement in normally slow 3rd quarter, with fairly good (but not banner) Christmas-season windup. In terms of numbers, color sales to dealers should be up about 15% to 7.5 million from 1975's 6.5 million, with lesser increase (about 5%) in monochrome to 5.2 million, for 12.7-million-unit total-TV year, up some 10% from last year.

Replacement color sales will be most significant factor in TV this year, and console business will continue surprisingly strong. Smaller screen sizes will garner somewhat bigger chunk of color market, but more at expense of 19" than of 25" models.

Having trimmed much of its fat in 1975, industry will be in better position to withstand lackadaisical business—but some companies will continue to show red ink. Inventory control will be name of game, and it will be practiced unusually well. There'll be some more plant shutdowns, and production levels will track sales closely. Retailers will continue to work with low inventories, and there'll be neither surplus nor shortage of TV sets during year.

Although 1975 saw no major attrition in TV industry, following wild 1974 in which 4 brands changed hands, 1976 could be year of minor shakeout in which one company's TV business is sold and another's is merely terminated.

Prices & warranties: TV prices will continue their slow upward movement, with another 2-5% tacked on color, 5% or more on monochrome. Warranties will remain about where they

are—90 days on most brands, one year on others as selling feature.

Foreign trade: In TV, imports will continue to march to own drum, ignoring general market conditions. We see record year for color TV imports, helped significantly by decision of one major own-brand manufacturer to start sourcing low-end 19" models in Japan and Admiral's resumption of small-screen color production in Taiwan. Look for color imports to come in around 1.5 million, with b&w returning to 4.6-million level of 1974. In monochrome again, key factor will be step-up in overseas sourcing (Taiwan this time) by U.S. manufacturers.

Politically there'll be little peace, with American producers intensifying their calls for someone to do something. One manufacturer will try, filing formal complaint about Japanese business & pricing practices with govt., but end result will be familiar—no actionable violations of law will be found and case will be closed. Gradual pickup in economy will allow organized labor to shift sights away from import adjustment assistance for unemployed workers and get to work on its planned petition to seek industry-wide relief from imports.

Technology & Innovation: Changeover to 1977 models could come a little early, as industry holds down inventories of '76s. TV technology will be aimed largely at taking costs out of sets without cutting quality, and there could be some major progress here, keyed to new ICs. One or more important developments in picture tubes could appear during year. At high end of color lines (and even not-so-high ends of some imports), digital remote tuning and on-screen display of channel & other information will spread to more brands.

Projection TV: Business will simmer down to single-tube vs. 3-tube units, with many companies springing up virtually overnight to push single-tube projectors, and some of them disappearing just as quickly. Advent will unveil 3-tube "consumer" projector in early spring, and it will get good notices at June CES. No major-brand TV makers will take projection plunge in 1976, but one may be poised for decision in '77.

Videoplayers: 1976 will be poor year to introduce innovational product concepts, but both RCA & Philips/MCA will try to stick to their timetables, hoping for economic recovery in 1977. On basis of reaction to in-home tests, RCA will make minor modifications in its video-disc player and decide to go ahead with marketing. Magnavox will be ready to start test marketing of Philips/MCA videodisc player late in 1976, but on minuscule scale and using player containing substantial amount of Europe-made ingredients. Rest of industry will sit back and watch, non-committally. Test-market introductions (although they'll involve only few hundred units) will get wide publicity, and by year's end software people will be making plenty of noise about their program plans.

Sony will sell all the Betamax VTRs it can import here and will introduce stand-alone deck to play through existing color sets. Company may conclude one or more OEM deals, making Betamax "standard" for home VTR. At same time, Betamax will get increasing attention from industrial-institutional users during year, becoming formidable competitor to Sony's U-Matic. But this will not be year for any major sales breakthrough in home videoplayers, either tape or disc.

Audio: Strong recovery is in cards for compact stereo, thanks in large part to completion of 1974-75 shakeout of weak sisters and accompanying dumps, which will permit return to period of relatively stable pricing. Compact systems should bounce back to 4.5-million-unit level (EIA basis). Actual sales, including those of marketers not tabulated by EIA, will approximate 6 million units, more than 1 million of them consoles.

This will be year of final decision for 4-channel. Introduction of new audio lines at June CES will demonstrate that hardware segment of industry has all but abandoned concept, and proponents will finally get together to plan major rescue effort in form of strong consumer promotion for 1977. FCC's unwillingness to speed up its consideration of 4-channel discrete FM broadcasting won't help situation any.

CB: Market boom will clearly continue, adding to FCC licensing & frequency headaches. Expansion of Class D band from 23 to 50 channels will come about late in year, hyping sales even more by introducing new generation of product to market. Creation of Class E (FM) ser-

vice won't take place until 1977 or later. Licensing snarl will intensify through first half, but installation of high-speed processing system at mid-year should see FCC catching up on backlog during fall. Price structure will remain firm—and margins high—but low-end price points are seen slipping by \$10-\$20 to around \$69-\$89 level, and growing number of firms (including catalog houses) will enter CB-car stereo combination market, pushing high-end of market into \$250-\$300 range.

Calculators-Watches: Look for watch market to climb up one side of growth curve, with more firms jumping into field while calculator market slides down other side with even more dropouts. Low-end of calculator pricing will hit bottom at around \$8 for basic 8-digit model, and producers will explore new way to annihilate each other by price-cutting business, scientific & programmable models. In watches, prices will plummet further as volume soars and big names in analog field intensify efforts in digital field. There could be a \$15 LCD on market by year's end.

Video Games: Year's end will see range of microprocessor-oriented games more closely related to sophisticated coin-op units on consumer market. In basic table tennis field, prices will drop from current \$65 low to around \$50. Number of companies in field will expand significantly, and at least one major TV producer will introduce game, possibly coupled with semiconductor game chip incorporated into top-of-line sets.

New products: Consumers will add new word to vocabularies this year—microprocessor. There'll be widespread publicity about this computer-on-a-chip marvel that can handle all kinds of record-keeping, control & computation chores. There'll be few microprocessor-controlled consumer products this year—TV game is one area to watch—but explosion could be in works for 1977-78.

So there's our view of 1976 without sugar coating or pretty platitudes. We know we're less optimistic than most in industry, and we'll be happy if we're wrong and they're right. Although it will be better than 1975 (and a very good year in some areas), 1976 comes through our crystal ball as another year of crisis. It could well be the critical year for future of TV manufacturing in America.

COLOR IMPORTS SET NOV. RECORD: Thanks to near doubling of shipments from Japan, Nov. color TV imports topped 160,000, setting new all-time record for month, hitting 4th largest monthly level ever, Commerce Dept. totals show.

Total TV imports from all countries in Nov. were down 31.8% from same 1974 month to 392,100, as 59.4% jump for color to 160,100 failed to offset 51.2% drop in b&w to just under 232,000. Japan's total of 198,100 was up 24.6%, as color leaped 97.3% to 145,600, while b&w slipped 38.3% to 52,500. Also showing improvement was S. Korea, with total TV up 19.8% to 14,400, color up 90.7% to 2,600, b&w up 10.8% to 11,800. On short end was Taiwan, down 55.5% for total TV to 179,200, color off 52.8% to 11,900, b&w 55.9% to 167,300.

Through first 11-months, Commerce shows total TV imports of 3.82 million, down 30.7%. Color imports were off just 8.2% to 1.11 million, b&w down 36.6% to 2.71 million. While cumulative total TV imports from Japan were down 8.5% to 1.53 million, color was up 11.9% to 953,400, leaving b&w off 29.7% to 572,400. Results for other countries: Taiwan total 2.05 million (down 39.5%), color 132,100 (down 59.6%), b&w 1.92 million (down 37.3%); S. Korea total 213,700 (down 46.3%), color 18,800 (down 9.8%), b&w 194,900 (down 48.3%).

Japan's color TV onslaught in U.S. market, which was marked by 6th consecutive month of increased imports in Nov., certainly carried through into Dec., as we estimate there were nearly 60,000 sets still en route from Japan when Commerce closed Nov. import books, and that doesn't include any exports from Japan in opening Dec. weeks. Drive should carry well on into 1976, too, according to report by Nomura Research showing Japanese color factory orders from U.S. for spring delivery are 30% higher than those of 1975.

Nomura is flatly predicting Japanese color sets will further increase share of U.S. market in 1976, says set & parts makers are working to cut production costs, indicates under-\$300 19" color could become commonplace next year.

WCES LAUNCHING BUSY CB YEAR: CB industry takes first step into potentially frantic new year when last scheduled Winter Consumer Electronics Show opens for 3-day Chicago run Jan. 7. In evidence at show will be first signs of extensive engineering changes to come during 1976, result of severe crystal shortage over last year and of need to gear up for anticipated FCC expansion of Class D CB service. Leading edge of changes will be phase-locked-loop (PLL) circuitry which reduces number of crystals needed to cover current 23-channel spectrum and can be adapted to accommodate channel expansion.

New look in CB products also will be on display at show. Although a few leading CB firms (including E. F. Johnson) are holding off for March PC-76 show in Las Vegas, many CB & car stereo producers will use WCES to debut higher-ticket CB-radio-tape combination units. Once owned by single firm—J. I. L.—combination field is now shared by Automatic Radio, Kraco, Xtal, Panasonic & several others. Entry of half dozen more CB, car stereo manufacturers is expected during 1976. Coupled with introduction of more sophisticated, cosmetically-improved units, combinations are expected to keep average CB ticket high through year with only minimal price slippage in lower end of lines. Concern over pricing is creeping into industry, though. Title of CB seminar at spring NEWCOM show is 'What to do when prices collapse.'

WCES won't be just CB show. In terms of numbers, watch & calculator firms far outweigh CB exhibitors. Price will be theme in those areas at show, illustrated by scheduled introduction of \$6 six-digit calculator by Fantasia and \$40 digital watches from Unitrex, others.

Dominant position once held by audio at winter & summer shows is gone, but hi-fi & compact suppliers will be at WCES, primarily to maintain continuity with retail accounts. Compact field, in particular, will see little in way of new products. Current shortage will find most firms explaining why they can't deliver merchandise contracted for last year.

Infant video games industry also will be in evidence, if not on display floor, in suites at Hilton, other hotels. First Dimension & Control Sales are scheduled to unveil new games, and Atari ("Pong") executives plan to be in neighborhood to outline new generation of games scheduled for 1976.

FTC '76 RESOLUTIONS: FTC kicked off new year with 2 resolutions, one finalizing 3 rules under warranty act (Vol. 15:35 p12), other formally launching investigation of TV-appliance repair industry. Warranty rules cover: (1) Disclosure of terms. (2) Presale availability. (3) Dispute-settlement mechanisms.

Under disclosure rules, warranty must describe "in simple and readily understood language": (1) What is covered by and, where necessary for clarification, what is excluded. (2) What warrantor will do in event of a defect, malfunction or failure to conform with written warranty, including a statement describing which items & services will be paid for or provided by warrantor, and where necessary for clarification, those which won't. (3) Step-by-step explanation of what purchaser should do to get warranty honored. Disclosure rule applies to warranties covering products with retail price of more than \$15—up from \$5 in original proposal—move which will serve to eliminate such products as low-end radios.

Pre-sale availability rule is liberalized version of original controversial proposal mandating use of binder system. It allows sellers to: (1) Display warranty text in close conjunction to product. (2) Maintain binder containing warranties. (3) Display package sign with warranty text. Catalog & mail order houses may either print full warranty in solicitation material or state it's available on request at no cost.

Final rule on informal dispute spells out duties of warrantor electing to incorporate mechanism, sets minimum standards for staffing, investigative procedures, time limits, confidentiality, related requirements. FTC spokesman said final rule was streamlined to keep cost to warrantor at minimum. Use of dispute mechanism is optional, but under rule customers can't initiate class-action suits until complaint has been processed.

* * * *

FTC also began investigation into state licensing systems in appliance industry—including consumer electronics—move which immediately drew fire from leaders of nation's independent servicing industry. FTC says it wants to determine whether licensing programs inhibit entry of additional servicers into field, restrict price-oriented advertising. NATESA Exec. Dir. Frank Moch blasted probe as a "typical bureaucratic maneuver," claimed service industry would gladly absorb 10,000 new technicians immediately, "and welcome them with open arms." Moch said NATESA "is up in arms, and we'll make them prove their case." NESDA Exec. Vp Richard Glass says FTC is "wasting their time looking for something that isn't there," suggesting govt. focus on what he described as intimidation of independent servicers by manufacturers' warranty policies. Probe is outgrowth of 3-city FTC study which indicated licensing reduced fraud but hiked costs (Vol. 15:2 p11).

U.S. RULES CALCULATOR FIELD: Swing of calculator market control from U.S. to Far East and back is "dramatic example" of successful interaction between technological innovation and market exploitation, Commerce Dept. study says. In 1966, study points out, U.S. producers held 80% of market but, due to conservative approach of electro-mechanical calculator industry, lost leadership in 1970 with Japan holding 40% of market, U.S. only 37%.

Entry of vertically-integrated IC firms into field in 1972 was responsible for U.S. regaining market control. By 1974, survey estimates, Japanese share had slipped to 21%. "Traditionally," study says, "competition in international trade has been thought to hinge on the advantages enjoyed by nations as a result of their particular resources of capital, manpower or land." In this case, however, U.S. industry dominates field "through the application of further technological innovation, high-volume production efficiencies and aggressive marketing..."

Hand-held calculator market has passed through "introductory" and "growth" phases, according to study, and should enter "mature phase of its life cycle" in 1976-77 with consumption leveling off and sales becoming dependent on replacement & population growth. Speed with which market is passing through cycles indicates it will be difficult for new firms to enter field and "would require a substantial background and investment in IC manufacturing, not only to remain price-competitive with the older firms, but also to facilitate any attempts to secure a reasonable market share with product innovation."

Breakthroughs in MOS/IC technology in calculator field is leading to development of more sophisticated products, and most promising member of MOS family is microprocessor, according to study. In addition to successful application of microprocessor to calculators, survey says that "with the microprocessor chips' decision-making capability, virtually every control system in existence, whether pneumatic, electrical or mechanical, is a potential candidate for replacement by some form of microprocessor." Table of apparent U.S. consumption of calculators from Commerce Dept. study:

Year	Apparent Consumption			
	Value (\$000)	Units (000)	Unit Value	% Imports Value Units
1965.....	80,000	288	278	31 61
1966.....	112,400	415	270	32 66
1967.....	118,700	531	224	42 74
1968.....	141,100	687	205	52 81
1969.....	192,300	1,005	191	56 86
1970.....	223,600	1,386	161	71 93
1971.....	276,000	1,890	146	59 84
1972.....	338,000	2,661	127	44 67
1973.....	621,000	8,719	71	44 56
1974.....	750,000	16,000	47	43 53

Instrument Systems said consumer electronics sales had been shrinking since 1973 and business has been losing money. Prospectus for debenture swap offer indicates losses of \$583,000 in 1973, \$760,000 in 1974 and \$236,000 in first-half 1975. IS is parent of Benjamin & Concord.

SPRING CATALOGS-TOUGHER PRICING: Penney & Montgomery Ward spring-summer catalogs reflect tougher pricing on selected color TV sizes—particularly 19"—compared to fall-winter books, and some sizes have been dropped. Both chains pay more attention to CB in new catalogs, with Ward moving into CB-car stereo combination market.

Ward: Low-ball price on 19" line cracked \$300 mark, down \$22 to \$298. Top-of-line 19" (without remote) is up \$38 to \$498, but price on 19" remote is down \$2 to \$488. Only change in 25" line is \$5 increase on low-end console to \$495. Other changes: 17" leader down \$2 to \$368; 16" at \$295 was dropped; 13" leader down \$2 to \$348. In b&w, 9" sets at \$78, \$98 & \$128 have been dropped; 12" leader price is down \$20 to \$80, step-up down \$2 to \$108; 16" model is up \$8 to \$138; top-of-line 19" is up \$30 to \$150; 22" console is down \$30 to \$200.

In CB, new book shows first CB-car stereo FM-AM radio combination at \$249. Top-of-line for straight CB is up \$15 to \$215, other unit is up \$20 to \$210. Mobile & portable unit was added at \$159. Omitted from spring catalog is video game category—although omission clearly wasn't intentional. Index has following listing: "Odyssey Electronic Game...821," but games on that page are pool, air hockey. Spring book is put to bed earlier than Christmas catalog—which features "Odyssey"—and delivery problems could have caused last minute cancellation in spring edition.

Penney: Low-end of 19" line was dropped \$50 by new \$350 leader. Remote 19" is up \$10 to \$500, other 19" is down \$10 to \$440. Other changes: 12" at \$320, dropped; 13" up \$20 to \$320; 15" down \$10 to \$370; 17" top-of-line at \$430, dropped; \$420 leader continues. In b&w, 12" leader is down \$5 to \$100, step-up at \$115 was dropped; top-of-line remains \$120. Other changes: 9" \$77 lowball, dropped; new 9" is \$95, top-of-line model is up \$5 to \$150; lone 16" is up \$5 to \$140. Basic CB line remains unchanged but 23-channel marine-auto model with telephone handset was added at \$199.

CB Scene: Graphic proof of CB boom is reflected in omnibus FCC type-acceptance roundup which lists nearly 600 models from 106 suppliers. Included are all units type-accepted through Dec. 8. Leading list with number of different CB models is Midland (43), followed by Lafayette & Fanon/Courier (40), E. F. Johnson (39), Pearce-Simpson (29), Royce (28), Pathcom (20), J. C. Penney (19) & SBE/Linear Systems (15). Missing from list is Hitachi, scheduled to show first units at Jan. CES, but FCC spokesman says 2 models were accepted after list was published. Included on list with 3 models is Capetronic which will enter private-label CB business...CB/Communications portion of May NEWCOM show will focus more on marketing of CB, less on govt. regulation, than last year's event, according to sponsors. Even so, keynote speech at CB seminar opening will be delivered by Nicholas Johnson, one-time maverick commissioner on FCC. Topic of his speech? "Why You Can't Second-Guess the FCC"...Teaberry opens new Oceanside, Cal. distribution center; Pearce-Simpson opens Sun Valley, Cal. distribution-service center, Endicott, N.Y. repair center.

SONY SALES RECORD: Sony reported 3% sales gain in year to Oct. 31 to record \$1.34 billion, but rising volume couldn't offset effect of higher costs, and net was off 35% (see financial table). Sony said overseas sales rose 13% to \$732.8 million, accounting for 55% of volume, up from 50% in preceding year. Domestic market sales slipped 6% to \$605.8 million.

Sales breakout by product line for first time isolates Sony's video equipment business—VTRs, cameras, monitors & accessories—reported at \$100.4 million for year, up 26%. TV sales of \$494.9 million rose 2%, radios & recorders were off 8% to \$328.3 million, audio equipment (formerly reported in combination with video) was up 7% to \$185.4 million, other products up 14% to \$229.5 million.

Sony sales in U.S. totaled something over an estimated \$352 million in year, up from about \$337 million in fiscal 1974, according to information contained in prospectus for \$2.2 million bond issue being floated in connection with establishment of magnetic tape plant in Dothan, Ala. Statement shows 25% of Sony's 9-month consolidated sales were made in U.S., with Japan accounting for 47%, Europe 13%, other areas 15%. Sony U.S. is shown with 1,800 employes, including 700 in color TV, picture tube & stereo manufacturing at end of fiscal 1974. U.S. assets are listed at \$225 million.

Curtis Mathes enjoyed 15-fold increase in net, before tax credit, to \$453,255 in quarter to Nov. 30, a near 5-fold jump in first half pre-tax net to \$651,553. Sales rose nearly 31% in quarter, 14% for half.

Trade Personals

Gerald Astor appointed Akai America video mktg. dir... **Henry Suto** advanced at Panasonic Communications Div. from planning mgr. to ad mgr. with responsibility for radios & audio equipment... **James Kirsner**, ex-Morse Electrophonic Div. national key account exec. & catalog sales dir., joins Major's Emerson Div. as national sales mgr... **Harold Tullman** resigns as Yamaha Audio gen. mgr., plans unannounced.

Walter Hackos, ex-W.T. Grant small appliance-consumer electronics senior buyer & mdse. mgr., named exec. vp, Trans Sonic, Paramus, N.J. private label marketer of electronics & appliances... **Eugene Marlow**, Prudential Ins. Co., elected first chmn. of International Industrial TV Assn. N.Y. chapter. Other officers: **John McMahon**, IBM, vice chmn.; **James Watkins**, United Business Publications, secy.; **Sherry Liebowitz**, Morgan Guaranty, treas.

Standley Hoch elected Canadian GE finance vp; also named vp were Treas. **William Briggs** & Comptroller **V. Gerold Staf**... **Anthony Barnett**, Bunker Ramo senior vp, shifts from Information Systems Group head to new corporate mktg. post in restructuring; **John Buchholz**, senior vp & head of disbanded Components Group, named Industrial Div. pres., his former responsibility for Connector, Cadre, RF & Instruments Divs. assumed by BR Pres. **George Trimble**; **Robert Svoboda**, former Group mktg. vp, & **Richard Hall**, former Group planning vp, reassigned to corporate staff.

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
Filmways			
1975-9 mo. to Nov. 30	75,355,000	1,675,000	.85
1974-9 mo. to Nov. 30	63,179,000	1,249,000	.62
1975-qtr. to Nov. 30	27,297,000	805,000	.42
1974-qtr. to Nov. 30	24,379,000	476,000	.24
Curtis Mathes			
1975-6 mo. to Nov. 30	19,367,238	1,095,090 ^a	.35
1974-6 mo. to Nov. 30	16,955,233	254,078 ^a	.08
1975-qtr. to Nov. 30	11,080,109	743,610 ^a	.24
1974-qtr. to Nov. 30	8,489,010	59,275 ^a	.02
A.C. Nielsen			
1975-qtr. to Nov. 30	54,947,223	3,914,615	.37
1974-qtr. to Nov. 30	45,251,656	2,410,800	.23
Rust Craft Greeting Cards			
1975-9 mo. to Nov. 30	59,907,000	1,201,000	.52
1974-9 mo. to Nov. 30	61,168,000	1,505,000	.64
Sony ^b			
1975-year to Oct. 31	1,338,595,000	53,310,000	.25
1974-year to Oct. 31	1,297,552,000	81,673,000	.39 ^c

Notes: ^aIncludes special credit. ^bAt yen's current rate.

^cAdjusted.

GE dropped co-op ad accruals, volume rebate payments on b&w TV, in move to "make GE dealers more competitive.". Although company spokesman wouldn't comment, it's believed new policy will lower dealer purchase costs on b&w by up to 5%. B&w purchases by dealers will still be added to total TV purchases in determining volume rebate eligibility, according to company, but rebate will only be paid on color TV. Co-op ad monies earned on color TV purchases may be used for either b&w or color TV advertising.

Quasar unveiled three 19" color TV sets using "Service Miser" chassis, new name for QMX-1 & QMX-2.5-IC chassis introduced during last year. Leader model with large-neck matrix stripe tube, Insta-Matic tuning, has suggested list price of \$430. Step-up at \$450 has same features as leader, comes in contemporary plank-base cabinet. Third set is \$460. Spokesman said decision to use "Service Miser" name was based on field reports of QMX-1, QMX-2 chassis reliability.

Tape topics: TDK introduced Audua high energy cassettes, \$2.69 for C-60, \$4 for C-90, plus 3-drawer 36-cassette storage case, designed to fit under tape deck, at \$30... **Capitol Magnetics** is launching 4-for-price-of-3 promotion for C-60, 25% off sale on pairs of C-90 & C-120, plus premium T-shirt, belt buckle & storage drawer offers.

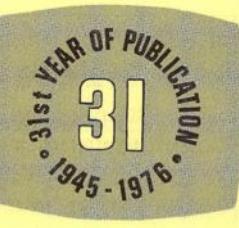
Obituary

Norris Browne, 1971-1973 NEA pres. & former Texas Electronics Assn. pres., died in Houston Dec. 28 after operation for lung cancer. He was owner-operator of Houston TV Service.

