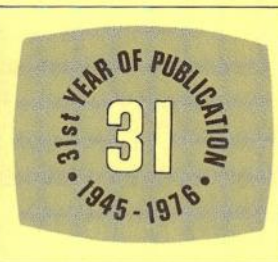


WEEKLY

# Television Digest®

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WITH THIS ISSUE: Directory of Video Game Manufacturers & Models

JUNE 7, 1976

VOL. 16, NO. 23

## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**FCC's OBSCENTY LEGISLATION** would put criminal liability in Communications Act, cover cable, give FCC sanction power. Cable welcomes clarification of role. (P. 1)

**FV PLANTIFFS SEEK 'DRAW':** New proposal submitted to networks & NAB, seeking settlement. Plan similar to judge's proposal. Defendants will reject it. (P. 2)

**SEVAREID HITS TV'S CRITICS** for 'daily cascade of inaccuracies,' defends CBS & Chmn. Paley, fears media fragmentation will lead to 'anarchy.' (P. 3)

**NCTA BOARD AGENDA:** Copyright heads list, particularly Railsback amendment. Among other subjects: Forfeitures, political action, translators, 1977 deadline, franchise poaching, rate regulation, obscenity. NCTA tries to amend forfeiture bill. (P. 4)

**WIFE(AM) IN NEW HANDS:** Long battle ends as Indianapolis Bestg. takes over from Star Stations. Owner Burden ordered to shut other radios Sept. 1. Two others lose licenses. (P. 5)

**'ADVOCACY JOURNALISM'** is 'dangerous trend,' Wasilewski tells AP Bcstrs. Wiley renews pitch for radio fairness doctrine experiment. (P. 5)

**FCC'S PROPOSED OBSCENTY LEGISLATION:** FCC sent its proposed obscenity legislation to White House (OMB) last week, as expected (Vol. 16:22 p5), stating it's needed because of "numerous substantive differences between radio communication and cable TV, and other forms of communication."

Commission asks that it be made criminal offense to disseminate obscene or indecent matter by any radio or cable communication, giving FCC power to impose administrative sanctions—putting provisions directly in Communications Act. Amendment would give Commission quicker, more direct, control over offenses.

Commission used U. S. Supreme Court's definition of obscenity: "Patently offensive representation or verbal description of various acts of sexual intercourse, masturbation or lewd exhibition of a human genital or excretory organ, which appeals to the prurient interest of the average person applying contemporary community standards and which lacks serious literary, artistic, political or scientific value." "Indecent" is defined as "representation or verbal description of a human sexual organ or function that is patently offensive under contemporary community standards."

If a communicator is charged with disseminating indecent material, FCC said, it would be

### Consumer Electronics

**VIDEO GAMES** hot CES product, with at least 24 exhibitors. FCC approves 2 more games. More than 37 companies, over 50 games listed in Television Digest Directory. (P. 7 & White Paper)

**RECORD COLOR IMPORTS** reported for April. Sanyo says new Warwick will make \$100 million worth of color sets for Sears in first year. (P. 7)

**ADVENT 'HOME' TV** projector is all new, avoids pitfalls of first unit, has 6-ft. damage-resistant screen, new 3-tube system, at \$2,495. (P. 8)

**IMPORT ADJUSTMENT** aid approved for RCA receiving tube workers, denied for Sylvania color workers, by Labor Dept. (P. 9)

**BIGGEST CES YET** to have more than 600 exhibitors, registration expected to exceed 45,000. Close to 200 will show CB. (P. 10)

**CANADA'S COLOR** market dropped 22.5% last year to 764,200. Domestic producers recaptured some color share from importers, held own in b&w. (P. 10)

**JERRY FORD IN CB FUTURE**, Administration makes clear after 3-hour meeting. OTP to develop licensing & channel recommendations. (P. 12)

a defense "if such material was distributed for a per-program charge or in any other manner as to minimize the risk of exposure to children under age 12 or to persons who choose not to be exposed."

Commission also proposed that cable operators be relieved of criminal liability for material presented by others on access channels. However, FCC would retain power to impose administrative penalties on operators who "failed to take reasonable steps to ensure that such material was not distributed."

\* \* \* \*

Meanwhile, effective immediately—requiring no legislation—FCC removed "ambiguity" regarding obscenity on cable access channels—much to relief of cable operators. Commission said operator "explicitly does have the power and obligation under our rules to proscribe obscene or indecent matter and is responsible to the Commission for doing so." FCC adopted policy of "reasonableness," saying it doesn't expect operator to preview every minute of access programming but it does expect him to crack down on programmers with history or inclination toward such material. In extreme case, FCC said, operator can simply refuse further use of channel to bad actor, but this "certainly would not be a substitute for a reasonable understanding between the parties."