WEEKLY

Television Digest®

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JANUARY 12, 1976

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC MAY COMMUTE DEATH SENTENCE: Rulemaking studied to permit stations which lose licenses to sell; support growing, chances slim. Wiley's Jan.-March calendar excludes fairness experiment. (P. 1)

FILMLESS SLIDES, with storage of 1,500 frames on computer discs, developed by Ampex & CBS as digital revolution comes to telecasting. (P. 2)

DISMISS FAMILY VIEWING SUIT, govt. & broadcasters urge L.A. Court for lack of jurisdiction, no First Amendment violation. (P. 3)

DIXON AGAIN LEADS FTC as acting chmn.: permanent head expected in 'days.' (P. 4)

TV SPECTRUM STUDY planned by House Communications Subcommittee: will examine FCC channel allocations, TV receiver design. (P. 4)

PTV CORP. FUNDING UP despite inflation & recession. PBS drafts underwriter 'guidelines.' (P. 4)

CRACKS IN WHITE HOUSE cable stance develop as Eger ponders independent view from White House task force. (P. 5)

NAB BOARD NOMINEES: 11 seeking 6 TV seats: 25 after 12 spots on Radio Board. (P. 6)

FCC MAY COMMUTE DEATH SENTENCE: "To take 5 stations away from a broadcaster and send him out in a barrel is cruel & inhuman punishment," according to FCC lawyer who is backing rules change to permit licensee who fails to get renewed to sell station. Under current FCC policy, such a broadcaster—such as Don Burden's Star Stations (see below)—has only equipment & real estate to sell. Backers of new concept say there's precedent to change, citing WENN-AM-FM Birmingham (announced last week), Victor Muscat & Melody Music.

Idea for relaxation of absolute death penalty seems to be gaining support among Commission lawyers, although its chances still are considered very slim. According to backer of concept, Comrs. Lee, Hooks & Quello probably would support it; other commissioners would be strongly opposed. "If the Commission approves this, we might as well fold our tent and go out of business," FCC lawyer opined.

"I think such a rule would be reversed," opponent told us. "I don't think the D.C. Appeals Court could swallow it even by slathering a lot of peanut butter on it." Another said "clearly it requires legislation... I sure wouldn't support it."

On other hand, supporters say that since there's ample precedent for allowing broadcaster with bad character qualifications to sell, "why not write a rule." Backers of concept see these benefits: (1) Increased black ownership. (2) "Rid the public of offending licensees." (3) Promote "fluidity" in broadcasting by eliminating "dire consequences to non-renewal." (4) Allow

Consumer Electronics

WINTER CES IS HIT, with encores planned as CEG board reverses itself and returns to Jan.-June show format. Record attendance and indications of good business bolster industry optimism. Show-stopping products are few, but TI's under-\$20 digital watch is surprise. (P. 7)

JAPANESE EXPORTS of consumer electronics aren't subsidized by govt., Treasury says in final ruling. Zenith hints at court challenge. Hitachi warns against continued cut-price imports. (P. 8)

CES HIGHLIGHTS: CB bubble won't pop this year or next, industry agrees; new entries in field. (P. 10) Video games in spotlight with APF, Dyn, others showing models. (P. 11) New TV lines from Hitachi, MGA, Midland. Hitachi prices up. (P. 9)

RCA'S U.K. COLOR tube venture with Thorn quitting OEM production; will cost RCA \$12 million. (P. 10)

ADMIRAL OPERATIONS lost \$22.5 million last year as sales dropped to \$503 million, according to Rockwell report, which showss \$20.3-million in calculator losses. (P. 10)

FTC GETS unidentified 'volunteers' for pilot enforcement program. (P. 11)

offender to at least be compensated for past public services & good will accumulated. (4) Promote "continuity" in broadcasting in place of "multi-year & costly competitive hearings."

Supporters agree that broadcaster has no property right in license but point out nothing in Communications Act "says he can't sell the business that underlines the license." When—and if—proposal gets serious consideration by Commission, it's likely effort will be made to apply it to comparative hearings, as well.

Situation has been brought to light in Don Burden case. Burden lost out to competing applicant for WIFE-AM Indianapolis and Commission also revoked licenses for his other 4 stations—WIFE-FM, KOIL-AM-FM Omaha, KISN(AM) Vancouver (Vol. 15:5 p4); D.C. Appeals Court upheld FCC last month (Vol. 15:50 p6). Ten days ago, Burden asked Court to remand case to FCC for express purpose of permitting him to sell all stations except WIFE-AM to black owners at prices "far below the market value." Short of remand, Burden asked for rehearing before Court en banc.

Black broadcaster Donald Dudley (KYAC-AM-FM Seattle) wrote FCC Jan. 1 that he is interested in buying KISN for "a quite attractive" price. Dudley said he had approached Burden on very day latter asked for Court remand. FCC is opposed to Burden plan, won't join in seeking remand, but Gen. Counsel Ashton Hardy will meet with other parties Jan. 14.

* * * *

Meanwhile, Wiley issued FCC's first-quarter 1976 calendar, said April will be used "as clean-up month for items we don't get to." Considerable slippage is expected, primarily because of expected Hill hearings not yet scheduled. His proposed radio fairness doctrine experiment in major markets—which drew wrath of Sen. Pastore (D-R.I.) (Vol. 15:5 p1)—isn't on 3-month calendar but Wiley said "it'll be coming along... It definitely will be presented to the commissioners." Here's agenda:

Jan. 13—meeting in Ottawa with Canadian govt. (see p. 4); 14—consent items; 15—regular agenda, captioning for deaf, Office of Plans & Policy research proposals; 19—A T&T oral argument; 20—consent; 21—testimony before Senate Communications Subcommittee on several pending bills, all minor, final order on WMAL-Allbritton transfer; 22—dual network radio affiliations; 27—WNAC-TV Boston oral argument, consent; 28—regular, station ID's, cable "specialty stations"; 29—testimony before House Regulatory Reform Subcommittee; 30—cable rate inquiry.

Feb. 3—"point-of-sale licensing" for CB radios, consent; 4—regular, common-carrier subjects; 5—short-form radio renewal; 10—common-carrier, consent; 11—regular, regional concentration; 12—common-carrier; 17—en banc meeting (NAB has hour to protest relaxation of CATV rules); 18—educational ascertainment, educational FM multiplexing; 19—regular, petition to deny day; 20—common-carrier; 24—oral argument, subject not announced; 25—regular, common carrier; 26—1977 cable rebuild rules, broadcast joint sales-combination rates; 27—common-carrier.

March 2—Golden Big Systems oral argument, consent; 3—regular, automated transmitters, non-duplication viewability standards; 4—N.J. VHF drop-in; 9—KORK-TV Las Vegas oral argument, consent; 10—regular, common-carrier; 11—program review analysis; 16—comparative renewal policy; 17—regular, FM allocations; 18—common-carrier; 19—Payne of Va. oral argument; 21—NAB convention in Chicago; 26—consent & regular; 30—oral argument, Sea Island Bestg.; 31—regular, definition of cable system.

FILMLESS SLIDES: Widely-anticipated digital revolution in TV broadcasting is now well under way with development by Ampex & CBS of Electronic Still Store system (ESS), capable of storing up to 1,500 still video frames on single computer disc pack for random access. First model is scheduled for delivery to CBS at midyear.

Under development for 18 months, system electronically converts TV signal into digital form and stores information on magnetic disc. Slides & other stills can be selected in any order from bulk memory with access time of less than 100 milliseconds. Disc packs' shelf storage is

virtually unlimited. Ampex Audio-Visual Systems Div. Vp Charles Steinberg said development combines Ampex's video & computer know-how. CBS-TV Network Engineering & Development Gen. Mgr. Joseph Flaherty forecast new device would be "key element in the design of future TV stations." It's first broadcast product to use digital recording techniques for video images.

In addition to record & reproduce modes of operations, ESS can re-arrange selected stills in any sequence for inclusion in program. Two independent video outlets permit normal preview, dissolve and other special effects. ESS will be subject of technical paper at Jan. 13-14 SMPTE conference in Detroit.

DISMISS FV SUIT-GOVT., INDUSTRY URGE: Justice Dept. (on behalf of FCC), networks & NAB Jan. 12 will urge U.S. Dist. Court Judge Warner Ferguson in L.A. to dismiss suit against family viewing (FV) brought by writers, producers & actors. Suit charges FV violates their First Amendment rights and was illegally mandated by FCC.

Not so, defendants will claim. Citing Smothers Bros. case—and many others—broadcasters will argue courts (including L.A. Dist.) have consistently held that broadcaster action in censoring or requiring deletions in programs is not counter to plaintiffs' First Amendment rights.

Filings also will tell Court that it doesn't have jurisdiction, that plaintiffs should first seek reconsideration at FCC, then go through Appeals Court. Even if L.A. Court does have jurisdiction, joint broadcasters' pleading urges, Court should refer case to FCC because of agency's expertise. They stressed that in arguing case properly should be before FCC, they weren't suggesting that Commission could or should adopt rules prohibiting FV.

Neb. Dist. Judge Hugh Stuart last week finally lifted controversial "gag order" imposed on press coverage of jury selection in criminal trial—but only after jury already had been seated. Challenge of order's validity is pending before U.S. Supreme Court. Another judge first imposed gag as jury selection began in trial of Erwin Simants on multiple murder charge. When reporters ignored restrictions, Stuart barred them from courtroom because, he explained, he could "no longer trust the press." Stuart then changed his mind, reopened courtroom doors, but again attempted to impose voluntary restraints. Reporters then refused to enter courtroom, though Stuart admitted public without restriction. Meanwhile, special 3-judge federal court in Washington ruled that former President Nixon's presidential papers & tape recordings belong to govt. and not to Nixon personally. Suit was brought by Nixon to challenge federal law passed last year assuring that Nixon's papers would be protected from destruction or alteration. Nixon is expected to appeal to Supreme Court, leaving undecided when—or if—networks will be able to broadcast Nixon tapes.

FCC Comr. Hooks doesn't see that censorship is involved—as did Wiley & Robinson (Vol. 15:52 p1)—in court remands telling Commission to consider radio format changes. In concurring statement to FCC inquiry, he said: "However loathe we personally may be to lay hands on the format porcupine, the final responsibility of assuring service to all segments of the community may ineluctably abide here [with FCC]. I hope that, rather than ducking, we use this proceeding to meet the problem of blanket deprivation head on... The issue is whether the rights of minority audiences are subordinate to the entrepreneurial quest for profit maximization... Our energies would be best spent, I believe, in devising tenable standards to apply rather than battling speculative aberrations."

In remarks prepared for delivery at INTV convention in L.A. Jan. 13, FCC Comr. Lee—most militant proponent of UHF on Commission—came down hard on VHF drop-in proposals of OTP & United Church of Christ. "Even the pendency of this proceeding chills UHF's efforts to reach its full potential," he will say. "If the FCC tells the world UHF isn't good enough for it, how can we expect advertisers, investors, program & equipment suppliers and broadcasters to believe it's good enough for them? It is discouraging to me to have the Commission spend its time on approaches it has thoroughly studied in the past and rejected. There have been no new technical developments and the laws of nature remain the same. There is simply no justification for reopening these matters... I find it especially tragic that substandard VHF drop-ins are proposed in the name of increased competition, program diversity, opportunities for minority ownership and [for] public TV... VHF drop-ins, whether adopted in one fell swoop or piecemeal, would have a devastating impact on UHF generally."

Public broadcasting's satellite distribution system will cost about same as estimated ground distribution costs over next 10 years, according to CPB Pres. Loomis. He said those costs would range \$10-\$15 million annually, counting AT&T, microwave, etc. If costs exceed estimates, stations would be expected to pick up difference. Stations' reaction to this is "still confused," Loomis said, adding that they'll get full briefing at PBS' Feb. 8-10 membership meeting in L.A. PBS Vp Daniel Wells told us any earlier doubts over system's acceptability (Vol. 15:47 p3) were based on "misunderstandings... The system's benefits are so obvious we had to go to satellite distribution." He said Satellite Working Group's presentation to PBS board last week got "very favorable response." CPB Board meets on satellite plan Jan. 14.

DXON AGAIN HEADS FTC: White House last week named interim FTC leader, appointing ranking Democratic Comr. Paul Rand Dixon acting chmn. Dixon, who first was named to Commission in 1961, was chmn. under President Johnson.

Departing Chmn. Engman (Vol. 16:1 p4) earlier told reporters he expected White House to name replacement by Jan. 1, but Dixon's appointment signals that White House needs more time. However, White House is "very close—perhaps only days away" from making final selection, according to Administration officials. Remarked White House aide: "I don't put too much significance on the President naming a temporary chmn. because it had to be done... Somebody has to sign the papers."

In meantime, FTC has "shut down," according to staffers, with only 3 of 5 commissioners (caused by resignations of Engman & Comr. Thompson [Vol. 15:28 p6]). Commission probably will delay all controversial votes until new member is named. In addition, FTC faces 2 key congressional appearances in coming month: Before House Investigations Subcommittee on regulatory reform and House Small Business Ad Hoc Subcommittee on proposed revisions to Robinson-Patman Act.

Meanwhile, FTC began pilot program making violators of FTC orders subject to swifter punishment (see p. 11).

TV SPECTRUM STUDY PLANNED: House Communications Subcommittee "very shortly" will ask engineering firms for proposals on "major" study of FCC's TV spectrum management. Study already has been approved by Chmn. Macdonald (D-Mass.), will look at: (1) 1952 FCC order setting up current TV channel allocations, separation limits for co-channels & adjacent channels, etc. (2) TV receiver standards. Study's estimated cost was unavailable.

Subcommittee wants to know what alternatives, additions or improvements to FCC order and to receiver design would result in more efficient spectrum use, either to provide for more stations or for additional services. UHF & VHF (including drop-ins) will be scrutinized. Study will culminate in report, followed by oversight hearing with FCC, could result in legislation if members decide FCC isn't adequately managing TV spectrum.

Study is only first part of comprehensive analysis of both govt. & non-govt. spectrum management, planned by Subcommittee later this year. It grows out of information made available to Subcommittee that 1952 channel allocation requirements & specifications were based on "very crude" engineering information and fact that receiver standards requiring efficient spectrum use don't exist at all, we're told.

Public rates TV "as the most influential, authoritative, up-to-date & exciting of all advertising media," according to R. H. Bruskin study commissioned by TvB. Sampling 2,563 adults, Bruskin said 50% voted TV "most authoritative" (26% newspapers), 58% said TV has most up-to-date ads (23% newspapers), 82% favored TV ads as "most influential," 11% newspapers.

PTV CORP. FUNDING UP: For current season, 23 corps., 10 foundations & 2 national endowments have underwritten \$19 million in PTV programs, according to PBS, compared with only \$12 million in 1974-75. "Impressive rate of growth in national underwriting" is "even more rewarding" when consideration is taken of "the problems of inflation & recession and the resulting effect upon corporate and foundation underwriting allotments," PBS said, adding that annual underwriting growth rate has averaged about 50% over past 4 years.

PBS has completed draft of "guidelines" on "promotion & advertising procedures for underwriters," which instructs: (1) Work closely with producer & PBS to avoid embarrassing system or stations. (2) Avoid implying that program is "sponsored" or that underwriter is involved in program content or "produced" show. (3) "Made possible by a grant from..." is okay; "...is brought to you by..." or "...presents..." is not okay. (4) "Tune-in" information "should be the most prominent element"; corp. & PBS logos must be subservient.

Three commercial networks told us they accept spots for PTV programs. However, ABC refused to run ads for PBS' National Geographic program "The Incredible Machine"; network began new policy Oct. 1 of accepting such ads.

Large contingent of U. S. govt. officials, broadcasters & lawyers will be in Ottawa Jan. 13 to discuss 2 major sore points between countries—deletion of U. S. commercials on Canadian CATV and removal of tax credit for Canadian advertisers on U. S. stations. Americans are unhappy that CRTC Chmn. Harry Boyle won't attend, while FCC Chmn. Richard Wiley will. "Wiley has really gone to bat for us," broadcaster said. Meanwhile, Robert McCloskey, Asst. State Dept. Secy. for Congressional Relations, has assured Sens. Magnuson & Jackson (D-Wash.) that tax problem will be on agenda. State first said it couldn't interfere in Canadian internal matter, changed position after telegram from senators to Secy. of State Kissinger last week.

Among speakers at National Assn. of Mfrs.' telecommunications conference Jan. 13-14, Mayflower Hotel, Washington: FCC Comr. Charlotte Reid; John Richardson, acting dir., Commerce Dept. Office of Telecommunications; NCTA Engineering Vp Delmer Ports; RCA Globcom Vp Leonard Tuft; Dale Hatfield, chief, FCC Office of Plans & Policy; Joseph Marino, deputy chief, FCC Common Carrier Bureau; Jonathan Rose, deputy chief, Justice Dept. Antitrust Div.; Robin Homet, OTP Office of Studies & Analysis.

FCC postponed indefinitely last week (at request of Gen. Counsel) action on another possible indecency case—use of "blow job" and similar phrases on WNET N. Y. talk show. Staff earlier had dismissed complaint, saying program in question had "artistic value" and was telecast at late hour. Staff decision was appealed to Commission.

TvB reports 36 new station members in 1975, 17 rep firms.

CRACKS IN WHITE HOUSE CABLE STANCE: Seeming determination of White House task force on regulatory reform to pit cable & broadcasting against each other has caused OTP Acting Dir. Eger to shy away from White House effort. "I like to keep my options open," Eger told us. "If I'm too active, it makes it difficult for me to take an opposing view."

Consequently, Eger is withdrawing a bit, again has begun to redraft OTP cable bill as legislative alternative. His attempt to resuscitate OTP legislation also may be signal that White House has backed off from submitting Administration bill to Congress until after 1976 election—according to some observers—but Eger denied this. "It's not dead," he said, merely hibernating until White House staff completes work on President Ford's Jan. 19 State of Union message.

OTP bill "has always been out and available" to Congress, Eger said, adding that he's "always felt that the more legislation from the more sources, the better the product we're going to get." He said new draft would serve to emphasize that communications legislation "is different than anything else the Administration has done" in regulatory reform. For ICC, for example, "the roadbeds and the trucks are there; deregulation just means sweeping up the cobwebs." However, in communications, "it's not existing entrants, but new technologies" which have changed situation and that new entrants like cable must be slowly integrated into existing system.

Meanwhile, White House task force has rescheduled meeting with film producers to discuss copyright, etc., for Feb. 9. Originally set for Dec. 29 (Vol. 15: 52 p3), session was canceled at last minute by task force member Paul MacAvoy.

Ex-FCC Chmn. Dean Burch's law firm of Piereson, Ball & Dowd should be disqualified from participating in renewal case of WNAC-TV Boston, according to challenger Community Bcstg. of Boston. In petition to FCC, Community notes that Burch voted on various aspects of case while on FCC (1969-1972) and that this bars both Burch & firm from working on case. Community cites U.S. Code and ABA rules to effect that "the knowledge of one member of a law firm will be imputed by inference to all members of that firm."

Rules governing payments to citizens groups withdrawing petitions to deny aren't needed, FCC said last week, with Comr. Quello dissenting. Action was result of inquiry begun in 1972. Commission said issues were same as those involved in citizen agreements inquiry, which culminated in policy statement (Vol. 15:50 p5) telling broadcasters they alone are ultimately responsible for how to serve public.

NAB has shifted 1978 convention in Las Vegas from April 2-5 to April 9-12 to avoid direct conflict with NCTA convention (scheduled first) in New Orleans April 2-5. Also, NAB has added 7th fall conference this year (Nov. 22-23) in Washington at insistence of board; staff has proposed only 6 conferences for 1977, subject to board approval next week in Key Biscayne.

Though commercial TV employment continues to rise, number of minority members hired "has fallen off to a trickle in the last year," according to study by United Church of Christ Office of Communication. While number of full-time employees rose steadily since 1971—year UCC began studying broadcast employment—rate of hiring minorities began falling off in 1974, accelerated in 1975, report states. Women "fared better," their employment rate rising steadily over last 5 years. Non-commercial stations also showed only slight gains for minorities, though women did better. UCC faults FCC job classifications as "subject to widespread misinterpretation" and therefore "left solely to the discretion of the broadcast licensee," asks tightening up of classifications as well as general enforcement effort. Meanwhile, Fla. NAACP petitioned FCC to crack down on Fla. broadcasters who—according to NAACP survey—"have either adopted or continued passive practices explicitly forbidden by" FCC EEO rules. NAACP says survey shows 75 Fla. licensees with "highly disproportionate representation of minorities & women employed."

Senate Commerce Committee staff held 4th annual "staff retreat" last week—all majority aides paying own way to attend 2-day closed conference at Airlie House (Va.). Communications Subcommittee staff participated for first time last year, reflecting increasing integration of Committee and Subcommittee tasks and staff members, according to Chief Counsel Michael Pertschuk. For example, he noted, full Committee & subcommittee aides work on some communications matters, while Communications Subcommittee staffers work on non-communications matters, as well.

SABC-TV Johannesburg went on air Jan. 5 as S. Africa's first TV station despite coolness of govt. "I am not over-enthusiastic about TV," Prime Minister John Vorster said in inaugurating govt.-owned station. Unofficial govt. position for years had been that TV is "a morally corrupting influence." It's estimated 250,000 color TV sets (at average cost of \$1,000) have been sold in S. Africa, which uses French PAL system. Programming is half English, half Afrikaans; commercials are forbidden now, will be used later to help pay costs.

NCTA board meeting has been shifted back to L.A., Feb. 2-4, since copyright issue "isn't so pressing now, timewise," we were told. NCTA earlier had rescheduled meeting for Washington Jan. 19—where Exec. Committee still meets Jan. 14. Subjects in L.A. will include election of officers & copyright.

Atlanta Braves have been purchased by Ted Turner for over \$10 million; Turner owns WTCG Atlanta & WRET-TV Charlotte, N.C. . . James Fitzgerald, pres. of Total TV of Janesville, Wis., announced he & assoc. have bought enough shares to own 25% of Milwaukee Bucks (Total TV is 25%-owned by Bucks).

Developments at state level will highlight NCTA seminar for state & regional CATV assn. presidents Jan. 28-30, Stouffer Hotel, Arlington, Va. Among issues: Taxes, re-franchising, rights-of-way, channel leasing, litigation, privacy.

Personals

Walter Cronkite, CBS, Harry Reasoner, ABC, and Edwin Newman, NBC, address IRTS luncheon and answer questions Jan. 14, Americana Hotel, N. Y.

John Carlson advanced to White House deputy press secy., succeeding **William Greener**, appointed Defense Dept. asst. secy.-public affairs; **Margaret Earl**, ex-White House Office of Communications, succeeds Carlson as asst. to White House Press Secy. **Ron Neessen**; she's also member of White House task force on regulatory reform.

Robert Bennett, WCVB-TV Boston gen. mgr., advanced to exec. vp, parent Boston Bcstrs... **Joe Jenkins** promoted to asst. gen. mgr., KTVY (ex-WKY-TV) Oklahoma City... **Robert Fuchs** advanced to development dir., CBS TV Stations Div... **Jim Needham** advanced to admin. asst. to the gen. mgr., WISH-TV Indianapolis.

Arthur Amolsch, FTC public information dir., resigns to form PR firm Amolsch, Madden & Kettmer with ex-FTC staffer **Mimi Madden** and communications consultant **Harry Kettmer**; first task will be Mich. senatorial campaign of ex-FTC Chmn. **Lewis Engman**.

Joseph Bellon advanced to vp-resources development & production, CBS News... **Frank Roberts** promoted to gen. sales mgr., WREG-TV Memphis... **Gregg LeMiere** promoted to national sales mgr., WWJ-TV Detroit.

James Richdale, ex-KHOU-TV Houston pres. named communications prof. at Houston U., remains vice chmn. of KHOU-TV licensee Gulf TV, not parent Corinthian Bcstg., as reported (Vol. 15:52 p5)... **Ralph Griffith**, OTP asst. to dir. for congressional & media relations, named exec. dir., Republican Governors' Assn.

Edward Saxe, one-time CBS, named pres., Network Services Inc., formed with TransCommunications principals **Robert Button & Hubert Schlafly** to represent earth station owners in securing auxiliary services (Vol. 16:1 p3).

Charles Klein, ex-Warner Cable, appointed Tele- mation Program Services mktg. dir... **Craig Magher** elected asst. treas., Cox Cable Communications.

Daniel Kops, Kops-Monahan Communications pres., named to Bcst. Rating Council, succeeding **Willard Schroeder**, WOTV Grand Rapids.

FCC has launched inquiry into employment practices of WRC-TV Washington to determine whether station "maintains sex-segregated job categories and/or limited the employment & promotion of females in certain job categories." NOW had taken FCC to court on WRC-TV renewal; court remanded case at FCC's request (Vol. 15:52 p3).

Senate Alcoholism Subcommittee will hold week-long hearing early Feb. on problem of alcoholism, with couple of days emphasizing role of advertising. Hearing will consider amount of broadcast advertising for beer & wine and time of day such ads are permitted, according to aide to Chmn. Hathaway (D-Me.).

NAB BOARD NOMINEES: Ballots will be mailed this month for elections to NAB Radio & TV Boards—11 are running (including 4 incumbents) at-large for 6 seats on TV Board; 25 (5 incumbents) are seeking 12 seats on Radio Board. Ballots are due at NAB hq Feb. 17. TV nominees (*incumbent):

Forest Amsden, KGW-TV Portland, Ore.; David Baltimore, WBRE-TV Wilkes-Barre; *Charles Basson, Cosmos; *Kathryn Broman, WWLP Springfield, Mass.; *James Ebel, KOLN-TV Lincoln, Neb.; Earl Hickerson, WCEE-TV Rockford, Ill.; Douglas Man- ship, WBRZ Baton Rouge; *Daniel Pecaro, WGN Continental; Mark Smith, KLAS-TV Las Vegas; Leonard Swanson, WIIC-TV Pittsburgh; Walter Windsor, WFTV Orlando.

Radio nominees: Dist. 2—*William O'Shaughnessy, WVOX New Rochelle, N.Y.; Oscar Wein, WDLC Port Jervis, N.Y.; Dist. 4—William Eure, WSSV Petersburg, Va.; Carl Venters, WPTF Raleigh; Dist. 6—*Len Hensel, WSM Nashville; James Ward, WLAC Nashville; Dist. 8—*John Anderson, WCCW Traverse City, Mich.; Bazil O'Hagan, WNDU South Bend; Dist. 10—E.G. Faust, KJAN Atlantic, Ia.; R.M. McKune, KTTR Rolla, Mo.; Dist. 12—Pat Murphy, KCRC Enid, Okla.; Robert Pratt, KGGF Coffeyville, Kan.; Dist. 14—Wayne Cornils, KFXD Nampa, Ida.; Frank Scott, KTLK Denver.

Dist. 16—Dan Speare, KGEE Bakersfield; Jack Willis, KHRP Phoenix; Class A—William Hansen, WJOL Joliet, Ill.; David Scribner, Doubleday Bcstg.; Lester Smith, KJR Seattle. Class B—Herbert Hobler, WHWH Princeton, N.J.; Ted Snider, KARN Little Rock. Class C—J.R. Livesay, WLBH Mattoon, Ill.; *Richard Painter, KYSM Mankato, Minn. Class D—Bayard Walters, WKCM Hawesville, Ky.; *Jack Younts, WEEB Southern Pines, N.C.

Assurances of confidentiality have been requested of House Investigations Subcommittee Chmn. Moss (D-Cal.) by FCC before it will turn over materials gathered for Commission's conglomerate study. Moss has requested documents as part of Subcommittee's regulatory reform investigation. FCC noted it's already turned over documents to Senate Govt. Operations Subcommittee "because of the assurances... offered by Sens. Ribicoff [D-Conn.] & Metcalf [D-Mont.]." Subcommittee aide told us he was certain FCC would agree to supply materials.

Look-alike logos of NBC & Neb. ETV Network caused much embarrassment for NBC last week. NBC had just unveiled new corp. symbol with big publicity campaign (Vol. 16:1 p4) when it found Neb. network had been using essentially same symbol since June. "We are discussing the matter with NBC," commented Neb. ETV spokesman. "We don't believe there will be any confusion," said NBC.

Post-Newsweek stations will limit & cluster commercials in children's TV "programs controlled by the stations." In hour shows, 6 min. will be permitted, clustered at beginning & end with no interruptions; 3 min. in 30-min. shows. Pres. Joel Chaseman said company also will "seek joint production of quality children's programming with other broadcasters."

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Dec. 26 (51st week of 1975):

	Dec. 20-26	1974 week	% change ¹	% change ² (adj.) ²	1975 to date	1974 to date	% change
Total TV	223,869	239,484	-6.5	+32.5	11,250,573	13,411,081	-16.1
color	135,072	135,267	-0.1	+54.7	6,365,494	7,641,050	-16.7
monochrome	88,797	104,217	-14.8	+8.8	4,885,079	5,770,031	-15.3
Total radio	384,947	777,743	-50.5	-37.0	33,679,684	41,751,365	-19.3
home, portable . .	246,602	636,558	-61.3	-34.6	24,563,802	31,341,252	-21.6
AM-only	58,329	294,522	-80.2	-64.2	6,696,984	12,201,296	-45.1
FM & FM-AM . . .	188,273	342,036	-45.0	-12.0	17,866,818	19,139,956	-6.7
auto	138,345	141,185	-2.0	-41.0	9,115,882	10,410,113	-12.4
Port.-comp. phono .	48,732	116,170	-58.1	-10.3	3,361,654	4,335,259	-22.5

Color TV 5-week moving average: 1975—146,340; 1974—138,828 (up 5.4%).

¹Official EIA comparable week. ²Vs. most nearly comparable 1974 calendar week.

WINTER CES IS HIT—ENCORE PLANNED: It was supposed to be the end for Winter Consumer Electronics Show, but it turned out to be new start. With registration at last week's Chicago event hitting record 26,746 and feeling of business upturn in air, show sponsor EIA Consumer Electronics Group (CEG) reversed itself at week's end and voted to stay with current 2-show-a-year format—Jan. & June—scrapping earlier plan for single show in April.

Last-minute reprieve for winter show was at least partly attributed to results of balloting of all attendees. More than 65% of retailers & buyers preferred 2 shows annually. After meeting with more than 50 exhibitors, CEG board made unanimous decision, noting it took "full responsibility" for action. Last Oct., following vote in which exhibitors overwhelmingly preferred single show, board decided to drop winter event (Vol. 15:41 p9). Dates have been selected for next 5 years—1977 winter show will be Jan. 14-16.

Show was far cry from lame-duck affair many in industry expected. Conrad Hilton Hotel, which had plenty of unreserved rooms week preceding show, suddenly filled to capacity as show crowds began lining up behind clogged reservation desks. Conferences were SRO—latecomers at CB seminar were forced to stand at bottom of stairwell leading to conference room. During first day, product booths were so jammed that visitors often waited in vain for chance to talk with company reps.

But more important than the crowds was strong psychology of recovery. It wasn't wild exuberance, but solid feeling that things were getting better coupled with tight-fisted approach of ordering slightly less than could be sold if pickup came faster than expected. Closeouts & show specials weren't visible, and while tight money helped damp down buying sprees, distressed-depressed feeling of last year's shows was absent.

Product introductions lived up to zesty spirit of show. Main focus was on CB, but real shocker—and best-kept secret of year—was low-key introduction of 5-function plastic-case digital watch by Texas Instruments at \$19.95 retail for 3rd-quarter delivery. Coupled with other low-price watch introductions, TI move indicated watch industry has telescoped 5-year price-slashing schedule laid down by calculator industry into one-year framework. Fairchild came into show with what it undoubtedly felt would be market's low-end line, 16-model series start-

ing with 5-function at \$29.95 for immediate delivery. Sinclair showed what would have been considered inexpensive watch before show—3-function model in black plastic case for \$49.95.

Calculator activity also revolved largely around price, though increasing emphasis was given to scientific field now dominated by Hewlett-Packard & TI. To nobody's surprise, displays were heavy with under-\$10 models, and indicative of continuing price erosion was Rockwell decision to cut low end of its line from \$16.88 to \$10.88, reduce prices on 2 other bottom-end models by \$5 & \$6. At high end, new scientific unit carrying National Semiconductor brand-name is being heavily promoted at \$90 and compared with \$195 HP unit in performance. Despite crowding, Toshiba entered hand-held field with 5 models at \$15-\$70. Sharp showed 2 hand-held vertical-tape units with high-speed printers at \$120 & \$130.

CB was bright spot once again, and growth figures released at show indicate confidence in boom through 1976. GE (which used show to enter CB) forecast market will jump 44.7% this year to \$550 million from \$380 million in 1975. RCA predicted 40% increase over \$300 million of 1975. Others, including Craig, Pace & Hy-Gain, said 1975 market was closer to \$400 million and could hit \$1-billion level before end of 1976. Sharp predicted 4.5-million unit sales this year, up from only 820,000 as recently as 1974. (Details, p. 10.)

Audio industry was in good spirits. High end remains strong. Biggest problem appears to be resolution of price disorder resulting from death of fair trade. Compact manufacturers found themselves in comfortable position, with tight inventories and heavy demand from retail accounts—drastic reversal of year ago when compacts were swimming in flood of unprofitable dumps. Show saw introduction of 4 new major brand names: Centrex, chosen by Pioneer of America for its compacts to avoid confusion with U.S. Pioneer; Aurex, now applied to Toshiba speaker line and to be extended to all its high-end audio; Optonica, name Sharp is using to test-market high-end component line geared to LED optical pickup; Morse, latest name for Electro-phonics components.

As usual, CES wasn't much of a TV show, although some new products were displayed, Hitachi fielding new line at higher prices (see p. 9), and video gamesmanship evident as marketers jockeyed for position in what they hope will be boom in TV attachments (p. 11).

TREASURY CLOSES JAPAN SUBSIDY PROBE: It took 6 years, a court suit and act of Congress, but U.S. Treasury last week denied charges that Japanese consumer electronics exporters were getting illegal govt. subsidies and issued final negative determination. Preliminary finding for Japanese was made last Feb. (Vol. 15:6 p8).

Verdict, however, could mark new start, rather than conclusion, of case. Law says only final Treasury rulings can be taken to court, and just such a move is foreseen by Zenith Pres. John Nevin, who told us: "It's only a matter of time before Zenith or some other company challenges that decision." Zenith was original complainant, filing with Treasury in 1970; but case wasn't formally opened until 1972 when Magnavox & EIA Parts & Tube Divs. joined in. Preliminary finding, 3 years later, didn't come until Magnavox filed court suit to force issue.

Nevin termed finding "very disappointing, but consistent with their actions over the past 6 years." When case was brought "we were complaining about what was injuring us then, but this ruling is based on Japanese practices now. It's water over the dam and we have to live with it." Subject to court action, Nevin feels, is Treasury conclusion that domestic commodity-tax rebates given Japanese exporters aren't direct subsidies subject to offsetting U.S. countervailing duty levies.

Noting that 15% commodity-tax rebate "exceeds the profit margins of U.S. TV manufacturers," Nevin said Treasury's decision to ignore them despite past Supreme Court rulings "is administrative game-playing leading to the destruction of this industry. With an 8-9% unemployment rate in the U.S., saying that tax rebates can be given is an open invitation for the Japanese to export their unemployment to the U.S." He said U.S. Steel is preparing to challenge similar finding covering rebates given European steel exporters. "We feel a favorable court ruling in that case would have enormous impact on this decision." Magnavox, through parent N. American Philips, declined comment on Treasury announcement.

Warning about growing resentment over some Japanese pricing in U.S. market came from unexpected quarter during CES. At news conference marking "Americanization of Hitachi" (see below), Exec. Vp. Robert Warren expressed concern that influx of low-price color set will result in new moves by domestic producers to seek govt.-imposed import restrictions. Pricing, he said, probably will be "industry's biggest single problem in 1976. Too many competitors are going down the price line of \$299 [for 19" color]. If they continue to rape the market, the government eventually will blast them off the face of the map." As for Hitachi, Warren said, "we will conduct ourselves as a responsible member of the U.S. consumer electronics industry."

NEW TV AT CES: Although major domestic TV makers confined their Winter CES activities to hospitality suites, 3 new TV lines received first exposure in & around show—Hitachi's completely revamped product, new-chassis line from MGA, significant effort by Midland. Hitachi was only manufacturer to announce price increase.

Hitachi's introduction was part of reorientation featuring debut of virtually all-new consumer electronics product lines (see above). New, shorter TV line incorporates price increases of 3.5-4% over comparable previous offerings, but with leaders pegged to major price points. Carryovers from earlier line will be increased same amount Feb. 1.

New color line has 7 models: Two 9" AC-DC, open list; 12" at \$300; 15" & 17", both \$390; open-list 19" which can be sold at \$390, step-up 19" at \$420. Later introductions are expected to include 13" and full series patterned after 15" "Europa," which features bug-eyed European styling. Hitachi b&w line has 5 models, all 12"—open-list leader (about \$100), other AC sets at \$110 & \$120, AC-DC models \$130 & \$140. Hitachi also will offer "confined models" for mass merchants, according to Hitachi of America Exec. Vp Robert Warren.

Warren told us Hitachi hopes to be back in big-screen through U.S. assembly, gave no time frame. "We turned the corner on profit in Nov., made money in Dec., and will double our sales volume in 1976," he said. Hitachi continues one-year labor, 2-year parts and 10-year transistor warranty.

MGA demonstrated 9-model color line of deluxe sets with one-year labor warranty featuring new high-performance power-saving chassis. Line starts with 13" open-list holdover (\$350), new-chassis set at \$350, 15" at \$390, holdover 17" at \$440, new-chassis model at same price, 19" at \$470 & \$500, 14-channel touch-tuning varactor models at \$580 & \$630 (remote). MGA monochrome line has 12" AC at open list (\$130), AC-DC \$140 and 13" at \$140. Year labor warranty is continued. Melco Sales Pres. Yoshito Yamaguchi told us MGA sold out last fall, but new factory will make possible projected 60-70% growth this year. Company plans to add dealers in eastern U.S., where it has been weakest.

Midland showed new color line—made by General of Japan (Vol. 15:52 p9)—highlighted by remote infrared varactor unit with 12 silent pushbuttons which can be set to any VHF or UHF channels (it's not digitally tuned as we reported last month). Four-set color line, to be available this summer, will be

augmented by others, according to Exec. Vp Robert McFadden, with 8-10 models by fall, aimed at high-volume outlets. Midland's 2 monochrome sets (12" AC-DC, 19") are made by Gold Star of Korea and company also may offer monochrome under Gold Star brand. Fall ad campaign is planned.

Set similar to Midland's infra-red remote (but with 10 channel pushbuttons instead of 12) has been offered under Baycrest label by Hudson's Bay dept. stores in Canada for almost year, imported by C. Itoh. Importing General's Teknika brand (Vol. 15:40 p12), Itoh was in Chicago last week to sound out dealers on potential new designs. Sales Vp Mel Hunger told us company is in sold-out position on TV and that every dealer reordered before CES. Itoh plans new entries in summer & fall, perhaps expanding line to 6 models, "but we won't overexpand to the point where we can't deliver."

United Electronics International, Taiwan, displayed TV sets at CES, and Pres. Y.J. Wu told us company is considering entering U.S. color & b&w market under United brand. Company is now selling private-label b&w sets to U.S. dept. stores & importers, PAL color sets to Australia. United showed 13" & 19" color, 9" & 12" b&w, along with CB & radio-cassette equipment.

Drop-ins & drop-outs among other TV manufacturers: Panasonic replaced 4.5-in. AC-DC color portable with new configuration at same \$480 price with built-in battery. In monochrome, Panasonic added 12" AC "Flat-Face" set at \$120 and 3 AC-DC models—5" pop-up with FM-AM at \$200, 5" which plays 8 hours on 9 "D" batteries at \$140, 9" rechargeable at \$170. Toshiba added new 19" Blackstripe leader at open-list (\$400, step-up at \$430), 12" AC b&w at \$110. Sanyo discontinued 19" leader at \$340; line now starts at \$390.

CES Video Conference produced these estimates of 1976 sales to dealers: Panasonic's Stanley Hametz, 7.5 million color, 5.5 million monochrome; Sony's Joseph Lagore, 7.5-7.8 million & 5.5 million; RCA's Jack Sauter, 7.5-8 million & 5-5.5 million; GE's Norman Schnell, 7.8-8 million & 5.5 million; Admiral's George Simkowski, 7 million & 5.5 million; Hitachi's Robert Warren, 7.5 million & 5.5 million.

Lagore revealed Sony would have "rather complete" model changeover in May, featuring new negative-matrix Trinitron (Vol. 15:36 p7). He also said Sony would introduce Betamax deck within next 2 months at \$1,200-\$1,400 on market-by-market basis. All panelists said Christmas business was good, but none was wildly enthusiastic about this year's prospects, seeing instead a mildly better year.

CB—THE BRIGHTEST STAR: After year of speculation that market might be bubble waiting to burst, CB firmly established itself at CES as going & growing concern. With exception of grumbling over FCC's tardiness on frequency expansion & licensing backlog, retailers & manufacturers had only good things to say about CB, forecasting continuation of boom through this year and well into 1977, also predicting strong growth rate into 1980s.

Primary problem brought into focus was supply, still extremely tight and not expected to improve significantly during first half. Obvious reason for delivery backlog is spiraling demand, but frustrated suppliers said problem is compounded by severe crystal shortage and refusal of crystal makers to institute meaningful production increases. Reluctance apparently is based on shift to phase-locked-loop (PLL) circuitry—in evidence at several booths—which drastically reduces number of crystals needed to cover CB spectrum. "If you were a crystal maker, would you expand production when you know PLL is coming and you might get stuck with a lot of useless inventory?" asked producer.

Partly due to supply situation, prices are expected to remain firm for foreseeable future, although several suppliers said low end could slip by \$10-\$20 to \$79-\$89 level by Summer CES. General feeling was that CB market is different animal than price-volatile calculator & watch fields and won't necessarily be dominated by price competition. "I don't see any price erosion, I see prices going up," Pace Mktg. Mgr. Joseph Haskins said at CB conference. Hy Gain Mktg. Mgr. Reese Haggott said he feels CB will establish itself as high-end market.

Emergence of 2nd CB market—in-dash car stereo-CB combinations—was in evidence, as many firms have joined field once dominated by J. I. L. Although some established CB producers doubt potential of combination market, the one obvious attraction of in-dash mounting is escalating theft problem. "It's worse than car stereo," one buyer said, "because one CB unit is worth more than 2 or 3 tape players. And it will get a lot worse."

Also getting worse is congestion on 23-channel Class D band, and FCC's Richard Smith promised expansion to "around 50 channels" is imminent—which probably means formal action sometime in fall. Proposal to create new Class E FM service "is not dead but it's certainly very sick," Smith said. "You won't see action on that in foreseeable future." FCC clearly is going to give manufacturers enough lead time to move 23-channel inventories through pipeline before expansion is official. In fact, one manufacturer was heard assuring retailer he wouldn't be stuck with glut of 23-channel equipment because "FCC will give us 6-9 months before new equipment can be legally sold."

Show saw first of CB holdouts getting into field. GE introduced 3 mobile units & base station for June delivery. Morse showed units at \$100 & \$130, to be sold under the Ross name, outlined plans for Electro-phonics CB line. GE line will be structured on "good-better-best" basis, will have "competitive" prices. Hitachi showed new CB line—3 mobile AM units, AM

base station, SSB mobile/base station—and said it would continue as OEM CB supplier. Panasonic added new model to line, mobile at \$180. RCA, through Distributor & Special Products Div., showed first models, 2 mobiles at \$125 & \$160. New direction in technology also made appearance with introduction of 1-chip CB synthesizer circuit by SBE & Nitron Div. of McDonald Douglas. Chip can be set by manufacturer to operate on any number of allowable CB frequencies, will be incorporated in new generation of SBE equipment using LED readouts, keyboard-entry channel selection.

RCA U. K. VENTURE SHUT: As follow-up to last year's departure from b&w picture tube business, U. K.'s Thorn last week announced it's quitting color Jan. 11, halting new tube production at Skelmersdale plant of Thorn Colour Tubes Ltd., 51%-owned venture with RCA. RCA said termination would result in \$12-million writeoff from 1975 earnings. Small number of 1,370 employes will be retained for continuing replacement tube business. Action leaves Dutch Philips subsidiary Mullard as only U. K. color tube producer.

Thorn blamed poor economic conditions, intense import competition, said it tried unsuccessfully to get govt. assistance. Thorn warned of possible closing last Aug. (Vol. 15:33 p11).

This is 2nd such dropout in year for RCA, which quit Taiwan b&w tube venture last May (Vol. 15:22 p11). RCA still has color tube interest in Europe, owning 49% of Videocolor Ltd., Anagni, Italy, in partnership with Thomson Group of France. Thorn closing may, however, be salvation of RCA Canada's Midland, Ont. color tube plant, which hopes to increase sharply exports to U. K.

ADMIRAL'S YEAR: Admiral & calculator operations combined for net loss of nearly \$43 million for Rockwell International in fiscal 1975 (to Sept. 30), according to annual report which indicates sales for those business segments dropped 6% to \$643 million.

Admiral 1975 sales were \$503 million, down from indicated \$515 million, and loss totaled \$22.5 million, compared with indicated \$11.4 million loss in fiscal 1974. Despite poor performance, report says Admiral increased share of color & b&w TV market, added 5 department store chains with 27 outlets and cut consumer electronics inventories 22% in 1975.

Calculator business lost \$20.3 million, compared with year-earlier \$2.3-million profit, as sales slipped 17.2% to \$140 million. Spokesman told us calculators were profitable in first quarter and company is virtually out of inventory. To meet increased price competition, Rockwell is considering contracting out calculator assembly to Far East producers who would use Rockwell-supplied parts. He emphasized move would be for economy, wouldn't reflect dissatisfaction with operations in Mexico where all Rockwell calculators are currently assembled in company-owned border plant. He added Rockwell has no plan to abandon either private or own-brand calculator business.

EVERYBODY'S PLAYING GAMES: One of surprises at CES was number of firms jumping into home video game field, but just how many displayed actually will make it to market is open to question. Skeptics speculated that some of half dozen or so were there to draw traffic and might go into closet until next CES. Even so, home market is being viewed as potentially lucrative by growing number of firms—including APF & Bohsei. Here's rundown of game introductions and market plans revealed at CES:

APF: "Mark I" 4-game (tennis, football, squash, handball) b&w unit with on-screen digital scoring was shown at booth. Game will be priced in \$80 range, deliveries begin in June. Firm says more games might be added for June CES.

Dyn Electronics: "Victorious" 2-game wireless (Ping Pong, tennis) color unit displayed at show will be priced under \$70, delivered in April. Second model by year's end.

Gran Prix: Unnamed 3-game (hockey, tennis, Ping Pong) selling in \$50-\$60 range was shown, delivery time uncertain. Spokesman at booth said game was being made in Europe, "probably France."

Universal Research: "Video Action III" 2-game (tennis, hockey) color model with robot or solitaire feature. New unit, priced at \$200, replaces b&w "Video Action II," taken off market after failure to get FCC type approval.

Also in Chicago were Magnavox, with Odyssey 100 & 200, Atari with Pong, First Dimension, Broadmoor with "Video Action II" b&w game, sold as package with b&w sets. New firm at CES—Bohsei—plans to introduce high-end games in \$1,000 range at summer show. Spokesman said they would be direct-coupled to TV set, feature "sophisticated, micro-processor-driven" games. Novus spokesman said plan to enter field has been delayed due to design work on chip. First unit, probably to be shown in June, will be priced at \$70-\$80. Second generation games with removable cartridges will be introduced later.

At Video Conference, TV producers were generally unenthusiastic about games, with exception of Admiral Mktg. Vp George Simkowski, who saw eventual big market for "educational interface" devices and predicted games would be built into TV sets.

FTC hopes to propose 4 additional warranty rules within next 4 months, Acting Dir. Joan Bernstein of Bureau of Consumer Protection told CES Video Conference. Next 2 rules will cover definition of "reasonable time" for warranty service and advertising of warranties. She said Commission hopes to finalize rules within year of proposal. First 2 rules, issued Dec. 30 (Vol. 16:1 p10), covering disclosure of terms and what warrantor will do in case of defect, are effective Jan. 1977; 3rd rule on what purchaser should do to get warranty honored goes into effect July 4.

GE's meeting with FDA to argue against BRH order to recall some 36,000 microwave ovens to eliminate excess radiation leakage potential was postponed from Jan. 8 to Jan. 13. GE is insisting ovens meet federal safety standards.

WATCH SHAKOUT: Shakeout in watch business, similar to one which sharply thinned ranks of calculator producers over last 18 months, should be hitting any day now, according to Creative Strategies (CS). In report on industry, research firm predicts wave of dropouts, mainly among domestic non-vertically integrated module & watch assemblers, will begin soon after current holiday season.

CS study sees electronic digitals holding just 1.5% of worldwide watch market units, 5.7% of dollars in 1975, but rising to 28.6% of units, 39.8% of dollars, by 1980, when unit production hits 88 million, value tops \$2.8 billion and average price falls from present \$76 to \$32. CS sees low end digitals selling for under \$20 by 1978, though cost of watch module, now about \$20, won't drop to current \$6 level of mechanical watches until 1980. Results are similar to those in previously published Frost & Sullivan report (Vol. 15:41 p11).

CS estimates Hughes will hold largest share of module production in 1976 with 18%, followed by Litronix at 16%, American Microsystems 14%, National Semiconductor 13%, Texas Instruments 12%, Microma 8%, Fairchild 7%.

Also on watch front, there are signs that LCD units will start eating into 10-1 sales advantage currently enjoyed by LED models. National Semiconductor said it will add LCD models to line this year, Timex has placed large LCD order with Beckman Instruments, Frontier said it would start producing LCD modules for OEM customers by mid-year... Fairchild & TDK have formed new Japanese joint venture, TEC, to assemble & market electronic digital watches... Lucien Piccard, seeking Chapter XI bankruptcy protection in N.Y. federal court, says its mechanical watch business is casualty of electronic watch boom... Hewlett-Packard is offering LED displays to watch OEMs.

FTC involuntarily enlisted 88 unidentified businesses in pilot enforcement program which enables Commission to impose fines more swiftly than is currently possible. Companies received letters notifying them that Magnuson-Moss Warranty Act gave FTC right to seek court-imposed fines of up to \$10,000 against companies that violate business practices already banned by FTC orders in prior cases; move thus enables FTC to drop one step in current procedure. Companies also were sent list of orders pertaining to their businesses, along with warning that "you should immediately insure that you are not" violating any of them.

Novel approach to FCC's rule that TVs & radios which haven't been type accepted can't be displayed at trade shows (because this constitutes offer to sell) was adopted by Panasonic at CES. Sign on new 13" color set said: "This model is not available for sale until it has received FCC approval."

Quasar establishes distribution branch in Hartford (110 Prestige Park Rd., E. Hartford 06108) with Herbert Walker as gen. mgr., Kevin Sullivan, sales mgr.

Oak has opened sales office in Brussels.

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with
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Trade Personals

Akio Morita advanced at Sony from pres. to chmn., succeeding **Masaru Ibuka**, named honorary chmn. & head of new exec. advisory committee; new pres. is **Kazuo Iwama**, former deputy pres., who continues as Sony U.S. chmn.; CBS/Sony Pres. **Norio Ohga** promoted from senior managing dir. to succeed Iwama; advanced from senior managing dirs. to representative managing dirs.; **Mitsuzo Narita**, **Akinori Takasaki** & **Susumu Yoshida**; **Noboru Yoshii**, senior managing dir., becomes senior advisor Jan. 30; **Toshio Sakai**, accounts & finance gen. mgr., & **Makoto Kikuchi**, research center gen. mgr., named to board... **Raymond Steiner** promoted from Sony America senior vp to exec. vp.

John Messerschmitt named to new N. American Philips post of vp-exec. office, where he'll assist Pres. **Pieter Vink** and be Exec. Management Communications secy.; **Edward Klein**, vp-Electrical/Electromechanical Components Group, adds Messerschmitt's Electronic Components Group duties... **Richard Veatch**, ex-Litronix, joins Novus as ad & PR mgr., succeeding **Jerry Goss**, resigned... **Spencer Tracy** promoted at Kay-Townes from national sales mgr. to sales vp... **Susan Moran** joins Pioneer America (tape products) as research dir., new post.

William Byron, Sanyo sales vp, adds mktg. management responsibilities of Exec. Vp **Howard Ladd**, becoming pres. of Sanyo-Emerson Electric venture, Fisher Corp.; **William Kirsh**, ex-TV-radio national sales mgr., named national field sales mgr. for all consumer electronics, succeeding Byron, who remains responsible for TV sales; handling national sales mgr. duties: **Arthur Westberg**, radios & recorders; **Michael Wiggins**, component & compact stereos; **David Daniels**, auto products.

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
Kansas State Network 1975-qtr. to Nov. 30, ^a 1974-qtr. to Nov. 30	3,479,000 ^a 2,861,000 ^a	351,000 334,000	.21 .20
MGM 1975-qtr. to Nov. 30 1974-qtr. to Nov. 30	66,667,000 66,404,000	6,091,000 11,772,000	.46 ^c .93 ^c
National Semiconductor 1975-6 mo. to Dec. 14 1974-6 mo. to Dec. 15 1975-qtr. to Dec. 14 1974-qtr. to Dec. 15	162,280,000 130,181,000 79,894,000 55,061,000	10,900,000 9,333,000 5,659,000 3,827,000	.83 .77 .43 .32

Notes: ^aFrom operations. ^bRestated. ^cAdjusted.

Richard Wyman promoted at Midland International Consumer Products Div. from regional sales mgr. to mktg. mgr... **Richard Bush**, ex-Tri-Tronix Assoc., joins Sharp as TV mktg. specialist for planning & analysis... **John Cillag** shifts at Du Pont Electronic Materials Div. from product evaluation lab supervisor to Div. mgr.-Japan, new post... **Robert Cook**, ex-RCA Canada Record Div. vp-gen. mgr., appointed managing dir., RCA Australia; **Edward Preston** assumes Cook's gen. mgr. post... **Charlene Antaramian** named Sylvania Electronic Components Group employe publications coordinator... **Gerald Orbach**, ex-Fisher Radio sales vp, reportedly named to head Magnavox's Philips Audio Div., marketer of MX & Philips-brand audio lines.

New projection TV system for home was introduced at CES by Worldwide Entertainment Systems, Rockville, Md., whose pres. is Allen Markoff, N.Y. audio-video distributor-dealer who formerly was eastern distributor for Muntz Home TV Theater. Like Muntz unit, Worldwide's Theatervision is self-contained, uses 15" remote-controlled Sony as projection source, has Ektalite 30-x-40-in. screen. Theatervision now has dealers in 4 cities, retails at \$1,995. Production Vp Benjamin Butler told us factory is currently making 30 units weekly, hopes to step up to 100 by end of month.

Picture tube replacement policies are being sold to dealers in 14 states by Independent Dealer Services Inc., Box 681, St. Louis 63101. Going nationwide, IDS displayed at CES, outlining 2 basic policies which cover color tubes from expiration of factory warranties through 5th year—tube plus labor, list price \$90, quantity (30 or more) cost to dealer \$32.50; without labor, list \$70, cost \$22.

JIL is moving hq to 71,800-sq.-ft. facility at 737 W. Artesia Blvd., Compton, Cal.

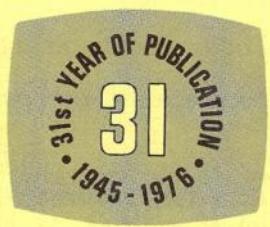
Obituary

Robert Wallace, 61, Zenith Distributing of Ill. pres.-gen. mgr., 38-year veteran with firm, died suddenly Jan. 5. Wife, 4 children, survive.

WEEKLY

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

'THE BEST IS YET TO COME', independent stations told at INTV convention in L. A. Program co-op planned to help finance first-run shows. Major satellite impact predicted. ITNA news co-op seeks support. (P. 1)

NAB FLA. BOARD AGENDA has no novel issues, no major surprises expected. Wasilewski slated for \$15,000 raise. Radio problems, convention, to be aired. (P. 2)

OUTLOOK FOR BROADCAST & CABLE bright, according to Commerce Dept. predictions. TV revenues of \$10 billion, cable reaching \$3 billion, by 1985. (P. 3)

PTV SATELLITE PLAN APPROVED by CPB board, which pledges continued efforts to integrate public radio into system. (P. 4)

TV COVERAGE OF PRESIDENT by networks is scored as lacking in independent news judgment by Speaker Albert, Library of Congress study. Macdonald to push bill. (P. 5)

ABC PREVIEWS OLYMPICS: Most difficult coverage of all, but profitable. Heavy operational year for ABC—2 Olympics, primaries, campaigns, elections, Emmies, Oscars. (P. 5)

'THE BEST IS YET TO COME'—INTV: Programming, satellites, sales & news were prime subjects at INTV convention in L. A. last week—described as "a good, meaningful meeting; great 2-way communication." All of 220 delegates (up from 150 year ago in Atlanta) we talked to agreed with above evaluation by Cox Bcstg.'s James Rupp, particularly as it related to sessions with program producers & syndicators. And, according to INTV Chmn. James Terrell, "the best is yet to come" for independents.

One major development probably coming will be co-op of independent stations to help producers finance first-run programming for family viewing (F V) time slots. "The independents are willing to put their money where their mouths are," Terrell said following closed business meeting during which committee was authorized to study proposal. Producers said they'd welcome such help. No dollar figures have been mentioned, and members will be surveyed to determine interest. INTV didn't foresee any antitrust or legal problems.

Lorimar Productions Pres. Lee Rich said independents should get in program business and become partners of producers. He said if Tandem Productions' Mary Hartman succeeds—after rousing starts on independents 2 weeks ago as 5 nights a week strip show—it will greatly change way programmers do business. Tandem Pres. Norman Lear said 5 writers were working on Hartman, said quality could be kept high despite 5 new shows weekly because "imaginings are given free rein." MTM Enterprises Pres. Grant Tinker said programs his company makes are

Consumer Electronics

1975 COLOR TV sales 6,485,000, monochrome 4, - 968,000. Dec. color sales up 20% from 1974 on calendar-year comparison. Color inventories down 20%, b&w 47%. Color console market share holds up. (P. 7)

FCC VOTES FUNDS to build prototype 'ideal' TV set which could set stage for receiver performance rules. Money for studies of personal radio & CB, including regulation also approved. (P. 7)

OPTICAL VIDEOEDISC interchangeability specs to be released by Philips & MCA; Zenith, Thomson-CSF concur. Direct NTSC encoding used, with 2 disc sizes. Japan govt. lab reports optical disc breakthrough. Sony seeks OEM Betamax business. (P. 8)

2-SHOW CES FORMAT draws blast from unhappy audio producers. Major exhibitors among dissidents may resume push for change of new show. (P. 10)

HEAT HAZARD STUDY by IIT under CPSC sponsorship will include TV. Probe into shock hazard causes also planned. (P. 10)

RCA CALLS IT QUILTS on receiving tube manufacture, to close Harrison plant which has made tubes for 57 years. GE & Sylvania are remaining domestic sources, but RCA-brand tubes still offered. (P. 11)

too expensive to sell to independents. He added: "I only came over to hear Norman Lear tell us what's ahead in programming."

Rich, Lear & Grant said network runs should be limited to 5 years—"it would be the greatest boon that independents have ever had," according to Grant. Goodson-Todman Exec. Vp Giraud Chester disagreed "unless you exclude our shows," mostly of game variety. Tinker said number of re-runs has "hit bottom"; Rich predicted 26 new episodes in future, up from standard 22 now.

Producers predicted that they'd win FV suit against networks, NAB & FCC (Vol. 16:2 p3). Lee said concept is "fallacious...insincere...and serves no purpose except to get some congressmen off their [defendants'] backs." Tinker predicted success of suit will be of particular benefit to independents.

Syndicators' panel heard several complaints by stations over lack of worthwhile promotion kits to publicize shows. Materials syndicators send to stations "are not worth a damn," INTV said to applause. MCA Pres. Louis Friedland predicted end of prime-time stripping, said programs soon will go into "almost side-by-side" syndication while still on networks. Columbia TV Senior Vp William Hart said networks should pay more for program development—"of course [they] can afford to pay more...they've all recently just recorded record, record profits."

INTV Washington attorney Thomas Dowd was questioned repeatedly about barter deals, warned they'd apply to "lowest unit rate" for political broadcasting. He predicted satellites will become "a very important part of the communications industry," urged INTV to keep up with their development. KPLR-TV St. Louis, KBMA-TV Kansas City & WTCG Atlanta have appealed to FCC for receive-only stations. KPLR-TV's Harold Protter said dealing with Common Carrier Bureau is "10-times harder" than with Bcst. Bureau. He said Common Carrier officials have been "obstinate...a pure bureaucracy" in KPLR-TV's effort to get approval of 10-ft. receiving antenna.

FCC Comr. Robert Lee hit VHF drop-in proposals in luncheon speech (Vol. 16:2 p3), while L.A. ad exec. Tyler Macdonald (Ayer, Jorgensen, Macdonald) told independents they can help fill "the biggest communications vacuum in the history of mankind." He said editorials offer opportunity "absolutely unmatched...We listen to you...You are the only hope we've got."

Panel on news made pitch for independents to join new ITNA co-op, which started 2 months ago with 10 subscribers. Leavitt Pope, WPIX N.Y. pres., said ITNA has \$18,000 weekly budget and subscriber prices range from \$500-\$3,000; he noted WPIX's own news budget is nearly \$2 million annually. In other business, INTV:

(1) Said it's "unalterably opposed" to 8-week sweeps, called it "a network ploy on hypoing... which is primarily a network problem, not a station problem." (2) Will ask FCC to reconsider relaxation of leap-frogging rule. Study by KMPH Fresno showed that additional imported signal in that market caused 43% drop in audience for independents, 18% for affiliates.

NAB BOARD AGENDA—NO NOVEL ISSUES: No surprises are expected this week as NAB Boards hold 4 days of winter meetings at Royal Biscayne Hotel, Key Biscayne, Fla. TV issues will be same hashed out repeatedly before—cable, pay cable, family viewing, mandatory Code membership, to mention a few—and govt. relations will dominate as usual.

Radio Board faces some controversy over recent deal with RAB on convention (Vol. 15:52 p3) and whether recent NAB steps to beef up radio services will be sufficient. "But, we don't expect any major rhubarbs to erupt," NAB exec. said. "All in all, things are very quiet." Joint Board meets Jan. 20 & 23; Radio Board Jan. 21, TV Board Jan. 22.

Exec. Committee, meeting in Washington last week, put finishing touches on balanced budget (beginning April 1) totaling \$4.85 million. This includes income of \$238,000 from Radio Code, \$664,500 from TV Code (which expects deficit of \$11,631). Exec. Committee boosted amount recommended for govt. relations, approved addition of new exec. to work primarily with 100-plus TV markets. To get additional money for govt. relations, Exec. Committee delayed some research projects, ordered small curtailment of staff travel. Research dept. sought \$35,000 for study of audience measurement methodology, \$20,000 for grants, \$30,000 for radio

future planning, unspecified amount for study of cable impact on TV stations.

NAB Pres. Wasilewski is in line for \$15,000 raise—his first increase in base pay in 3 years—if Board approves, bringing salary to \$95,000. In addition, he gets \$20,000 annually in "president's keyman insurance," Lincoln, other benefits. Exec. vps are due for increases averaging 8% (Vol. 16:1 p5), bringing their salaries into \$51,000-\$55,000 range.

Convention Committee meets Jan. 20 ahead of Board meetings to pick DSA winner and to add final touches on revamped program to put increased emphasis on radio (Vol. 15:50 p4). One possible DSA winner likely was removed last week when commentator Paul Harvey was named to speak at March 22 radio lunch during convention (FCC Chmn. Wiley speaks at joint TV-radio lunch March 23).

FUTURE BRIGHT FOR TV, CABLE: TV-radio ad expenditures will reach \$8 billion in 1976, up 10% from 1975, according to Commerce Dept.'s "U.S. Industrial Outlook 1976." TV would account for \$5.8 billion, vs. \$5.3 billion in 1975. Report estimates TV networks' & stations' pre-tax profits at about \$900 million in 1976 vs. \$800 million last year; radio will earn \$120 million vs. \$90 million, according to Commerce. "The historical growth pattern for both radio & TV advertising revenues is expected to continue" at 9.3% annually for TV, 8% annually for radio, at least through 1985, report estimates, TV revenues climbing to \$10 billion by that year, radio revenues to \$3.7 billion. Trends are toward more local business for TV, increased share of ad dollar for FM, more profitable FMs, greater share of all ad dollars for radio & TV over other media.

Higher growth rate for cable in 1976 over 1975 also is predicted, with addition of estimated 1.2 million subscribers, vs. 1 million during 1975. Estimated 13% annual growth over next 10 years should produce total of 35 million subscribers by 1985, report states. Slow growth of revenues during 1975 should improve to 12% to 15% annual rate by 1977, resulting in \$775 million for 1976. Pay cable could serve up to 800,000 subscribers by close of 1976, adding \$80 million to industry's gross, Commerce says. With revenues from pay, ads & supplementary services, cable gross could reach \$3 billion by 1985, according to report.

Political cablecasting and increased use of local origination facilities to keep public informed on important issues were pushed by House Communications Subcommittee's Rep. Frey (R-Fla.). Addressing Fla. CATV Assn., he said he'll support cable legislation to minimize regulation, criticized FCC as example of agency creating own policies rather than following congressional mandate. Meanwhile, House Subcommittee's cable report—originally to be completed Jan. 19—will be about week late, according to staff. Subcommittee's approximate agenda: HEW facilities bill to House floor Jan. 20; sports blackout conference to meet again within week or 2; FCC "oversight" hearing in Feb.; family viewing, sex & violence in March; cable hearing in late March-early April; FCC Reform Act in April or May.

Telemation Program Services has signed agreement to furnish films & other programs to Cox Cable's Atlanta & Macon MDS systems. Telemation already serves Rome, Ga. system.

FCC was reversed by D. C. Appeals Court in decision holding Commission erred in charging WMCA (AM) N. Y. with violation of personal attack rule. In March 8, 1973 Bob Grant Show, Grant called Rep. Rosenthal (D-N. Y.) "coward." Commission held that station violated personal-attack rule because it failed to give congressman proper timely notice and opportunity to respond. Station argued that Grant comment didn't come during discussion of "controversial issue of public importance"—since it came 2 hours after discussion of meat boycott. Judges Wright, Leventhal & Wilkey held that FCC "made its own judgment, instead of judging the objective reasonableness of the licensee's determination. At best, the Commission expressed carelessly what must be a careful statement of reasons for rejecting the licensee's explanation of its action." Among other Court statements: "The licensee is to have the maximum editorial freedom consistent with its position as public trustee of a portion of the airwaves."

Gag order on press imposed in multiple murder case by Neb. Dist. Judge Hugh Stuart (Vol. 16:2 p3) was attacked as unconstitutional prior restraint on media in "friend of court" brief filed with U.S. Supreme Court by 17 organizations including CBS, NBC, PBS, RTNDA & NAB. Commented NBC Chmn. Julian Goodman: "If the press is prevented from reporting to the public about judicial proceedings, one of the assurances of a fair trial for any party will have been destroyed." Meanwhile, N. Y. Times defied gag order imposed by N. Y. State Supreme Court Justice John Starkey in N. Y. murder case by printing information on defendants' backgrounds.

Network TV billings were \$2.43 billion in 1975, up 7.7% from \$2.256 billion in 1974, according to TVB-BAR. Of total, \$1.6 billion was in prime time, \$567.6 million weekday, \$262 million Sat. -Sun. daytime. Dec. billings were \$232.3 million, up 4.1%. For year, CBS billings of \$872.4 million were up 6.2%, NBC's \$841.7 million up 11.1%, ABC's \$716.5 million up 5.8%.

FCC has denied NAB request for extension of April 15 deadline by which all stations must install 2-tone EBS signaling equipment (Vol. 16:1 p4). Chmn. Wiley & Comr. Quello voted for "brief extension" because of confusion surrounding cost & type of equipment needed and to allow broadcasters "to become fully familiar with the new rules."

Atlanta FCC regional office moves to 1365 Peachtree St. SE, Atlanta 30309, 404-526-6381.

CPB APPROVES PTV SATELLITE PLAN: CPB board last week approved in principle satellite interconnection of some 150 PTV stations now served by terrestrial links. At same time, board acknowledged that attempts to include public radio have failed. Following vigorous verbal battle between radio & TV officials over radio's exact role, rights & responsibilities, CPB pledged approximately \$110 million over 10 years for satellite distribution of TV signals (\$9.3 million for fiscal 1979), additional \$75,000 to continue efforts to integrate radio into system.

Resolution sets certain conditions on proposal developed by Satellite Working Group (SWG) composed of CPB, PBS, NPR & Ford Foundation: (1) Ownership by stations rather than by PBS, despite potential for "easier financing or more convenient administration a centralized system would offer." (2) Guaranteed access to earth stations by public radio stations and other educational or "non-profit charitable" groups on cost-sharing basis; in addition, each licensee would have option of sharing earth station for profit if okayed by FCC. (3) Approval "by an overwhelming number" of PTV licensees. Resolution was approved 7-0, Gloria Anderson abstaining because she hadn't had time to study proposal; PBS & NPR representatives grumbled throughout meeting that they had received copies of resolutions only moments before discussion began.

System's cost is limited to what CPB normally would allocate for terrestrial distribution costs over next 10 years, any cost overruns to be paid for by licensees. System initially will use 3 transponders, 4th to be phased in after 1-1/2 years. Plan calls for assessing each PTV licensee \$25,000, up to \$5,000 of which may go into loan pool for stations without enough cash. Stations will get initial briefing on

"Potentially the most revolutionary of the new electronic media" is CATV, Y&R's William Donnelly told ANA workshop in N.Y. last week. He said cable with 10.8 million subscribers now has 15.3% penetration of U.S. TV homes, predicted that by end of 1981 there'll be 25-26 million subscribers—1/3rd of TV homes. By then, he said, cable will pass 50-60% of U.S. homes and "suddenly over half of U.S. households could, at low cost, become cable subscribers if they find something on the cable to motivate their subscription." This means, he said, that "in 1980 cable TV will have the bone structure for a quantum leap into the big time of communications media...a significant leap into advertising investment, followed by the more attractive programming menu that investment will make possible."

Alleged false TV ad claims made for Geritol caused J.B. Williams Co. to agree to \$125,000 settlement with FTC. Williams earlier paid \$155,000 plus \$22,005 in interest for claims in ads for Fem-Iron. FTC's original 1967 order barred company from claiming that Geritol or similar product would relieve tiredness, nervousness and irritability not stemming from iron deficiency. Alleged violations were made in 11 TV ads shown 100 times during 1969. Settlement is "the largest judgment received in a FTC false advertising matter," according to Commission.

system via closed circuit TV Jan. 22, will vote on plan at Feb. 8-10 PBS Membership meeting in L.A. PBS Vice Chmn. Hartford Gunn said he believes stations have "general enthusiasm" for project, said PBS would have "no problems" recommending that stations approve. He estimated satellite system would save each station \$150,000-\$200,000 over 10-year period.

Radio resolution revealed that tests to determine feasibility of radio & TV sharing single satellite transponder "have been disappointing." Earlier assessment of preliminary results looked "reasonably favorable" (Vol. 15:30 p4), but ultimately, "no cost-effective system could be found" for radio, according to PBS' John Ball. "It was a difficult series of tests," Ball told us, explaining that results showed more than "minimal degradation" of TV signal, multipath effect at band edges due to filter system, need for much more expensive dish or amplifier. "We weren't getting sufficient margins," Ball said. "There was no way we could arrive at a reasonable solution."

Ball said SWG now was examining 5-6 alternative means of integrating radio, most of which would require leasing part of additional transponder, substantially increasing price of system. However, potential improvement to public radio's signal "is so great as to spell the difference between death and survival," NPR Pres. Lee Frischknecht told CPB board.

Frischknecht asked amendment to TV resolution allowing radio stations to participate in ownership of earth stations, which was adopted unanimously. He & APRS Pres. Matthew Coffey said they felt original wording barred radio ownership, asked for "permissive" wording to allow, for example, participation of radio station in town without co-located TV station.

CPB board allocated \$2.5 million to PTV station program cooperative (SPC) for fiscal 1977, half of CPB's 1976 commitment. Commented PBS Vice Chmn. Hartford Gunn: "Needless to say there's going to be great disappointment across the system in CPB's failure to give more money." Said CPB official: "They've got a bad case of the 'gimmies.' We've always stressed new programs over SPC funding, and have always said the amount of money we give to the SPC would diminish each year." Ford Foundation last year contributed \$5 million; total for coming year hasn't been determined. In other actions, board authorized \$700,000 to WETA Washington & WNET N.Y. for coverage of 1976 elections, endorsed CPBNPR pilot project to serve print-handicapped, using FM subchannel.

Though power companies aren't controlled by FCC, cable outfits believe they have a peg to get Commission help in pole-rate situations. NCTA and Continental Cable petitioned FCC to revoke industrial radio license of Toledo Edison which "has shown callous disregard for an FCC-promulgated formula" for pole rates.

Cabinet-level Administration officials will give RTNDA members "post-State of the Union" briefing Jan. 30 at White House. President Ford also will speak to news dirs., attend reception in their honor.

TV COVERAGE OF PRESIDENTS SCORED: TV networks "have exercised little or no news judgment when considering presidential requests for air time for TV addresses," according to House Speaker Albert (D-Oka.). Commenting on report he requested from Library of Congress Congressional Research Service (CRS) detailing apparent increasing willingness of networks to provide simultaneous live coverage of presidential addresses, Albert said: "If these news judgments are relaxed...the networks relinquish their most vital journalistic prerogative and leave themselves vulnerable to manipulation."

During Eisenhower, Kennedy & early Johnson years, networks "occasionally declined" to make live TV time available, report claims. However, during later years of Johnson Administration, as well as throughout Nixon & Ford presidencies, "a pattern emerges of the networks almost always making TV airtime available when Presidents have sought it." Report says that from Jan. 1964 through Sept. 1965, one or more networks declined to give President Johnson live TV time 5 of 8 times it was requested, while acceding every time but once in 10 years since Jan. 1966. However, conclusion that trend is recent phenomenon ignores report's own finding that networks agreed to live coverage virtually every time it was requested by Presidents Truman, Eisenhower & Kennedy. While networks "occasionally" broadcast presidential speech on delayed basis during Eisenhower & Kennedy years, only during Johnson & Ford Administrations have TV news dirs. refused outright to provide coverage. For example, on Oct. 15, 1974, networks declined to provide live coverage of Ford address, reversed decision only after Ford Press Secy. Ron Nessen "formally requested" live coverage (Vol. 14:42 p1).

Last Oct., NBC & CBS declined to cover live Ford tax cut proposal. However, CRS report attributes this refusal to network news dirs.' fear of equal-time problems, not independent news judgment, quotes N. Y. Times editorial calling networks' decision "a ploy aimed at forcing the FCC to move all the way toward suspending the 'equal time' provision."

Real target of report isn't networks' news judgment on presidential addresses, but networks' treatment of Democratic congressional leaders. In statement, Albert explained he requested report because he was "keenly aware of the rigorous news judgment applied by the networks to requests by the Democratic leadership for air time" and "wanted to know whether or not the networks applied the same kind of judgment to presidential requests." Report covers no research, makes no conclusion, on this point.

House Communications Subcommittee Chmn. Macdonald (D-Mass.) said that he'll meet with Albert "to discuss the possibility for rapid congressional action" on Macdonald bill to establish Congress' "right to reply" to presidential TV messages. "The networks cannot hide behind the First Amendment only when it suits them," he commented. Macdonald also promised he'd expand examination of FCC's equal-time decision (Vol. 15:39 p1) to include "suggestion that the networks have manipulated coverage... to bring political pressure to bear on the FCC to gut the equal time provisions."

ABC PREVIEWS OLYMPICS: Winter Olympics are ABC-TV's toughest assignment from operational standpoint, according to Julius Barnathan, operations-engineering vp. At recent press preview in Innsbruck, Austria, he said that weather, terrain and widely scattered sites create problems found in no other assignments. Some 300 people will be involved in coverage, using 45 cameras, dozen Ampex tape machines, 17 miles of new lightweight Triax cable, new longest-range-yet Angenieux lens—\$5 million worth of gear in all. To shift cameras & platforms, helicopter and tracked vehicles are used.

Olympics will be profitable, according to Sports Pres. Roone Arledge. He said all winter & summer Olympics have been commercial success—except 1972 summer games in Munich. ABC was hurt then because of FCC cut in prime-time access from 3-1/2 to 3 hours and devaluation of dollar. (Incidentally, Arledge is opposed to use of replays in football officiating, saying delays would be intolerable.)

This year will be one of toughest yet for ABC coverage—including summer Olympics, presidential primaries, campaigns, elections, Emmies, Oscars.

(Amusing sidelight of press tour: Pierre Salinger, former presidential press secretary, now living in Paris, will be an ABC commentator during Olympics. During ABC news conference, he was covered by NBC film crew preparing feature on him.)

State of the Union address by President Ford may contain clue as to whether White House task force will continue to push cable legislation in election year. If speech mentions regulatory reform at all, chances are good that group will have go-ahead to continue efforts, according to working group members. On other hand, they say, if speech ignores regulatory reform, effort will be played down, though not necessarily killed.

FCC study shows broadcast employment of women & minority groups increased in 1975. Total employment by stations having at least 5 employees went up 3.3% to 146,345; women accounted for 26.2% (38,347, up from 35,765); minority groups (including Negro, Oriental, American Indians, Latinos) accounted for 12.9%, up from 12.3% in 1974; 11,818 of minorities were blacks.

Senate Communications Subcommittee holds hearing on 3 minor communications bills Jan. 21: (1) Cable forfeitures. (2) Bringing FCC conflict-of-interest regulations into line with those of other federal agencies. (3) Allow translators to originate emergency programming, remain unattended.

Central Cal. Communications (KSBW-TV Salinas, KSBY-TV San Luis Obispo) has asked D. C. Appeals Court to overturn FCC renewals of KNTV San Jose, KMST Monterey & KCOY-TV Santa Maria, charging anticompetitive practices and "illegal conspiracy" in trying to end dual reporting by Nielsen of KSBW-TV & KSBY-TV audience.

Three-day cable course for govt. employees, et al., is scheduled by NCTA in Washington Feb. 9-11, at \$50.

Personals

Robert Schmidt, NCTA Pres., speaks at FCBA luncheon Jan. 26, Army-Navy Club, Washington... **John Scali**, ABC News and ex-U.S. Ambassador to U.N., addresses Cal. Bcstrs. Assn. (Feb. 1-3), Newport Beach, Cal.

Lin Bolen, NBC vp-daytime programming, forms own production company to develop daytime programming for NBC-TV; she's succeeded at NBC by **Madeline Bloom David**, ex-daytime program development dir., East Coast; **Leighton Saville** promoted to advertising standards dir., NBC; **Gedeon de Margitay**, ex-Time Life TV, joins NBC as broadcast planning dir.; **Ann Berk** advanced at WNBC-TV N.Y. to broadcast operations dir.

N.E. Harden elected Nielsen pres., succeeding chmn. **A.C. Nielsen Jr.** (Vol. 15:52 p5)... **Robert Schellenberg** advanced to senior vp, WJXT Jacksonville; **Alan Perris**, parent Post-Newsweek Stations program exec., named WJXT vp-gen. mgr.

Peter Kizer, gen. mgr. of WWJ-TV-AM-FM Detroit, also elected vp, parent Evening News Assn... **John Tollefson**, Group W Midwest engineering mgr., appointed chief engineer, KPIX San Francisco, succeeding **Ray Holtz**, now Group W consultant.

Jack Fentress promoted to program mgr., KYW-TV Philadelphia... **Len Tronick**, ex-Top Market TV, appointed KTTV L.A. local sales mgr... **Jack Welch** promoted to operations mgr., WSPA-TV Greenville, S.C.; **Dale Richman**, named creative services dept. mgr., new post... **Ted Barros**, ex-Defense Dept., appointed public affairs dir., McGraw-Hill Bcstg.; **John Beatty** advanced to special projects dir., KGTN San Diego... **Peter Willett**, ex-UPI vp-broadcast services, joins N.Y. Times to create new sales & syndication operation for Times' affiliated companies.

Terrence Elkes, Viacom International vp-gen. counsel & secy., and **Lawrence Hilford**, Viacom Enterprises Div. pres., advanced to Viacom International exec. vps; **Ronald Lightstone** promoted to gen. counsel & secy.; **Henry Gillespie** succeeds Hilford as Enterprises Div. pres.

Fred Frey named exec. dir., La. ETV Authority... **Calvin Thomas**, ex-Me. Public Bcstg. Network, appointed program development dir., WQED (ETV) Pittsburgh.

Murray Rosenblum promoted to research & sales development mgr., ABC-TV Spot Sales; **Betsy Goff**, ex-Aranow, Brodsky, Bohliger, Benetar & Einhorn, N.Y. law firm, named ABC Sports contract attorney... **Jack Wartlieb**, ex-Reeves Teletape, rejoins Group W Productions as gen. mgr.-production & operations; **Owen Simon** promoted to gen. mgr.-creative services.

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Teleprompter copyright proposal found support in NCTA Exec. Committee meeting last week, some members saying they're impressed with support TPT has gained in Congress. However, NCTA isn't about to state that it has changed position to support proposal, fearing charges of "bait & switch." Some NCTA members also are leery of offending TPT, largest system owner—thus largest dues payer.

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FCC approved \$426,000 in research projects last week, including \$14,000 for "assessment of clear-channel radio audiences, particularly in those areas with no primary service during the nighttime." Study will be made by Arbitron, with Commission to identify 150 counties without local radio service at night. Arbitron will provide computer printout listing number of times each clear-channel station is mentioned. Bulk of research money (\$200,000) granted last week went toward search for "ideal TV receiver" (see p. 7). FCC had \$857,000 (including \$440,000 carryover) allocated for research this year, has granted all but \$74,000.

Ottawa discussions about Canadian discrimination against U.S. signals (Vol. 16:2 p4) "went very well from our viewpoint," according to American participant—though no agreements were reached. Canadians said they wouldn't enforce rules requiring deletion of U.S. commercials from cable-carried signals, pending next meeting of officials—in Washington, probably before end of Feb. Among other things, FCC Chmn. Wiley told Ottawa participants that U.S. stations' jamming of own signals would be legal, though he doesn't like idea personally.

Teleprompter earth station for W. Palm Beach, Fla. system was due to start Jan. 16 with Home Box Office feed.

Obituary

William A. Porter, 70, retired Washington communications attorney, died Jan. 10 after long illness. Native of Chicago, he came to Washington in 1925, served in several law firms before service in Navy during World War II. In 1953, he became asst. dir. for telecommunications, Office of Defense Mobilization. He was past president of FCBA. Survivors include wife, 2 brothers.

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STATE OF THE INDUSTRY

EIA's final figures on consumer electronics sales to dealers have been delayed for one week because of holiday-season reporting problems. Final figures for full-year 1975 will be released next week (see below).

1975 COLOR TV SALES—6,485,000: Color TV sales to dealers in 1975 fell just short of 6.5 million, monochrome just below 5 million, EIA will report next week. Actually figures will round out to 6,485,000 color, 4,968,000 monochrome, for 52-week 1975—down 17.2% & 16.4% respectively from 7,830,000 & 5,941,000 for 53-week 1974.

Dec. sales showed good pickup in color, totaling 682,000. This comes out to 20% above same 5 Dec. weeks in 1974 (or about 7% below official figure for Dec. 1974, to which EIA assigned 6 weeks for statistical purposes). Monochrome sales for Dec. were 476,000, just 1% below comparable 5 weeks of Dec. 1974 (and 20% below EIA's 6-week Dec.).

Year closed out with inventories in excellent shape. In color, factory-plus-distributor stocks totaled 1,734,000, down 20.2% from 2,174,000 at end of 1974, with factory inventories at 828,500 down 41.2% and distributor inventories at 905,900 up 18.3%. Factory-plus-distributor monochrome inventories totaled 1,292,000, down 36.7% from 2,040,000 at end of 1974, factory inventories down 46.9%, distributor down 14.8%.

Color TV mix in 1975 showed virtually no diminution of consoles' share of market. Consoles (including combos) represented 32.1% of sales to dealers vs. 32.3% one year earlier. Within portable-table mix, 19"-&-over category increased share to 60.6% from 1974's 52.9% as sales of smaller sizes (particularly 18") declined. In b&w, under-19" category increased market share to 75.8% from 73.6%.

FCC VOTES TV SET & CB STUDIES: FCC last week approved funds to build "ideal TV receiver" (Vol. 15:21 p8), as possible forerunner of rules governing performance standards, and studies on future of personal radio communications and on CB regulation.

TV set project, funded at about \$200,000, will include contract for design & construction of state-of-art receiver prototype to determine what can be accomplished at what cost. Action is geared specifically to finding out what can be done to improve UHF reception. Commission staffers are known to be unhappy with performance of 47 TV receivers tested in 1974 (Vol. 14:42 p7) and to believe that set makers aren't holding up their end in optimizing use of UHF spectrum. Depending on outcome of project, Commission could establish rules or other means of persuading manufacturers to produce higher-performance sets.

Commission also okayed \$85,000 to start long-range \$200,000 policy study on personal radio services including CB, ham & land mobile, with emphasis on CB. Research will determine level of user satisfaction with services, use made of services, potential. Eventual outcome could be recommendation for new type of personal radio service.

Proposed CB regulation study, at requested \$50,000, to look at such questions as eligibility for licenses, possible restrictions on licensing, control of interference, advantages of reserving frequencies by specific categories or uses, use of repeaters, etc., was tabled.

Note: Commission will discuss possibility of point-of-sale CB licensing at Feb. 3 meeting. This proposal, which could help eliminate licensing delays & snafus, isn't given much chance of adoption in near future.

AGREEMENT ON OPTICAL V-DISC SPECS: Philips & MCA are expected to release this week complete signal-encoding & mechanical specifications for optical videodiscs—in effect a "standard" for interchangeability of discs among all NTSC color optical players. Although not signatories to pact, Zenith & Thomson-CSF are understood to have made major contributions and informally to have approved specs as optimum for optical system.

Document to be released will contain enough information, theoretically, for any qualified company to make "standard" optical disc or player. Agreement culminates more than year of experimental & analytical studies and negotiations, will be followed later by series of technical papers giving rationale behind selection of various aspects of standard. Development of one compatible system from 4 separate but similar optical disc techniques "will allow concentration on single encoding & disc format," N. American Philips Vp Robert Cavanagh told us.

"As far as Zenith is concerned," we were told by Videoplayer & Audio Engineering Vp George Schupp, "this is not an adopted standard but a proposed standard. It represents a judgment by the engineering depts. of participating companies of technical specifications we believe will achieve optimum performance & capability in optical disc systems. Every company, of course, feels free to do as it pleases," he added, emphasizing Zenith's lack of commitment to any specific system.

Probably most significant aspect of specs is adoption of direct NTSC encoding of signal, which is frequency-modulated for recording. This differs from original Philips player, which separated chrominance & luminance signals, and should result in economies in player design as well as better picture quality. Specifications envision 2 disc sizes, 12" & 8", latter presumably for flexible discs which could be bound into magazines or sent cheaply through mails. System will have wide tolerance for disc thickness, with mid-range of 0.2 mm for flexible disc, 1.1 mm for rigid type. MCA has been pushing for flexible records, while Philips has demonstrated rigid.

System will accommodate 2 sound channels at 2.3 & 2.8 MHz on recorded signal. Disc will spin at 1,800 rpm, playing from center to outside as in Philips system (vs. outside-in employed by MCA), presumably to make playing of 2 different record sizes simpler. Rotation of disc will be counter-clockwise as viewed from objective lens (underneath disc in models demonstrated so far). We'll outline complete specs for you when they're released.

From Japan, meanwhile, comes news of what could be breakthrough in optical videodisc technology, but needn't necessarily obsolete just-adopted disc standard—although it could make possible reduction of rotation speed to 30 rpm. Govt. Agency of Industrial Science & Technology is reported to have developed method of reading out optical discs using array of semiconductor lasers for both emitting light beam and detecting signal reflected from disc. System is called SCOOP (for self-coupled optical pickup). Semiconductor lasers used are so small (0.1 mm) that bundle of them can be used, with fiber-optic lenses. It has been suggested that 60 semiconductor lasers could be combined into single thin pickup. Operating sequentially, they could play back standard optical disc at actual rotation speed of 30 rpm instead of 1,800. Semiconductor lasers are still expensive, but presumably price would come down sharply in mass production, and concept eventually could make possible large-scale savings in player costs.

Silly season is with us again, Popular Science having picked up story that RCA has played back its own capacitance discs optically, leading to conclusion by some that Philips/MCA & RCA are talking compatibility—flatly denied by all parties concerned. Truth of matter is that several labs (presumably including RCA's, Philips' & others) have gotten some sort of recognizable picture by reading RCA-type disc optically. It's not inconceivable that some kind of picture could be produced from modified optical disc on capacitance-type player. In fact, if money & common sense are no object, player could be built to accommodate both systems. It comes in same category as deck which could play phono records, cassettes, 8 track & open-reel tapes, project slides, wash the dishes and Dolbyize itself in between. Anything is possible at suggested retail of \$999, 999.95.

On home VTR front, Sony America Pres. Harvey Schein gave broad hint company is looking for OEM customers and/or licensees for Betamax. Opening Betamax sales in Cleveland, he said Sony is 'prepared to discuss the possibility of other manufacturers using it in their sets.'

At one time, Sony conducted intensive negotiations with RCA on subject. Schein also said: (1) Sony is developing Betamax cassette with more than 60-min. recording time and expressed hope that new Ala. plant will make possible reduction in tape price. (2) Some 600 Betamax units were sold in U.S. in Dec. under limited marketing, indicating that VTR-equipped TVs could capture 3% of market.

TOY INDUSTRY MARCHING INTO VIDEO GAMES: Next major assault on blossoming video game market will come from toy & game industry. We've learned that first unit will be introduced by Coleco, Hartford-based maker of air hockey and other consumer games, at National Sporting Goods Show in Chicago (Feb. 5-8). Other leading toy/game producers are expected to be in field by end of year or early 1977.

"We're not discussing any details yet," Coleco Pres. Arnold Greenberg told us. Other sources said game uses General Instrument 6-game chip (Vol. 15:48 p8), will be in \$50-\$70 range. Unit also will be displayed at American Toy Fair in N.Y. Feb. 22-25.

Ideal, Mattel, Kenner & Aurora also are known to be looking hard at field and at least one is expected to introduce game before year end. Several were at WCES looking at games shown there and talking with semiconductor suppliers.

Prices will drop quickly once toy & game makers enter field, toy makers told us. "The toy industry historically has been able to take a technological breakthrough and sell it at a toy price—and \$100 is not that price," Kenner Product Planning Vp Stan Sudman said. "It would have to be in the \$30-\$35 range to become a successful product for the toy industry."

Kenner "is studying the market," Sudman said, will enter field if it "finds the right product." If go-ahead decision is made, first game would be put on market in 1977. Ideal Product Mgr. Charles Light said company is "looking hard at it—it's going to be a very big business and the toy industry will have to be involved in it to protect their interests in the toy field." Mattell spokesman said firm "is familiar with it, we have a reasonably good understanding of it and it's not totally foreign to us."

Mego's, producer of Star Trek & other action games, will introduce self-contained chip-controlled game which uses electronic visual display, including LED readout—instead of picture tube—at Toy Fair. Game will be produced in firm's new Taiwan factory, will be followed by other "action" games next year. Price will be in \$50 range.

Toy firms aren't only new ones getting into market. In addition to raft of outfits showing units at CES (Vol. 16:2 p11), Unisonic and Major Mfrs. outlined units to accounts at show. Unisonic games—"Tournament 2000"—will feature 6 games (tennis, hockey, football, squash, 2 rifle games), variable speed, on-screen scoring. Prices and delivery dates weren't available. Major spokesman confirmed that company, now producing coin-operated cocktail table games, soon will be in consumer field, wouldn't elaborate on game or pricing.

Consumer Reports is happy with color TV. Based on test ratings of 14 solid-state 15" & 17" sets, magazine comments in Jan. issue that owning set "can be a pleasure indeed," and rates 12 sets good or better. "The sets reached us in fine working order, too; need for the initial adjustments was minimal. And during our 2-month test period, we had none of the breakdowns that have usually afflicted sets tested in past TV projects." Survey of 2,200 readers who bought color sets in 1972-74 identified Sony as least likely to require repair. Magazine doesn't mention that Sony color sets have always been solid-state, whereas solid-state sets represented only 25% of industry output in 1972, 51% in 1973.

Hewlett-Packard, understood to be preparing to enter digital watch market, has ordered estimated 25,000 watch cases from East Coast fabricator.

Durable goods sales will lead pickup which will make 1976 "a better year—but no boom," RCA Staff Vp-Chief Economist Robert Eggert told NRMA convention in N.Y. last week. "Auto sales are estimated at 10.2 million units, an increase of 17% over 1975, and color TV sales could reach the 8-million level, up about 25%," he said. He outlined these factors helping durable sales: (1) Above-average growth in real spendable earnings, drop in savings rate, expanded credit use. (2) Improvement in confidence. (3) Replenishment of "aging" household durables after 2 lean years of purchases. (4) Impetus of Bicentennial year, Olympics, election. (5) Better values.

Import adjustment assistance eligibility probe has been launched by Labor Dept. for displaced workers at Dynamic International's AC adaptor plant in Puerto Rico.

FLACK ON CES SWITCH: EIA Consumer Electronics Group (CEG) decision to retain 2-show (Jan. & June) format for Consumer Electronics Show (CES), instead of previously approved move to single event in April or May, is drawing fire from audio producers who led (and thought they had won) battle for change.

Vote to retain present format was taken by CEG Board Jan. 9 at end of what turned out to be most successful Winter CES ever (Vol. 16:2 p7), and already being memorialized as marking start of industry's recovery. But how good show was isn't point, argued BSR (U.S.) Pres. John Hollands, who said "reasons for one show are as valid now as they were then." Hollands, who said he was only CEG Board member to vote against retaining WCES, said of success of last show: "It was good, very good, was well run and I was pleased with it, but we've come off of 3 disasters in the preceding Jan. shows, and I think if next Jan. is as bad as 1974 we'll see a call for one show again." Attendance was up "because dealers were dying for merchandise," and that's not likely to be repeated next Jan., he indicated. As for BSR's future participation, "we'll be back there in Jan. & June, along with all major exhibitors, but grumbling all the way."

More outspoken was Capehart Pres. Robert Kropf who called June show "an absolute waste of time" for major buyers. "It's my opinion that this is only a one-show-a-year business," he said. "It's an economic problem for us. We were only there in Jan. because our competitors were." As to timing, "having a June show costs us one complete inventory turn. At that show, we're selling for Sept.-Oct. delivery," while April show would permit acceptance of orders for summer. "The action [taken by EIA board] was just not proper," he said, noting board is dominated by "people not even in our show." By maintaining 2 shows a year, "they keep us away from the big accounts" until after TV majors' conventions.

Kropf's views were echoed by Soundesign Pres. Saul Ashkenazi, who said he didn't think CEG handled issue properly, particularly in view of last fall's survey showing vast majority of exhibitors wanted single show. Both he & Lloyd's Pres. Abraham Zagha said they didn't see why board vote had to be taken so quickly. "They never rushed to make a decision on the change to one show a year—what was the rush this time?" asked Zagha.

Whether dissidents are unhappy enough to pull out of CES, or to launch early spring show of their own, remains to be seen. They're expected to meet informally in next few weeks to determine whether feelings are solid enough to justify some such course of action.

But as far as CEG is concerned, format fight is finished, according to Staff Vp Jack Wayman, who told us board did what it thought was best for industry. He said TV, hi-fi, CB, watch & calculator producers all felt May was too early for product cycles, and would have conflicted with NEWCOM show dates. Though mail survey showed strong support for one show, "pickup in market conditions seemed to have changed that," Wayman said, adding that 70% of some 438 dealers queried at WCES favored retention of

current format. Wayman said ERA, NEDA, NARDA, IHF & EIA Distributor Products Div. all have expressed support for 2 shows. CES "has to be tailored to fit the needs of those who want it, and maybe those who don't want it should just drop out." As for long term, "if the winter show doesn't hold up, it can always be dropped," Wayman said, adding that next WCES dates, Jan. 14-16, were picked to help increase attendance by avoiding Super Bowl week and providing access to incoming Housewares Show visitors.

HEAT HAZARD STUDY: TV is among items covered by study of effects of overheating on electrical products being conducted by IIT Research Institute under contract from Consumer Product Safety Commission. Specific products picked for study were those spotlighted by IIT analysis of reports of overheating, fires & injury incidents supplied by CPSC & other sources.

CPSC spokesman told us study, due for completion in June, is intended as staff reference to help agency develop strategies to deal with over-all problem of overheating which could result in creation of fire or shock hazards. He emphasized that TV was selected as representative of all consumer electronic products, and that study has no relation to TV safety standard development project being conducted by UL.

Study has 3 aims, he said: (1) Group products together to establish causative patterns. (2) Examine various ways to handle problem. (3) Study practicality of solutions developed. He said CPSC hopes to launch similar study of shock hazards later this year.

Also on safety front, FDA hearing of GE's bid to overturn BRH order that it recall 36,000 microwave ovens to correct radiation leakage potential ended Jan. 13. Presiding Officer Thomas Brown, from FDA Office of Assoc. Comr. for Compliance, said he expected to complete report & recommendation on case for FDA Comr. Alexander Schmidt "in a matter of weeks." GE could appeal turndown in courts. ■

Mitsubishi International, giant Japanese trading company, reportedly is winding up direct involvement in U.S. consumer electronics market, folding Pilot Radio subsidiary it acquired last year from NUE for about \$928,000. Price included \$350,000 settlement of NUE's damage claims stemming from allegations of poor quality & late delivery (Vol. 14:52 p10). MI dropped TV business 2 years ago, turning MGA operation over to Mitsubishi Electric subsidiary, Melco Sales, quit marketing Onkyo hi-fi line last year as Japanese manufacturer opened own sales office.

Kodak Super-8 film videoplayer has been introduced in Japan at \$1,780; version aimed at broadcasters for \$1,660. First customer is Tokyo-based NET TV Network, member of Asahi-NET group. NordMende has started marketing its 8-mm film videoplayer in U. K. Priced at about \$1,500, it uses Bell & Howell Auto-8 cartridge, reproduces both optical & magnetic soundtracks.

SEARS UPS CONSOLE PRICES: Spring-summer Sears catalog shows \$10-\$30 increases on 3 models in 25" console line, reflects selected changes in 19" sets. Leader price in 25" line is up \$10 to \$500 for leg console, leader floor console is up \$20 to \$560, top-of-line unit is up \$30 to \$780; 19" leader remains \$295, step-up at \$330 is dropped, electronic touch-tuning set unchanged at \$470, \$500 with remote added; lone 13" is up \$30 to \$325, 9" & 15" unchanged.

B&W line has been expanded from 6 to 11 models—new 9", two 12" & two 16". Lone 8" is up \$11 to \$129; 9" leader is up \$6 to \$89, step-up added at \$118; step-up 12" is up \$10 to \$98, top-of-line is up \$8 to \$148; new 16" are \$138 & \$158. In CB, Sears added own-brand mobile line—leader at \$100, step-up at \$150 & SSB at \$280. Leader in E. F. Johnson mobile "Messenger" line is up \$10 to \$170, step-up is added at \$240, top-of-line unchanged at \$250. Messenger \$240 base station is dropped.

Sylvania has discontinued leader 17" color set introduced in Oct. at \$349 and reduced price of 2nd 17" model \$20 to \$369; GT-Matic step up is down \$20 to \$400. **Philco** introduces 19" in-line color portable at \$400, 25" table model with leg kit at \$550 (previous 25" table leader was \$570) and 25" console at \$620.

Forecasts for 1976 at CES: By GE Audio Electronics Gen. Mgr. Paul Van Orden—Radio, down 10% in 1975, up 7% in 1976; tape products, now running at 1974 level, up 5% for 1976. Sharp Exec. Vp William Anderson—TV up 12%, color at 7.3 million, monochrome 5.6 million; audio compacts 1.2 million, portable cassette recorders over 10 million, tape decks over 400,000, radios nearly 33.5 million, mobile & base CB units 4.5 million; hand-held calculators up 30-35% to 17-18 million, printers up 30% to 2 million, replacement business representing up to 20% of market. Sanyo Vp William Byron said his company projects 1976 sales gain of at least 54%, adding that demand far exceeded goals in 1975. "It is no secret that offshore manufacturers have not been able to meet the demand for their products resulting from the suddenness with which the U.S. economy has turned around," he added.

Success of coup in purchasing 18,800 GE-made W. T. Grant TV sets (Vol. 15:47 p7) is helping Olympic pull out of Chapter XI bankruptcy, which company expects by end of month. Creditors' committee has approved settlement plan and Olympic has cash for initial payment. Olympic exhibited the Bradford TVs at CES, although it had only 2,900 left when show opened. By end of show it was virtually sold out. Terms are cash, 90-day parts-only warranty. Sample wholesale quantity prices: 10" color \$135, 13" color \$189, 19" hybrid color \$189 & \$199, 12" B&W \$54. Olympic Pres. Herbert Kabat told us he's negotiating for other closeouts.

Sharp's color production in Japan is targeted at 920,000, up 12%, with 320,000 earmarked for export, Pres. Akira Saeki said. Company is planning color assembly plant in Spain within month, B&W plant in Egypt by end of June.

RCA QUILTS TUBES: RCA will close Harrison, N.J. receiving tube plant by July 30, leaving GE & Sylvania as only remaining domestic suppliers. RCA Distributor & Special Products Div. Vp-Gen. Mgr. Paul Garver said closing reflects sharp decline in demand in face of shift to solid-state products. Industry sales dropped nearly 80% from 442 million in 1966 to about 80 million last year. RCA's Harrison plant alone once made over 87 million tubes a year, had 7,000 employees. It currently employs 1,100.

RCA is sole source for 110 types and plans to meet all outstanding commitments, and as much as possible, all future requirements. RCA will continue to sell receiving tubes made by others and is attempting to sell tube-making equipment. Company is believed to have about 30% share of domestic receiving-tube market, slightly larger than GE & Sylvania.

Historic Harrison plant was bought by Thomas Edison in 1881 to make light bulbs, was acquired in 1892 by GE, which started radio tube production there in 1918. GE sold it to RCA Radiotron in 1930. Closing is seen as one of RCA's continuing moves to eliminate unprofitable operations.

JVC, hoping to end 4 years of U.S. market vacillation, has signed Gene Gold as JVC America mktg. vp, appointed Philip Stogel Co. ad & PR agency for JVCA & video equipment arm, JVC Industries. Gold held similar post 10 years at Sharp, directing firm's emergence as full-line consumer electronics marketer. He resigned last year shortly after Sharp hired William Anderson as exec. vp with over-all responsibility for consumer electronics. Among upcoming changes expected at JVC are less marketing emphasis on 4-channel stereo equipment, strengthening of sales & service network. JVC is subsidiary of Japan's Matsushita, which also markets Panasonic & Quasar lines here.

Anti-piracy device for videocassettes has been announced jointly by Byron Motion Pictures, Electronics International and Goldmark Communications (Vol. 15:44 p11). StopCopy electronically codes magnetic tape during recording, allowing program to be played for viewing, but resulting in blank tape when attempt is made to record on another VTR. Goldmark Vp K. Blair Benson conceded system isn't fool-proof against skilled professionals, but noted that most tape piracy is committed by non-professionals. Early design model will be available soon for license fee to be determined later. Advanced version compatible with automatic skew correctors will be announced soon.

GE is only consumer electronics company among 48 major firms joining National Chamber of Commerce attempt to halt FTC's Corporate Patterns Report program which requires large companies to supply agency with detailed information on individual business lines. Among others: Owens-Illinois, IBM, Du Pont, Westinghouse.

Ad notes: Motorola slates radio campaign for automotive 8-track & cassette lines... **Superscope** says it's budgeting \$4 million for national ads for Superscope & Marantz lines.

Trade Personals

Mahlon Fisher advanced to chief engineer of Sylvania Electronic Tube Div., succeeding **Louis Wanner**, retired... **Thomas Garvin**, former L. A. Div. sales mgr., named Magnavox Odyssey video games national sales mgr... **Robert Wiles**, ex-Magnavox, becomes SBE mktg. vp... **Donald Mitchell**, former Rockwell Microelectronics Group pres., becomes pres. & chief operating officer of Plessey Inc. (U.S.)

Harry Hollack, ex-TI, joins Electronic Arrays as operations vp, assuming duties of Engineering Vp **David Simpson** & Operations Dir. **Elton Southard**; Southard becomes service operations vp, new post... **Philip Vokrot**, ex-RCA, joins Cornell-Dubilier Taiwan as materials mgr... **Peter Maden** advanced to Sprague Sanford, Me. plant mgr... **Raymond Dashner** advanced to Fanon Courier western region sales mgr. for Courier products; **Martin O'Malley**, ex-Sylvania & one-time DuMont, joins Fanon/Courier as Fanon pocket paging products mgr.

Donald England, ex-Phonodisc, named ABC Records national sales & distribution vp... **William Starling** advanced to Capitol Magnetic western professional products mgr... **John Deith**, ex-Matsushita, named eastern sales mgr. of GI subsidiary C. P. Clare.

Michael Hackworth, gen. sales mgr., & **Lionel Kirton**, MOS Div. gen. mgr., named Signetics vps; **John Barnet**, controller, adds title of finance vp; **Donald Liddle**, Signetics International, named corp. services vp... **Richard Powell**, ex-Telex Communications, joins Teaberry Electronics as western sales mgr. & head of new Oceanside, Cal. sales, service & distribution center... **Russell Sanders** appointed Sylvania Connector Products Operations dist. sales mgr.

John Wagenseller, former RCA Solid State Div. rectifier market planning administrator, shifts to Distributor & Special Products Div. as replacement solid-state mdsg. mgr... **Crosby Kelly**, former Litton senior vp, elected Rockwell communications corporate vp, new position.

Robert Roth, ex-V-M & one-time RCA, becomes McGraw-Edison Air Comfort Div. ad & sales promotion mgr... **Kenneth Yarbrough**, former chmn., pres. & gen. mgr. of GE's Mexican subsidiary, becomes Bulova pres. & chief operating officer, succeeding **John Rutledge**, resigned... **Ernest Shrenzel**, former Motorola vp, named chief exec.-officer of AIC Photo (Japan) subsidiaries Miranda Camera & Allimatsu.

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Taiwan's trade with U.S. approached balance last year, as its surplus shrank to \$173.5 million from \$350 million reported for 1974, govt. there reports. Total 2-way trade was just under \$3.5 billion, down 5%. Taiwan said foreigners invested \$24.7 million in electronic & electrical appliance ventures last year, representing 20.9% of \$118.2 million total investments. U.S. investors contributed \$41.2 million.

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
Chris-Craft Industries 1975-qtr. to Nov. 30 1974-qtr. to Nov. 30	15,844,000 14,555,000	(142,000) (38,000)	-- --
Craig 1975-6 mo. to Dec. 31 1974-6 mo. to Dec. 31	53,906,000 35,026,000	3,387,000 1,655,000	1.11 .53
Globe-Union 1975-qtr. to Dec. 31 1974-qtr. to Dec. 31	77,504,000 77,776,000	3,373,000 2,041,000	1.59 .95
Meredith 1975-6 mo. to Dec. 31 ^b 1974-6 mo. to Dec. 31 ^b 1975-qtr. to Dec. 31 ^b 1974-qtr. to Dec. 31 ^b	87,081,000 79,597,000 46,633,000 41,736,000	7,972,000 ^a 3,262,000 ^a 2,738,000 ^a 1,785,000 ^a	2.61 1.09 .89 .59
Telecor 1975-6 mo. to Nov. 30 1974-6 mo. to Nov. 30 1975-qtr. to Nov. 30 1974-qtr. to Nov. 30	41,843,596 38,157,868 23,811,927 20,449,103	1,775,761 1,758,461 1,115,942 890,562	.64 .63 .40 .32
Walt Disney Productions 1975-qtr. to Dec. 31 1974-qtr. to Dec. 31	115,736,000 90,771,000	11,169,000 7,140,000	.36 ^c .23 ^c

Notes: ^aIncludes special credit. ^bRestated. ^cAdjusted.

Mergers & acquisitions: Lynch has agreed to acquire M-Tron Industries, Yankton, S.D.-based CB crystal producer, for \$5.3 million, plus payments based on future earnings. M-Tron earned \$898,000 on sales of \$6.5 million in year to March 31. In fiscal half to Sept. 30, it earned \$616,000 on \$5.1 million sales... **I-T-E Imperial** withdrew objections to Gould's takeover bid (Vol. 15:52 p9) after Gould agreed to limit \$20 tender offer to a million shares, exchange Gould stock for remainder. Agreement will cost Gould about \$146.2 million at current prices. Gould had planned to increase ownership of I-T-E from 22% to 52% with offer for 2.5 million shares.

Add projection TV manufacturers: Tandom Enterprises Corp., Waukesha, Wis., offering 2-piece color TV set-lens combination and 30-x-40-in. Ektalite screen at \$1,595. Tele-Pro-Sys div. of Tape Head Co., Salt Lake City, with kit, including projection unit, screen, cabinet & instructions (less TV set) at \$400.

CB Scene: Linear Systems is changing name to SBE Inc... **Browning Labs** has started construction of Laconia, N. H. plant, said annual doubling of sales for past 3 years made expansion necessary... **Teaberry Electronics** opens CB distribution & service center in Oceanside, Cal.

In 1981, there will be 1.5 million videodisc players & 750,000 videocassette recorders in consumer homes, according to projection by Young & Rubicam video expert William Donnelly at ANA Media Workshop in N. Y.

WEEKLY

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

RENEWALS & NAB SERVICES are key issues at Key Biscayne board meeting; takes position on renewal bill. Discussions include gripes, radio, cable, budget. Jockeying for elections. (P. 1)

UHF CH. 32-69 SOUGHT by mobile radio users, making estimates for needs in year 2000, preparing for WARC '79 sessions. Would displace 151 UHFs. (P. 3)

EARTH STATION PROLIFERATION creates prospect of public broadcasters marketing up to 10 satellite channels in virtually all major markets. (P. 4)

NEWSMEN SPIES FOR FBI & CIA? Stream of charges emerge, with Jaffe prime source. Sheehan, Cronkite & Chancellor issue incensed denials. International message carriers subpoenaed. (P. 5)

'MICROCAM' TO CBS for political conventions—smallest electronic camera yet, by Thomson-CSF, is claimed first lighter than film camera. (P. 5)

FORD SPEECH BACKS REFORM of regulatory agencies, Ford aides insist. Budget contains cuts for OTP & CPB, small increases for FCC & FTC. (P. 6)

FCC CONFLICT CHANGE TORPEDOED by Congress' short election-year schedule, Watergate memories. Senate Subcommittee sets tentative agenda. (P. 7)

RENEWALS & NAB ARE NAB ISSUES: After few hours of discussion over 4 days in not-so-sunny Key Biscayne, Fla. last week, NAB board decided to stick with congressional push for combined TV-radio renewal bill. Discussions centered on whether it would be prudent to push first for 5-year, radio-only bill, without any built-in stability. In end, both TV and radio boards adopted following resolution:

"The NAB reaffirms its commitment to license stability and a lengthened license term for all broadcasters. However, should the Congress decide first to direct its attention to renewal relief for the radio industry, NAB would support such appropriate legislation."

NAB staffers were happy with results, pointed out there's widespread Hill support for joint bill although Exec. Vp Donald Zeifang admitted chances for passage this year are "50-50 at best." (House Communications Subcommittee Chmn. Macdonald [D-Mass.], in Washington, stated that different types of licenses should be treated differently by FCC & Congress, but said treatment should be based on licensee's size, not whether radio or TV. "Quite a few small stations deserve a break over the larger stations," he said, because "it's hard for them to hire a lawyer to file the papers," while bigger stations "have a whole stable of lawyers up here [Washington]." Macdonald noted that ranking Republican Rep. Frey [Fla.] & other Committee members were pushing for renewal hearing, commented: "I want to do anything I can to accommodate them..."

Consumer Electronics

TAKING LAST TUBE out of TV, inventor William Glenn developing high-brightness CCD projection TV no bigger than Carousel projector. (P. 8)

COLOR SALES UP 16% from 1974 in 1975's final 5 weeks. But for full year, dealer buying was worst since 1971 in color, 1949 in monochrome. (P. 8)

TV MAJORS EYE PROJECTION: Zenith, Admiral & GE believed looking into systems, but entry depends on increasing brightness, reducing bulk. (P. 9)

VIDEO GAMES PRICES seen dropping rapidly as semiconductor, import firms jump into market. Lowball price could slip well below \$50 this year, dip to \$35 in '77. (P. 10) New games. (P. 11)

OPTICAL VIDEOGRAPHIC standards outlined by Philips, MCA & Zenith. Toshiba joins list of RCA licensees. MGM licenses 200 films to SelectaVision. (P. 12)

CB SALES BOOM attracts Wall St. interest. Some \$25 million being raised through offerings by SBE, Pathcom, Hy-Gain. Offering statements demonstrate spectacular growth, intense competition. (P. 12)

RCA, GE EARNINGS up sharply in 4th quarter, although color sales were depressed. Admiral posts first-quarter loss. (P. 13)

although the members also know of all the problems we have before the Committee...[but] it's one of my targets.")

Closing meeting Jan. 23 was highlighted by exec. board session (without staff or Pres. Vincent Wasilewski) called by George Brooks, KCUE(AM) Red Wing, Minn. He submitted list of 16 grievances allegedly compiled by "ad hoc collection of board members meeting informally...to discuss why some board members are disenchanted, disappointed and disgusted." Areas Brooks mentioned range from recommendations of 1972 NAB goals committee to criticism of Exec. Committee's powers to Wasilewski's "role & salary."

Directors report that NAB Chmn. Wilson Wearn let everybody have full say. Wearn said NAB could be doing a better job "in any one of these areas... There was much giving and receiving in good spirit." He said one of NAB's major problems is communications to dirs. & members and that he is taking steps to improve situation.

After long discussion, board "unanimously ratified action of the Exec. Committee taken since last board meeting" and commended NAB staff 'while recognizing the need for further strengthening of the association in dealing with massive and complex problems faced by the broadcast industry.' Special committee headed by Brooks will meet with Exec. Committee before NAB convention "to examine and make recommendations in the areas of improved communications with members of the board, industry groups & total membership and in the most effective use of NAB staff and resources in dealing with problems of the future."

Board approved budget (beginning April 1) of \$4,869,250, expected surplus of only \$68. (For current year, NAB expects surplus of \$228,732 on income of \$4.6 million.) TV Code expects \$25,656 deficit on income of \$670,250; Radio Code expects surplus with income of \$249,000. NAB expects \$1.48 million in radio dues, \$1.32 million from TV and \$463,000 surplus from 1976 convention. Of expenses, \$1.39 million (up 7.2%) is allocated to general fund; \$879,550 (up 7%) to station relations; \$870,125 (up 19.6%) to PR—including special account for pay TV & community affairs; \$783,641 (up 16.4%) to govt. relations.

NAB established assoc. member status for lawyers & engineers and raised dues for most manufacturing members (raising highest annual dues for manufacturers doing over \$10 million annually in business from \$1,250 to \$2,000). Law and engineering firms with 1-5 members will pay \$250 annually; 6-10 members, \$500; over 10, \$750.

In separate meetings, TV & radio boards split on acceptance of fireworks ads. Both Code Boards had recommended their ban; TV board agreed, Radio board sent back to Code for "re-consideration"—effectively killing proposal.

NBC Chmn. Julian Goodman won Distinguished Service Award—to be presented March 22 at convention in Chicago—on first ballot. While several names had been sent to Convention Committee (which picks recipients), only others voted on last week were Arch Madsen, Bonneville Bctg., and Stanley Hubbard, KSTP-TV St. Paul. Board changed DSA criteria to require that future winners must be in business side of broadcasting. This would eliminate from future consideration entertainers and journalists.

TV board Chmn. Walter Bartlett resigned effective with take-over of his station (WLWT Cincinnati) by Multimedia, headed by Wearn. FCC approved transfer Jan. 16; closing is set for March 2, and NAB by-laws prohibit 2 from same company serving on board at same time. Vice Chmn. Robert Gordon (who missed last week's meeting because of illness) was named to succeed Bartlett, and Kathryn Broman was elected vice chmn. Several board members expressed "much uneasiness" about growth of personal product ads on TV, instructed Code Board to keep subject under "serious review." Board changed prime-time definition in Code to read "any continuous period of not less than 3 hours" instead of 3-1/2 hours.

Much of TV Board's time was spent planning for Feb. 17 meeting with FCC on cable rules. Industry will bring several of its biggest guns, accuse FCC of moving too far and too fast in relaxing cable rules. Commission also will be criticized by broadcasters for not supporting terms of 1969 consensus agreement between NAB & NCTA. Board agreed to pay \$3,000 toward legal fees of 3 western TV stations in cable fight but said it wouldn't help with such expenses in future

unless aid was sought before any commitments were made.

Over dissent of CBS' Bill Leonard (NBC's Peter Kenney abstained), board came out against 8-week rating sweeps, also rejected Arbitron proposal to measure audiences every other week over 8-week period. Research Vp John Dimling said FCC has asked for informal hearing with BRC and rating services. Tenn. Assoc. of Bestrs. has asked NAB to consider formation of industry-owned rating service; NAB tabled action.

TV Board revised dues structure to base payments on market size instead of "the present antiquated prime-time hour rate." New rates will increase NAB revenues by \$150,000 annually. No increase for 1976 will be more than 15% for any station and no dues will be decreased even if new formula indicates drop.

Wasilewski opened Radio board meeting with defense of NAB activities in radio. He said Vp-Radio Affairs Charles Jones will serve "as a sort of ombudsman and a contact point for our radio members" and that a lawyer and govt. affairs professional will specialize in radio matters. "NAB has always done a lot for radio but not all radio members are aware of it," he said. "We believe this expanded active program will go a long way to convince our members and our constituents that NAB is doing more for radio than any other organization by a margin of about 1,000%." Radio board approved creation of a "future of radio planning study" and allocated \$30,000 for that purpose. Radio Chmn. Harold Krelstein will appoint committee of 3-5 to provide input and direction.

There was much grumbling, as expected, over recent tie-in with RAB on convention (Vol. 15:50 p4), but board ended up resolving "to support and ratify the NAB Exec. Committee's recent actions in inviting the participation of RAB." "A very substantial number of the board had reservations," according to NAB official. He said some board members felt convention arrangement amounts to NAB-RAB merger; not so, countered Krelstein successfully. Board also established a "Radio Hall of Fame in recognition of outstanding contributions." Recipients will be installed annually at convention, and Robert Hilker, WCGC(AM) Belmont, N. C. is chmn. of selection committee.

Radio board devoted much time to CATV, told staff to seek protective rules from FCC covering duplication, degradation of signal and requiring that local station be carried if cable system provides aural service. CBS Vp Sherril Taylor told board that "any competition from cable systems against radio broadcasters is unfair competition." He and others expressed fear that sporting events on pay cable will be withdrawn from radio to "maximize the home box office." Taylor said "action must be generated by this board to help stem the tide of siphoning, CATV in general, and cable radio." Dimling reported on survey of 323 radio stations to determine cable impact, said that 60% aren't being carried by local systems which originate audio.

Jockeying has started for NAB Exec. Committee spot to be elected next June. Wearn & Gordon are expected to be unopposed for reelection as joint chmn. and TV chmn., respectively; Charles Batson will oppose Broman for TV vice chmn. Donald Thurston, candidate for radio board chmn., is expected to draw opposition. Candidates for radio vice-chmn. are Virginia Wetter & Melvin Laird. Also possibilities for radio vice-chmn. are Len Henzel & Donald Jones.

Board consensus was to hold Jan. 1977 meetings in Hawaii, although Exec. Committee is to seek hotels and costs and report to board before convention. If Hawaii is site, NAB will pay travel expenses only as far as West Coast. Spring board meeting will be held at NAB hq in Washington, June 14-18. Board also changed one 1977 fall conference from San Francisco to San Diego.

MOBILE RADIO WANTS UHF CH. 32-69: Comes now land-mobile radio operators with further designs on UHF TV channels—this time Ch. 32-69 inclusive (578-806 MHz). Private Land-Mobile Advisory Committee, preparing its estimate of spectrum needs by year 2000—getting ready for 1979 international conference in Geneva (WARC '79)—will file its preliminary views with FCC by Feb. 1. Final estimates are due June 1, but Committee Chmn. Neal Pike, of FCC staff, said he doubts that there will be major changes.

Private land-mobile service has long had some 40 MHz of spectrum below UHF TV band,

then it got permission to share, in some cities, UHF Ch. 14-20 (470-512 MHz). Then it got 30 MHz at top of UHF band—806-821 & 851-866 MHz—but this is still unused. Pike said he didn't know if any count has been made of UHF stations which would have to move off Ch. 32-69 if land-mobile took over. We've counted them: Of nation's 352 UHF stations, 151 would be dispossessed. Few in industry are aware of latest move, but reaction will be strong. AMST, for one, is appalled, will oppose strongly.

NEW TELEVISION FACTBOOK PUBLISHED: New Television Factbook No. 45 is now being delivered—its 2,050 pages in 2 volumes providing industry's basic reference work for 31st year. Use enclosed order card for immediate shipment.

Factbook comprises 150-plus directories, includes full page for each commercial U.S. TV station, with map displaying its Grade A & B contours (the only document providing such contours), county-by-county Arbitron data, personnel, ownership, technical facilities, representatives (legal, engineering, sales), address, phone, TWX, digest of rate card, etc. In addition, all TV stations of world are listed—with data obtained directly from each country—including top personnel, addresses, phone, hours of operation, color & b&w standards and number of receivers, sales reps, technical facilities, etc.

Cable directory in Factbook (issued continuously for 24 years) is most extensive ever published, covers 525 pages. Directory includes details of operating systems, franchises, applications for franchises. Data covers number of subscribers, potential, miles of plant, miles planned, homes in front of plant, stations carried (microwave or off-air), origination facilities, subscriber rates, city fee, manager, ownership, population, counties, communities involved, brands of equipment, channel capacity, channel utilization, date of start.

Among other features of Factbook: Complete tabulations of station & receiver growth since start of TV; official FCC reports on financial performance of TV stations market-by-market, year-by-year; station-by-station tabulation of studio equipment (cameras, video recorders, etc.); details of all TV station sales since 1949; directory of CPs & pending applications; directories of communications attorneys, engineers, management consultants, sales reps, brokers; for each network, directories of executives, affiliates & affiliate boards, rates; trade associations; publications; equipment manufacturers; ad agencies; TV channel allocations; translators; group station & CATV system owners; multi-point distribution services licensees, permittees & applicants, etc.

PTV EARTH STATION PROLIFERATION: Tantalizing prospect of marketing capability to receive up to 10 broadband satellite channels in as many as 155 markets—including virtually all major markets—was dangled before nation's PTV stations last week. In closed-circuit briefing of PBS member stations on satellite distribution plan (Vol. 16:3 p4), Satellite Working Group (SWG) attorney Michael Curzan noted that WU—whose Westar satellite has been targeted by SWG for PTV interconnection system—has expressed interest in using system's spare capacity on for-profit basis, guaranteeing CPB minimum \$750,000 annually. CPB then would distribute any profits to participating stations.

Plan depends on FCC & congressional approval, as well as by stations, but if okayed down the line could result in massive program distribution potential. Though PTV satellite system was termed "a small facility—not an enormous amount of excess capacity" by PBS Vice Chmn. Hartford Gunn, he added: "This is going to be a very common thing in the near future. I think there are going to be a lot of networks like this before long." Westar has total of 12 channels; PTV station probably would be using only 2 at any given time, leaving each earth station with potential to receive additional 10 channels with installation of additional equipment. However, some channels probably would go to public radio & other non-profit uses on priority basis.

Gunn said SWG's primary goal in constructing PTV satellite system was "to get a first-rate interconnection system—that overrides everything else." Any plans by WU, individual stations or other entrepreneurs "is secondary," he explained. "We don't want to get in the commercial game and don't want to give anyone a competitive edge. That is not our intent. But it is our

opinion that we could not make it stick to say that 'this is our earth station' and not let anyone else use them. I don't know any way short of saying we won't let anyone else use this spare capacity to deal with this situation." He said SWG would leave up to FCC whether to allow other system-wide uses, use at option of local station only, or bar all non-public broadcasting uses.

FCC officials we contacted said issue of who can use system "will be a real tough legal decision," but declined to go into intricacies without first seeing contracts, etc. Congressional aides noted there will be many policy questions for Congress, as well. For example, "If they started getting into competition with the networks with the use of government funds, I'd have problems with that." Western Union, asked what use it intended for spare channels, would say only: "It is much too early to comment on various technical aspects of a contract that is still under negotiation."

NEWSMEN SPIES FOR FBI & CIA? Charges and denials that journalists served as paid or unpaid agents of FBI and CIA—and that FBI and CIA had agents posing as journalists—swarmed out of Washington in dizzying stream last week, while everyone waited for definitive reports out of congressional investigative committees.

A prime source for reports was former CBS & ABC correspondent Sam Jaffe, who said he was unpaid informant for FBI when he covered UN in 1950's. At week's end, Jaffe said he was told by former Nixon aide Patrick Buchanan that Nixon had list of 40 to 200 names of journalists who had given information to CIA & FBI. He said he was told list included ABC's William Sheehan, CBS's Walter Cronkite & NBC's John Chancellor. Immediate denials were issued: ABC—"Bill Sheehan categorically, without qualification, denied any involvement, formal or informal, with any intelligence organization of the U.S. or any other country." Cronkite: "I flatly deny that. It is an absolute lie. I've never had any contact with the CIA in my entire life." Chancellor: "It's not only totally untrue—it's ridiculous. I have never done a thing, formally or informally, for either the CIA or FBI."

Meanwhile, Chmn. Jack Brooks (D-Tex.) of House Govt. Operations Committee said group had voted to subpoena RCA, ITT, Western Union International, 4 FBI agents and National Security Agency official in investigation of charges that intelligence agents were given access to international cable traffic, including press, ever since World War II. It's expected FCC also will be called to determine whether it deliberately overlooked such activities by carriers.

AFTRA lost suit against NAB—challenging TV Code's prohibition against "host selling" in children's programs—when U.S. Dist. Court (N.Y.) Judge Thomas P. Griesa held that there was no violation of antitrust laws or 5th Amendment. Judge found "not the slightest indication of any anti-competitive purpose in the creation of the rule" and he said AFTRA's claim that "the NAB rule somehow violates substantive due process...must fall as completely unsupported by reason or authority." AFTRA began suit Jan. 17, 1973.

IRTS' highest honor, Gold Medal, will be presented to NBC—first time to an organization rather than individual—March 18, Americana Hotel, N.Y.

'MICROCAM'—SMALLEST YET: Full-feature broadcast camera lighter than film camera was shown & described to last week's SMPTE conference in Detroit by Thomson-CSF Labs Pres. Renville McMann. Product of engineering team which developed pioneering Minicam for CBS, new camera is claimed to be 1/2 weight & size, and to consume half the power, of comparable ENG cameras. Development was commissioned by CBS at CBS Labs (now Thomson-CSF Labs) for 1976 political conventions.

After delivery of first unit to CBS, Labs will offer Microcam at under \$30,000, manufacturing it in lots of 100 at Stamford, Conn. Camera weighs 8 lb. including zoom lens & viewfinder; hip-pack control unit & battery pack weighs 3 lb. Camera can be operated from flashlight batteries in emergency. Three-Plumbicon unit has built-in horizontal & vertical image enhancers, is claimed to be first camera designed to accept CCD pickups in place of tubes when available—making possible further reductions in weight & power.

McMann told us camera was designed as direct substitute for film camera, with automatic control circuits, most knobs replaced by switches. He said new unit was especially adaptable for women camera operators and forecast it would expand opportunities for women in TV journalism.

NCTA appeal of FCC fee decision (Vol. 15:3 p4) got good reception from 3-judge panel of U.S. Appeals Court (D.C.) in oral argument last week. NCTA Gen. Counsel Charles Walsh argued that cable industry operated for 20 years without FCC regulation, noted that since FCC asserted jurisdiction, "regulation has primarily protected the broadcaster." FCC's Jack Smith took tough questioning from court, replied that cable systems get authority to carry broadcast signals. Judges noted that cable systems don't use spectrum, as do broadcasters, asked many questions on what benefits accrue to CATV system from annual payments. Earlier Supreme Court decision required that FCC fees be based only on services "providing a benefit to the recipient."

Donald Burden's appeal of FCC decision denying renewal of his radio stations in Indianapolis, Omaha & Vancouver (Vol. 15:5 p4) has been turned down by D.C. Appeals Court. He'll seek review by U.S. Supreme Court.

FORD SPEECH BACKS REGULATORY REFORM:

Despite fact that President Ford's State of the Union message to Congress didn't mention communications reform, "nothing has changed" in Administration's determination to push reform in cable area, according to White House staff. "When you have only a very few words, it is best to confine them to efforts already before the Congress," White House economic adviser Paul MacAvoy told us, explaining why Ford speech mentioned only plans for transportation and banking reforms. "I would think the broadcast industry could conclude that he [Ford] is pretty serious on following through on the plan to do away with restrictive government regulations."

Though Ford's message contained only 2 short paragraphs on regulatory reform, members of White House task force stressed that other White House aides—particularly Ford's political advisers—opposed even small mention. They pointed out that "fact sheet," staff statement accompanying State of Union Message for use by press, "clearly left the President's options open" in all reform areas. According to fact sheet, regulatory reform is "a principal goal of his Administration...an essential part of the President's effort to make government more responsive to current economic and social realities."

President's fiscal 1977 budget, submitted to Congress last week, also reflected Ford's belief in cutting down on govt. Budget proposed cutbacks for OTP & public broadcasting, only slight increases for FCC & FTC. Ford earlier decided to limit regulatory agencies to "no growth" (Vol. 15:49 p1), apparently yielded only slightly during appeals process.

FCC's proposed budget would give all Commission activities \$51,448,000 vs. \$51,154,000 last

Study of radio networking, in form of inquiry & rulemaking, will be undertaken by FCC. In presentation to Commission last week, John Bass, chief of network study, noted that most radio network rules have been virtually unchanged since 1941 split of NBC's Blue & Red Networks—while industry has undergone radical changes. Also part of inquiry is petition by Mutual asking that AP and UPI radio services be regulated as networks. AP & UPI oppose petition, stating that they merely offer service, don't act as sales agent, don't require carriage of material. Rules under consideration were designed to limit control of networks over affiliates—option time, dual affiliates in same market, territorial exclusivity, etc. Commission is questioning whether most such rules are necessary. Staff was asked to bring back draft Feb. 5. It's expected 75-90 days will be given for comments, 30 for replies.

Proposals for studies on social & psychological impact of TV programming content are being solicited by ABC-TV. Management research committee will accept 4 proposals, each to receive \$20,000 grant. Letter to 500 institutions asked that studies focus on "the attitudes, emotions, learning behavior & perception of the TV viewer, especially with regard to children," promised that ABC would "respect academic integrity & autonomy of the university, professorial staff or doctoral candidate."

fiscal year. Commissioners, broadcast, safety & special, and research & planning would get boosts of less than 1%, while common carrier & field operations would be cut less than 1%. Commission employees would rise from 2,130 to 2,149, average salary up about \$800.

FTC showed over-all increase of more than \$5 million to \$52.9 million for fiscal 1977, with largest increase in Competition Bureau, small cut in Consumer Protection. Budget statement explains that FTC will stress marketplace regulation of economy "by removing impediments to competition and by injecting relevant information into the marketplace." Permanent employees would increase by 30, average salary by \$54.

OTP would get \$8.2 million for fiscal 1977, vs. \$8.8 million year before. Cuts reflect shift of Privacy Committee out of OTP, decrease in attention given research & development & govt. communication matters, slight increases in spectrum management and international communications. Total personnel would drop to 41 (vs. 48 for 1976). Contained in OTP budget is approximately \$5 million earmarked for policy support by Commerce's OT (vs. \$5.5 million year before); in addition, OT would get \$1.4 million (unchanged) directly from Commerce budget. OT employees would be down 7 to 205.

CPB would receive only \$70 million for fiscal 1977 (vs. \$80 million called for in original Administration funding bill, \$103 million authorized by Congress). In addition, proposed budget would cut HEW funds for broadcast facilities to \$7 million (\$12.5 million in 1976), for educational TV programming to \$3.5 million (\$7 million last year).

Planning to feed CATV systems via satellite, WTCG Atlanta is advertising for "affiliates," has hired as vp for cable relations Donald Andersson, NCTA vp for planning & statistical services; he reports Feb. 16. Station plans to offer Atlanta Braves, Hawks & Flames, plus college basketball, up to 40 movies weekly, etc., 24 hours daily, 7 days weekly. Station said it expects to charge 10¢ per cable home. It will use Scientific-Atlanta equipment, is discussing satellite channels with Western Union & RCA, expects to make choice within couple weeks.

Sale of Williamsport, Pa. cable system by Gov. Milton Shapp in 1971 reportedly is being investigated by FBI. Shortly before sale, system received new 25-year franchise. Later, 2 city councilmen obtained state jobs—and FBI is understood to be looking for wrong-doing, must act by Feb. 25, when 5-year statute of limitations runs out. Edward Mitchell, Shapp's press aide, stated: "Let them look. They won't find anything."

HEW educational broadcasting facilities bill authorizing \$37.5 million through Sept. 30, 1976 was passed by House. President Ford's proposed budget asks only \$7 million to fund program for same period (see above). Meanwhile, House Appropriations Subcommittee meets on CPB long-term funding appropriation Feb. 6, with mark-up expected in March.

Personals

Rodney Egan advanced to NBC program standards dir...**Herbert Schlosser**, NBC pres., addresses BBC luncheon as part of "lunch-time lecture" series Feb. 12, London...**Andrew Subbiondo** promoted to vp-asst. to pres., CBS Radio Div., new post.

L.M. (Bud) Courson promoted to NAB vp-admin. services; **Charles Jones** to vp-radio affairs; **Valerie Waddelove** to Jones' admin. asst...**John Barnum**, Transportation Dept. deputy secy., turned down invitation by President Ford to become FTC chmn. (Vol. 16:2 p4).

Donald Havens, ex-Heritage Enterprises, appointed National Telefilm Assoc. pres...**Joseph Fusco** advanced to ITC exec. vp-advertising & PR, in charge of both halves of newly-split ad, publicity & promotion dept...**Frank Beazley**, ex-TV News & one-time CBS exec., named mktg. dir., Alcare Communications...**John Crawley** appointed Visnews chmn., succeeding **Lord Radcliffe**.

Richard Block, broadcast consultant & one-time Kaiser Bcstg. pres., appointed a vp, Lorimar productions, will work in program development; he'll remain consultant until completion of projects already begun...**John Gilbert**, one-time ABC & TV News, advanced to pres., Telcom Assoc...**S. William Scott** promoted to vp-radio news operations, Group W Radio Station Group, new post...**Herbert Miller** promoted to exec. vp-Kansas City, Cinema Centre Films.

John Otter, consultant to WNET(ETV) N. Y. & one-time NBC-TV, joins SSC&B as vp-network programming dir...**James Marino**, RTvR vp-gen. mgr., advanced to pres...**Robert Newgard**, ex-Paramount TV, named exec. vp-sales, 4-Star...**Jack Hoskins**, WCLE-AM-FM Cleveland, Tenn., elected pres., Tenn. Assn. of Bcstrs.

Henry Geller, one-time FCC gen. counsel, appointed advisor for communication law to National News council...**Cathy Molo**, ex-press aide to Rep. Florio (D-N.J.), named AAF information & educational services mgr., succeeding **J. David Schwartz**; **Georgette Soulie** advanced to finance dir.

James Thistle advanced to news dir., WCVB-TV Boston...**Arthur Kent**, ex-KTVX Salt Lake City, joins WIIC-TV Pittsburgh as news mgr...**Steven Fisher**, ex-WLWT Cincinnati, named program mgr., WJRT-TV Flint...**Chuck Muntean** promoted to vp-gen. sales mgr., KMST Monterey.

Richard Sykes elected Teleprompter vp-finance & treas., succeeding **Jerry Greene**, who remains a dir...**Gerald Mattison**, ex-Transcable, named pres., Microwave Entertainment Network & subsidiary Marquee Entertainment Network, Washington pay-movie (MDS) operation...**Peter Hanson** named HBO treas.

Edward Pfister, asst. to PBS Chmn. **Ralph Rogers**, named pres.-gen. mgr., KERA-TV-FM (ETV) Dallas, succeeding **Robert Wilson**, resigned (Vol. 15:52 p5)...**Sandy Sauser**, KOCE-TV(ETV) Huntington Beach, Cal., elected a dir., NAEB; **Joseph Schubert** named personnel & employment services dir.

FCC CONFLICT CHANGE TORPEDOED: Long-pending bill to ease FCC's strict conflict-of-interest regulations will go nowhere this Congress, following hearing before Senate Communications Subcommittee. In response to charge by NCCB Chmn. Nicholas Johnson that easing regulations wasn't appropriate in wake of Watergate, etc., Chmn. Pastore (D-R.I.) told him: "Don't belabor the point, Nick. In this year of presidential elections...I don't think this Committee is going to consider any loosening up." In prepared statement, FCC Chmn. Wiley noted that present rules preclude FCC employee from owning, for example, stock in company with airplane or even delivery van equipped with radio device licensed by Commission, said change was intended to ease situation for staffers, not commissioners.

Getting more favorable reaction from Subcommittee were bills: (1) Allowing unmanned FM translators and limited program originations for TV translators. (2) Increasing FCC fines and extending FCC authority to cable systems, unlicensed CB operators, certain others. NCTA President Robert Schmidt submitted statement saying Assn. opposes translator originations because they would interfere with cable & broadcast transmissions. Wiley told Subcommittee interference was minimal problem, while National Translator Assn. attorney Leon Knauer said present economic situation made cable service to low-population areas now served by translators unlikely. There was no opposition to increasing FCC's forfeiture authority.

In staff memorandum to full Committee, Communications Subcommittee set out tentative goals for 2nd session of Congress. Among highlights: (1) Committee "is considering holding hearings on the effectiveness of...industry self-regulation in reducing TV violence." (2) Possible legislation to codify increased UHF transmitter capacity, improved UHF receiver capability, UHF-VHF-combined "detent tuning." (3) "Depending on the outcome of the judicial review," Committee may act on FCC equal time changes (Vol. 15:39 p1) "to ensure full protection of candidate rights, as well as the public interest," in FCC "oversight" hearing; "inter-agency coordination of telecommunications policy" and "the appropriateness & efficiency of [FCC's] existing management priorities" also will be covered. (4) Cable regulation & legislation. Other hearing possibilities: Public broadcasting & equal opportunity; international telecommunications policy; CB "re-regulation"; Daylight Saving Time; CPB, Comsat, FCC & OTP nominations.

■ "Govt. in Sunshine" bill has been approved by House Govt. Operations Subcommittee. Bill passed Senate last session, would open to public & press most meetings of govt. agencies such as FCC, FTC.

Acquisition of Washington Star stations by Star publisher Joe Allbritton (Vol. 15:51 p5) received final formal FCC approval last week--text of decision to be issued soon.

FCC L. A. office has moved to 3711 Long Beach Blvd., Long Beach, Cal. 90807.

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Jan. 2 (final week of 1975):

	1975 (52 weeks)	1974 (53 weeks)	Dec. 29- Jan. 2	1974 week	% change ¹	% change ² (adj.)
Total TV	11,452,900	13,770,377	202,327	168,936	+19.8	+6.3
color	6,485,297	7,829,554	119,803	87,303	+37.2	+18.4
monochrome	4,967,603	5,940,823	82,524	81,633	+1.1	-7.4
Total radio	34,696,020	43,720,533	1,016,336	611,435	+66.2	-25.1
home, portable	25,456,316	32,958,773	892,514	376,911	+136.8	-28.1
AM-only	7,010,478	12,903,291	313,494	162,953	+92.4	-41.8
FM & FM-AM	18,445,838	20,055,482	579,020	213,958	+170.6	-17.5
auto	9,239,704	10,761,760	123,822	234,524	-47.2	+5.7
Port.-comp. phono	3,421,465	4,428,311	59,811	54,357	+10.0	+54.6

Color TV 5-week moving average: 1975—136,437; 1974—126,645 (up 7.7%).

¹Official EIA comparable week. ²Vs. most nearly comparable 1974 calendar week.

TAKING THE LAST TUBE OUT OF TV: Tubeless TV set about size of Carousel slide projector, capable of throwing large bright picture on standard movie screen (or adaptable to rear projection) at about same cost as today's console is under development by William Glenn, who was largely responsible for GE's highly successful (and high-priced) Light Valve TV projector.

Glenn, now dir. of N. Y. Institute of Technology's Science & Technology Center in Dania, Fla., after stint at CBS Labs, is combining principles of Light Valve with charge-coupled device (CCD) to eliminate picture tube and develop high-brightness home TV projector. He estimates project will be complete in 3 years, with good working prototype in 2.

Light-valve, or Eidophor, principle makes possible high-brightness picture because, unlike other TV projection systems, it can use external light source, such as projection lamp. In both GE's Light Valve and Swiss Eidophor, layer of oil is modulated by electron gun and external light is refracted from oil layer to produce picture. Glenn plans to substitute CCD chip for electron gun, using gel or membrane about size of 35-mm slide in place of liquid layer. Actually 3 CCD-membrane pairs would be used—one for each color—and converged with dichroic mirrors.

Glenn's lab is making own CCD chips—"we've made small pieces which work, but we don't have TV resolution yet"—and he sees no major obstacles in terms of technology. "Camera chips have already been produced with enough resolution for TV." As guide to eventual pricing in production, he sees tradeoff in costs of added chip, projection lamp & screen with elimination of console cabinet & picture tube. Glenn holds patent on projection system using CCD with deformable medium, expects that NYIT will eventually team up with or license major TV set makers, possibly making chips itself.

Note: GE's Light Valve development under Glenn was aimed originally at producing consumer product. Glenn is understood to have continued research in TV projection at CBS Labs.

1975 ENDED WITH COLOR UP 10%: Official & complete EIA sales-to-dealers figures for 1975—in box above—show all major product categories down substantially from 1974. Color had poorest year since 1971 in unit sales, monochrome worst since 1949.

But year ended on hopeful note. Fourth quarter wound up on plus side—1,952,416 color sets sold vs. 1,928,038 in same 13 weeks of 1974, increase of 1.3%. And year closed with inventories in excellent form (Vol. 16:3 p7).

Dec. was upbeat month, but only when compared with 1974 figures. With 682,184 sets sold, annualized rate for month (based on historical data of last 4 years) was 5.92 million, lowest level since Feb. 1974. But Dec. 1974 was so sluggish that 1975 month represented 16.1% increase on calendar-month comparison basis, best year-to-year rise for any month since June 1973.

Dec. 1975-to-Dec. 1974 comparisons tend to be misleading, since EIA's statistical calendar put 6 weeks in Dec. 1974 for adjustment purposes, while Dec. 1975 had only 5. So in table of Dec. 1975 sales to dealers below we've given EIA-month comparison followed by comparison with same 5 weeks in Dec. 1974, which provides more reliable indicator.

Product	Dec. 1975 (5 weeks)	Dec. 1974 (6 weeks)	% change	Dec. 1974 (5 weeks)	% change
Total TV.....	1,158,165	1,332,193	-13.1	1,068,164	+8.4
color	682,184	734,427	-7.1	587,651	+16.1
monochrome ..	475,981	597,766	-20.4	480,513	-0.1
Total radio	3,621,575	5,722,052	-36.7	5,064,726	-28.5
home, portable .	2,651,308	4,655,807	-43.1	3,720,458	-28.7
AM-only.....	741,723	2,022,359	-63.3	1,639,876	-54.8
FM & FM-AM .	1,909,585	2,633,448	-27.5	2,080,582	-8.2
auto.....	970,267	1,066,245	-9.0	863,755	+12.3
Port.-comp. phono	346,830	593,096	-41.5	441,750	-21.5

MAJORS STARTING TO EYE PROJECTION TV: With perhaps as many as 20 companies—many of them regional—now offering various types of TV projectors, major manufacturers are being forced to take another look at field which many of them had considered short-lived, high-priced-gimmick phenomenon. Some had their eyes opened when they sounded out their key dealers at CES, found many taking on projection lines.

Only major in field now is Sony, offering single-tube one-piece unit with 20-x-30-in. screen at \$2,295, and understood to be working toward additional models. Zenith, as we reported last month, seems to be taking new interest, and is understood to have contracted Optical Sciences Group, San Rafael, Cal., to develop multi-element fresnel lens (Vol. 15:48 p7, 15:49 p9).

Most majors are cautiously following field but looking for—or trying to precipitate—break-through which will vastly increase light output and reduce bulkiness, such as William Glenn's work toward CCD projector (see above). Openly enthusiastic about projection's future is Charles Urban, pres. of Rockwell Consumer Operations & Admiral Group: 'There are so many reasons projection TV's going to fly it's beyond the imagination. I've seen a lot of interesting ideas. Our Science Center in Anaheim, Cal. is working on it. You'll start seeing prototypes [of external-light-source projection TV systems] within 1-1/2 years. We'd like to see projection taking over the console market, starting at \$595."

Among other TV makers, GE has long background & experience in projection—at 1974 CES it even showed "home projection TV set of the future" (Vol. 14:24 p9). It's difficult to believe GE has lost interest.

But right now there are only 2 types of projection TV sets on market at price which could be considered within reach of consumer—Advent's and everybody else's. One knowledgeable source estimates that perhaps 10,000 have been sold to date (4,000 by Advent), and sales this year should approximate 20,000. But influence of projection TV carries far beyond its piddling sales—particularly because of its high visibility—and it has captured imagination of influential part of public.

Advent's new consumer-oriented 3-tube projection system is scheduled for unveiling in late Feb. or early March, presumably at around \$2,000. Pres. Henry Kloss feels it will mesh in nicely with introduction of videodisc systems, expects dealers to use it for disc demos. Mean-

while, Shannon Communications continues development work on new single-tube system.

Bulk of projection systems now on market, or about to be marketed, are similar to Muntz unit, using stock small-screen color TV and lens or lens-plus-mirror assembly. Some are being assembled by former Muntz dealers or distributors. Among other identifiable projection TV manufacturers & assemblers are Worldwide Entertainment Systems, Rockville, Md.; Tele-Theatre, Lawrenceburg, Ind.; Spectra-Vue, Kalamazoo, Mich.; Tandom Enterprises, Waukesha, Wis.; Miami Projection TV, Fla. (kit); Tele-Pro-Sys (Tape Head Co.), Salt Lake City (kit).

GAMES CAUSE PRICING WORRIES: Is fledgling video game market headed down same lowball price trail blazed by calculator & watch industries? That appears to be future awaiting low-end, table-tennis segment of game industry, with price points slipping below \$50 level by year's end, possibly dropping to \$35 or lower during 1977.

Entry of first vertically integrated semiconductor firm (Fairchild) into home market—coupled with near-geometric rate at which toy & game, calculator, import & other companies are jumping into field—points to rapid price disintegration over next year, knowledgeable sources in field say. Announced last week, Fairchild deal is joint venture with Phoenix-based Mirco, which has coin-op game div., will result in introduction of color table-tennis game before end of first quarter, range of more complex "action games" before end of year—all under \$100. Games will be marketed under Fairchild & Mirco names.

Tight supply situation probably will keep retail prices at relatively high level through first half. Market is now being supplied by handful of companies—only Atari, Executive Games, First Dimension & Magnavox have received FCC Class I TV device approval so far. But FCC is expecting flood of applications in next few weeks, and staffer says approval process takes only 3-6 weeks.

Significant number of those are expected to be simple table-tennis models with limited range of games & functions—relatively inexpensive to produce on volume basis. Chip prices run as low as \$5-\$6, RF assemblies below \$10. Adding cost of circuitry, plastic cabinet, control knobs, wiring & tooling, game already can be put together for \$20-\$25. APF is understood to be quoting \$35 dealer price for volume orders on its new game (Vol. 16:2 p11), with Sears, Penney & Woolco as major customers.

If demand holds up, \$80-\$90 suggested list price of APF unit could remain firm at retail through first part of year. "We may cut our prices by \$10-\$20 by Christmas," APF Mktg. Mgr. Howard Boilen told us, "but this year will be tight, so what we do with prices might not be done at retail. If [retailers] can get a good price, they'll get it."

Nonetheless, those getting into industry admit that lower manufacturing costs and intensified competition inevitably will drive prices down. In addition to entry by vertically integrated firms—Fairchild, National Semiconductor's Novus Div., possibly TI—there are predictions raft of low-end knock-down games from Far East will hit U.S. market soon. "I'll be damn surprised if we don't see a \$39 game by the end of the year," executive of leading chip supplier told us.

Companies now in game business are seeking to keep out of pricing war, gambling that strong \$70-\$150 market will develop, leaving low-end battle to marginal segment of industry. "You'll see some people fighting it out at the low end," says Ronald Rutkowskie, mktg. vp of Control Sales which markets Video Action III, "but this won't be the watch or calculator business." Although he sees possibility of under-\$50 "Mickey Mouse" unit on market by year end, he feels most firms will concentrate on \$100 level with more deluxe units featuring variety of games.

Problem is that games offered on deluxe units are only variations of basic table-tennis concept, while Mirco-Fairchild venture promises under-\$100 sophisticated "shoot," "chase" & "driving" games similar to those in Mirco's coin-op units.

New games will use dedicated LSI chip instead of more expensive microprocessor, which Mirco Pres. Thomas Connors say isn't necessary to reproduce complex coin-op games in

home unit. "Within a year," Connors says, "you'll be able to pick up the most complex game for pocket money."

If true, that could force Universal, First Dimension, Atari, Magnavox & others into round of price-cutting on higher-end table-tennis units, lead to repeat of situation in calculator field and trigger first of market shakeouts.

In midst of concern over price erosion, no one in industry doubts potential market is vast, limited by number of TV sets in use. But estimates of market size vary widely. Here's our guess, based on conversations with suppliers & manufacturers in field: 1975—250,000-500,000 units, \$25-\$35 million; 1976—2-2-1/2-million units; \$175-\$225 million.

NEW VIDEO GAMES: Ontario-based Weber Electronics is marketing Tele-Tainment line of 4 battery-operated games, all featuring 7 games, 2 with remote attachment. Games are available immediately, prices not known... **LTA** of Chatsworth, Cal. will introduce self-contained portable & cocktail-table home games March 1, both at \$1,400. Portable unit comes in attache case, has 5" picture tube. Table game has 12" screen. Major tube supplier is Motorola. Games operate from programmed boards inserted into slot. Additional boards with 2-4 games will be available at \$10. Firm plans to show line at June CES.

Other developments: APF plans 2nd-generation game using microprocessor in \$150 range in early 1977. Executive Games is adding TV Hockey with deliveries in Aug.; retail price is \$80 (price on TV Tennis has been increased \$5 to \$70). First Dimension will add 2nd game in April for June delivery, 3rd unit in July for Aug. delivery, 4th for Christmas delivery, will hit \$70 price point by end of 1976. Magnavox hopes to add 2 new games during coming year—deluxe, multi-game color unit, followed by basic Ping-Pong at price point below existing Odyssey games. Universal Research will introduce Video Action IV in June, along with lower-priced game (FCC says Video Action III, introduced at recent CES is still being tested, hasn't been approved. Forerunner, Video Action II, was taken off market due to lack of FCC approval).

Admiral's mystery product, 'Interface IV' (Vol. 15:39 p7), probably will be unveiled in prototype in late Feb. or early March, we were told by Rockwell Consumer Operations Pres. Charles Urban. Device uses TV screen, has logic circuit. "It's not a consumer device," Urban said, "but it has application to the same kind of customer who is buying projection TV today." What does it do? "Its potential is limited only by the imagination—name it and there's probably some way we can do it." Among possible uses: Electronic drawing board—it will let user draw pictures in color on TV screen (but "it's not for 11-year-olds"). Sophisticated games, such as bridge or Monopoly. Price is expected to be high for consumer product, but low for minicomputer product of this kind. Main purpose of demonstration, Urban indicated, will be to stimulate ideas on possible uses & markets.

Justice Dept. says it was informed in Dec. that Whirlpool was discussing sale of interest in Warwick to Japan's Sanyo (Vol. 15:50 p7), but was not requested to conduct business review, has had no word since.

CB Scene: Motorola & Superscope confirmed what everybody suspected—both will enter CB field. Motorola's line will include under-dash, base station units, antennas & accessories for 2nd-quarter delivery. In-dash models will be added later. CB equipment will be made by Communications Products Div., sold through Automotive Products Div... **Superscope** established Automotive Products Div. to market CB mobile & base station units, car stereo equipment produced in Superscope Taiwan & Marantz Tokyo facilities... **FCC** is asking those filing CB license applications to wait at least 12 weeks before inquiring into status, due to heavy backlog. FCC also pointed out reduction of age limit for CB operation to 16 is only proposal, that 18 remains legal operating age... **Industry** is getting another publication, Charlton Publications' C.B. Times, with projected initial newsstand circulation of 150,000... **NARDA** continues expansion of Traffic-builder private-label program, adds Lake line of mobile CB units, available in limited quantities... **FCC** Chmn. Wiley asked Senate Commerce Subcommittee to extend fining authority to cover unlicensed CB operators, and Senate Communications Subcommittee is considering hearing on CB re-regulation (see p. 7).

Mergers & acquisitions: **Westinghouse** Canada signed letter of intent to sell appliance assets to White Consolidated, cancelling agreement to sell to Toronto-based GSW. White bought Westinghouse's U.S. appliance business last year, was blocked from acquiring Canadian arm by Foreign Investment Review Agency (FIRA) which favored idea of local ownership. New White approval request is pending with FIRA... **RCA** is negotiating sale of discontinued test equipment business to Philadelphia-based VIZ Mfg. VIZ has been supplier of such equipment to RCA... **N. American Philips** agrees to acquire Airpax Electronics, producer of industrial controls & electronic components, for shares valued at about \$8 million.

Easing of ban on display of uncertified TVs, FM radios & other RF devices at trade shows is planned by FCC, which is expected to issue proposal, in form of order or rulemaking notice, in next few weeks. Staff recognizes industry needs relief from policy prohibiting exhibit of even non-working mockups, but hasn't yet decided how far to bend, we were told by Frank Rose, Technical Standards Branch chief. Main concern, he said, is that too liberal relaxation could "create an opportunity for people to use this as a means to create a market for equipment which would not be acceptable" under FCC rules.

OPTICAL DISC STANDARDS: As forecast last week (Vol. 16:3 p8), North American Philips & MCA released summary of recommended encoding & disc formats for compatible optical videodisc systems. Release credited "experimental & analytical studies conducted by Philips, MCA & Zenith." Conspicuously absent is 4th optical videodisc developer Thomson-CSF, which is understood to have participated in studies. Here are basic standard encoding & disc parameters, to be elaborated in future technical papers at professional meetings:

Video—FM of composite color video signal. Blanking level reference 8 MHz \pm 50 kHz. Sync tip to peak white deviation 1.7 MHz \pm 35 kHz.

Sound—FM of 2 sound channels. Maximum deviation \pm 100 kHz. Carrier frequencies: Left channel approx. 2.3 MHz, right approx. 2.8 MHz. Both sound carriers pulse-width modulated on FM main (video) carrier.

Disc—Nominal rotation speed (NTSC) 1,800 rpm. Sense of rotation from objective lens side, counter-clockwise. Center hole diameter 35 mm. Refractive index approx. 1.5. Disc thickness: A (rigid disc) 1.1 mm \pm 0.1 mm. B (flexible disc) 0.2 mm \pm 0.1 mm. Track pitch mean value 1.6 microns. Minimum diameter lead-in tracks 108 mm. Minimum diameter starting program 110 mm. 12" disc maximum program diameter, A—290 mm, B—280 mm; outer diameter 301.6 mm. 8" disc maximum program diameter, A—192 mm, B—180 mm; outer diameter, 200 mm.

* * * *

RCA continues to follow no-comment policy on in-home tests of SelectaVision capacitance videodisc system, presumably now under way in Indianapolis. Company has FCC "experimental radio service" license for in-home testing. It's known that RCA submitted disc player to FCC about year ago, but didn't get approval as Class I TV device because of problems with pickup.

Sixth Japanese firm, Toshiba, has taken out license to develop & manufacture RCA disc player for U.S. market. License agreement costs nothing until players are marketed, and Toshiba said it wasn't committed to any system. Other licensed Japanese companies are Clarion, General, NEC, Pioneer & Sharp (Vol. 15:40 p7).

MGM will license 200 films for SelectaVision system, Pres. Frank Rosenfeld told security analysts in N.Y. License period is 5 years from market debut of players. Non-exclusive license provides for "royalty arrangement" with "substantial non-returnable advance." No dollar figures or film titles were given.

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Color TV buying plans rose in Nov.-Dec., as measured by Conference Board's Buying Plans Index, which showed 6.9% of families planned to buy in next 6 months, up from 6.3% in Sept.-Oct. and 5% in Nov.-Dec. 1974. B&W TV buying plans were reported by 1.6% vs. 1.7% in Sept.-Oct. & Nov.-Dec. 1974. Confidence index (1969-70=100) climbed to 86.8, gain of 15 points from Oct.

CB STOCK BOOMS TOO: Soaring CB sales have at last triggered Wall St. interest, and 3 equipment marketers have moved to raise over \$25 million with stock issues. Going public for first time are SBE, formerly Linear Systems (500,000 shares at \$11) & Pathcom, supplier of Pace gear (600,000 shares at \$12), while Hy-Gain, with 3.1 million shares now outstanding selling in \$12.50 to \$13.25 range, is registering one million additional shares.

Prospectuses for new issues give insight into scope of CB sales boom, plus nature of market. SBE shows fiscal 1975 sales of \$14.3 million, up 126% from 1974, 288% from 1973, with net of \$1.2 million, up 112% from 1974, 429% from 1973. Pathcom sales in 10 months to Oct. 31 of \$37.2 million were up 158% from full 1974 results, 631% from 1973, net of \$3.7 million rose 285% from 1974, 940% from 1973. Both say CB provides more than 90% of sales. Each also relies on single Japanese supplier for most of its equipment.

SBE says virtually all CB was purchased from Nihon Dengyo, through Tokyo Electron Labs, with which it has close relationship, and notes Dengyo has other U.S. customers. SBE says it uses 15 reps to service 850 distributors & dealers. Pathcom says 47% of 1975 sales volume represented CB equipment imported from Japan's Interworld Communications, with rest made in Cal. plants now being expanded. Pathcom estimates 80% of all CB radios sales in U.S. are Japanese imports.

Prospectuses of both firms stress intense growing competition in industry—SBE says some 30 marketers are now involved. Both say they're importing CB via air freight in unsuccessful effort to meet demand, have put customers on allocation. While both have huge order backlogs, they discount importance, expressing belief their customers have over-ordered from all suppliers in effort to get merchandise, and will cancel back orders as soon as availability situation eases. Both also say severe parts squeeze in Japan is prime cause of CB shortage in U.S.

Supreme Court ruling broadening state & local govt. power to tax imports is expected to have minimal impact, despite scare stories to contrary. Court overturned 100-year old decision prohibiting levy of local taxes on imports until after products had been removed from master shipping containers. Change simply makes import inventories subject to same treatment as those of domestic products, is expected to affect only firms maintaining central warehouse operations for imports in localities where such taxes are assessed.

CB interference with TV and other consumer electronic products is under study by EIA engineering committee, which hopes to develop voluntary interference immunity guidelines for consumer electronics industry. Pending House bill would authorize FCC to require set makers to build interference filters into completed products. Dimensions of problem are indicated by FCC figures showing that 69% of 45,000 interference complaints logged in first half of 1975—all involving consumer electronic products—were traceable to CB.

RCA PROFITS GROW: RCA said its net doubled in 4th quarter, but color TV failed to join in general recovery, though for full year company increased share of both color & b&w markets. Full-year profits (see financial table) dipped about 3% below 1974 level, due to \$20-million writeoffs—estimated at \$12 million for ending U.K. color tube venture, \$8 million for closing receiving tube plant. RCA said softness of color TV market had adverse effect on its component business. In report on RCA, Drexel Burnham analyst James Magid estimates consumer electronics earned company \$14.9 million last year, up from \$11.2 million in 1974; NBC earned \$55.9 million, up from \$48.4 million, while Commercial Electronics lost \$37.3 million, against \$7.4-million deficit in 1974.

GE, reporting record 4th quarter earnings, said audio product sales showed improvement in 1975, but TV results were disappointing. Company noted that sales of components for consumer products showed increases at year end.

Admiral had smaller loss in fiscal first quarter than in same year-earlier period, Rockwell reported. Calculator operations also continued to show loss.

Corning attributed decline in 1975 earnings, in part, to "general weakness in the electrical & electronic businesses."

Radio Shack sales topped \$113 million in Dec., setting new record for any month, according to Tandy. Previous record, \$75.5 million, was set Dec. 1974.

Far East calculator assemblers are due for increased share of world market. APF, U.S. marketer of own & private-brand calculators, said it cancelled contract to buy 40,000 units monthly from Fla.-based Kertron in favor of increased purchases in Japan. APF said it expects to have 450,000 units produced monthly in Japan in first quarter, is known to be looking for suppliers in other countries. Rockwell, considering transferring much of its calculator assembly from owned Mexican border plants to contractors in Hong Kong & Japan, said it would close Portsmouth, England plant in March, idling about 220. Calculator production will continue at 650-employee Uxbridge plant.

Pre-trial hearing in Zenith-NUE \$1.3 billion antitrust action against Japanese TV manufacturers has been called for Jan. 30 by Philadelphia Federal Court Judge Higginbotham. Hearing is expected to deal mainly with procedural motions which must be cleared up by court rulings before case can go to trial. Judge said he wants 4-year-old case brought to trial by year end.

Distribution notes: Midland Consumer Products Div. appoints Albert Mktg. Co. as national sales organization for TV & audio lines... **Zenith Chicago** advances Henry Dembrosz from vp & asst. treas. to exec. vp-gen. mgr., assuming duties of late Pres. Robert Wallace... **NEDA** is considering establishing separate div. for consumer product distributors now included in General Line Distributor Div.

Trade Personals

Russell Miller, Zenith international mktg. operations dir., appointed Zenith International Sales Corp. vp, responsible for operations of foreign affiliates and seeking new foreign market opportunities; **Dennis Gilhooley** advanced to Zenith Sales sales statistics mgr... **James Moore** advanced at Quasar from sales administration dir. to branch operations mgr.

Robert McFadden advanced at Midland from corporate admin. vp to exec. vp, retains duties as head of Consumer Products Div., adds exec. responsibility for Medallion Auto Products & Goodwin Sporting Goods Divs... **Duane Riha** advanced at Midland Communications Div. from eastern sales mgr. to gen. mgr... **Edward Weiss**, ex-Midland, joins calculator marketer Calfax as sales mgr. of new Electronics Div. formed to market CB & audio products... **Gregory Peters** promoted at Epicure Products to vp-international, with responsibility for all non-U.S. sales; **Ekkehardt Jekeli** succeeds Peters as European sales mgr.

Terrence Sexton resigns as Toshiba northeast sales mgr. to become national sales mgr., Krypton Electronics... **William Hooper**, ex-Pilot national sales mgr., to open rep firm; Pilot operations have been suspended by parent Mitsubishi International... **Edward Stravitz** resigns as Broadmoor mktg. vp to form N.Y. area rep Select Assoc... **Murray Singer** joins Lloyd's as N.Y. sales mgr... **Don Thorkelson**, former Sony Video Products Div. asst. vp-national sales mgr., joins Fleehart & Sullivan, Seattle rep firm.

William Sanderson, ex-Signetics, named National Semiconductor custom MOS & clock circuit mktg. mgr... **Leslie Wagenheim** advanced at Unitrex Canada from vp to pres., succeeding J. Howard Johnson, who takes new post of chmn., continuing as pres.-chief exec. of Unitrex America... **Terry Jones**, Advanced Micro Devices mktg. dir., named vp... **Edward Young**, ex-General Instrument Semiconductor Products Group, joins Siemens Components Group as sales mgr., succeeding **James Keener**, now in business planning post.

Normal Skolnik named Clarion western sales mgr... **John Dols**, gen. mgr. of former Motorola Display Products operation, named gen. mgr. of its newly formed Data Products operation; **Robert Gatza** appointed operations mgr.; **John McCabe**, international sales mgr., adds Gatza's former duties as CRT display products mktg. mgr... **Steven Fried**, ex-Panasonic capacitor product mgr., appointed national sales mgr. of United Chemicon, subsidiary of Nippon Chemical Condenser... **George Kase** named capacitor products mktg. mgr., ITT Components Group.

Quality of radios is poor, NAB Radio Dir. Walter May, WPKE(AM) Pikesville, Ky. complained at NAB board meeting in Key Biscayne, Fla. last week. He asked that NAB engineering dept. adopt minimum standards, wants radio receiver research added to FCC's \$200,000 study to develop better TV receivers (Vol. 16:3 p7).

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RCA lost no time in interviewing prospective ad agencies for color TV account. Three days after announcing termination of J. Walter Thompson its officials were listening to pitches from 4 agencies said to be in the running. Last year, RCA transferred b&w advertising from JWT to N. W. Ayer. Company has also been receiving presentations from agencies for SelectaVision videodisc system account, and it's understood choice has been narrowed down to Bates, Grey and Ogilvy & Mather. In dropping JWT from \$8-\$10-million color account, RCA Consumer Electronics Mktg. Vp Jack Sauter explained that despite successful ColorTrak introductory campaign, "we felt the changing competitive nature of the consumer electronics business required that we make a completely fresh start in planning our creative strategy for future RCA color TV product lines." JWT, which has worked with RCA for 18 years, continues to handle RCA corporate & Banquet Foods.

Ad notes: **Sparkomatic** (CB & accessories) shifts \$750,000 account from Schopps Advt. to Kelly, Nason... **Litton** increases microwave oven ad budget to \$8.3 million for year... **Clinton E. Frank** resigns McGraw-Edison Toastmaster Div. account reportedly to avoid conflict with microwave oven line being prepared for introduction by Quasar... **U.S. Pioneer** budgets \$250,000 for April-May print campaign to introduce Centrex compact stereo line.

Matsushita is forming new subsidiary in Japan, Matsushita Electronic Components, headed by Pres. Taro Kuninobu, former Matsushita managing dir. for component operations, and Senior Managing Dir. Toshiro Kakihara, former Appliance Transformer Dept. gen. mgr. MEC will handle virtually all Matsushita electronic & electrical component production & sales activities, capitalized at about \$40 million, employing 8,000.

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
Advent 1975-9 mo. to Dec. 26	17,569,965	(380,426)	--
1974-9 mo. to Dec. 28	12,244,000	255,000	.18
1975-qtr. to Dec. 26	6,888,266	612,611	.30
1974-qtr. to Dec. 28	3,777,000	15,000	.01
American TV & Communications 1975-6 mo. to Dec. 31	19,739,296	1,734,519	.45
1974-6 mo. to Dec. 31	15,930,044	1,094,413	.26
1975-qtr. to Dec. 31	10,130,132	920,874	.24
1974-qtr. to Dec. 31	8,291,480	570,161	.14
Bowmar Instrument 1975-qtr. to Dec. 31 ^b	7,740,000	505,000 ^a	.25
1974-qtr. to Dec. 31 ^b	6,360,000	(841,000)	--
Cablecom-General 1975-year to Nov. 30 ^b	23,570,309	2,717,802 ^a	1.06
1974-year to Nov. 30 ^b	22,017,960	1,087,521	.42
Canadian Cablesystems 1975-qtr. to Nov. 30	--	1,675,000 ^c	.42
1974-qtr. to Nov. 30	--	1,268,000 ^c	.34
Corning Glass Works 1975-year to Dec. 28	938,959,000	31,137,000	1.76
1974-year to Dec. 29	1,050,962,000	48,125,000	2.73
1975-qtr. to Dec. 28	216,746,000	13,705,000	.77
1974-qtr. to Dec. 29	231,422,000	1,743,000	.09
Hitachi ^d 1975-6 mo. to Sept. 30	2,923,000,000	53,400,000	--
1974-6 mo. to Sept. 30	3,113,800,000	77,500,000	--
RCA 1975-year to Dec. 31	4,804,500,000	110,000,000	1.40
1974-year to Dec. 31	4,626,900,000	113,300,000	1.45
1975-qtr. to Dec. 31	1,339,600,000	33,400,000	.43
1974-qtr. to Dec. 31	1,218,700,000	16,600,000	.21
Rockwell International 1975-qtr. to Dec. 31 ^b	1,188,400,000	26,400,000	.77
1974-qtr. to Dec. 31 ^b	1,151,200,000	22,200,000	.64
Rollins 1975-6 mo. to Dec. 31	105,772,279	8,399,415	.62
1974-6 mo. to Dec. 31	105,293,918	7,145,313	.53
1975-qtr. to Dec. 31	53,849,368	4,506,458	.33
1974-qtr. to Dec. 31	51,539,688	3,831,610	.28
Scientific-Atlanta 1975-6 mo. to Dec. 31	20,375,000	809,000	.59
1974-6 mo. to Dec. 31	16,058,000	515,000	.40
1975-qtr. to Dec. 31	11,183,000	456,000	.33
1974-qtr. to Dec. 31	9,233,000	276,000	.21
Taft Bctg. 1975-9 mo. to Dec. 31	77,274,645	9,557,726	2.37
1974-9 mo. to Dec. 31	74,137,326	10,541,635	2.63
1975-qtr. to Dec. 31	18,048,039	2,543,998	.63
1974-qtr. to Dec. 31	17,080,592	2,499,198	.62
Tandy 1975-6 mo. to Dec. 31 ^b	373,590,446 ^f	34,493,150	1.91
1974-6 mo. to Dec. 31 ^b	269,684,604 ^f	19,183,961	1.05
1975-qtr. to Dec. 31 ^b	234,269,753 ^f	23,610,129	1.31
1974-qtr. to Dec. 31 ^b	162,638,038 ^f	13,138,840	.72
United Cable TV 1975-6 mo. to Nov. 30 ^b	7,295,000	(2,922,000)	--
1974-6 mo. to Nov. 30 ^b	5,503,000	(425,000)	--

Notes: ^aIncludes special credit. ^bRestated. ^cAfter special charge. ^dAt yen's current rate. ^eAdjusted. ^fFrom continuing operations.

Admiral de Mexico is back in TV production after fire which destroyed plant late last fall. Assembly has resumed in 2 quonset-type temporary buildings at plant site.