NCTA Pres. Robert Schmidt hadn't seen FCC ruling, having been out of town, but based on brief description, he said: "I would welcome the authority to control obscenity. I believe we should have the power to see the public protected." NCTA board is expected to give Commission decision hearty approval in meeting this week.

**FV PLAINTIFFS SEEK 'DRAW':** "The public interest does not require that any party win or lose this lawsuit. Accordingly, the parties have agreed to call it a draw." So stated plaintiffs Tandem Productions & WGA-W in proposed agreement submitted to defendant networks & NAB to settle family viewing (FV) suit (Vol. 16:21 p4). Parties had failed earlier to reach agreement on proposal submitted by Judge Warren Ferguson—and plaintiffs' plan is doomed to same fate.

"In many respects, it's worse than the judge's settlement," defendant told us. "It's a step backwards," added another. Plaintiffs' proposal includes many of same ingredients in settlement sought by Ferguson (Vol. 16:20 p1), doesn't mention money but Tandem & WGA-W still seek reimbursement of legal fees & expenses up to \$300,000 each. "We'll make no more than a very small token payment, if that," defendant said.

Plaintiffs would declare that FV is neither "valid or invalid," say that phrase "shall hereafter symbolize the broadcaster's commitment to be responsive to the concerns of the public." They would require CBS (as would judge) to move "All in the Family" back into FV time because shift to 9 p.m. "led many to believe that the family viewing policy would minimize the presentation of controversial material during the family viewing period. . . All 1975 [sic] and 1976 program scheduling decisions shall be reassessed in light of this 'declaration of principles.'"

On TV Code enforcement of FV, plaintiffs state: "The NAB affirms that NAB comments on the family viewing policy are only advisory and that it will not threaten or take any disciplinary action against any subscriber that departs from those standards." Proposal closes with 4 principles: "Programming will be based on independent judgments [of licensees]; gratuitous violence will be eliminated; all themes will be treated with discretion and sensitivity; provocative and creative programming will be encouraged."

**Dropping cable franchise** for part of Philadelphia, Triangle Publications Pres. Walter Annenberg suggested city "might well consider the concept of a city-wide system owned in part by the city." It's assumed other city franchise holders will go after Triangle's. All city franchises are up for extension this fall. Triangle thus drops its last holdings in electronic media—having previously sold its stations, all other systems & franchises.

**Southern Media Coalition, La. NOW & La. chapter of National Welfare Rights Organization** have petitioned FCC to prevent 29 La. licensees from continuing to practice employment discrimination against minorities & women. Citing 7 TVs, 8 AM-FM combinations, 14 AMs, groups ask FCC to investigate charges, order hearings or deny renewals, or revoke licenses of those stations "found statistically outside the zone of reasonableness."



**SEVAREID HITS TV'S CRITICS:** Strong denunciation of print media's adversary relationship with broadcast media, as well as spirited defense of CBS & its Chmn. William Paley, were delivered last week by CBS commentator Eric Sevareid. Addressing Washington Journalism Center conference on First Amendment, Sevareid said print media are just like TV ("playing to the mass audience because it's profitable"), yet "the print-electronic adversary relationship is a one-way street. Print scrutinizes, analyses, criticizes us every day in the week; we do not return the favor." Though he took on print critics in general, he reserved strongest words for TV Guide, which he called "Annenberg's revenge" because it "lectures network newpeople for our supposed political bias—this from a publication dedicated to the propagation of extreme right-wing ideologies."

Sevareid says he's bothered most by critics' "daily cascade of inaccuracies," "hypocrisy" of judging network programs by higher standards than their own. "How do you extract scarce air time from a network for [cultural & public affairs programs] if... you can't even show a good press reaction?" He also hit "myths" that plague CBS: (1) That "Ed Murrow was forced out of CBS." (2) That CBS News "has been somehow shoved out to the periphery of the parent corporation, more & more isolated," has become less daring and more subject to corporate & advertiser pressures. (3) That "increased CBS profitability has meant a diminished emphasis on news & public affairs." (4) "That an ogre sits at the remote top of CBS Inc."

Paley daily faces "unrelenting pressures of an intensity never encountered by any print publisher," Sevareid said. "I'm no appointed spokesman for William Paley [but] many of these critics are simply wrong—wrong in their attitude, wrong in their premises, repeatedly wrong in their facts."

Sevareid said his real fear is not of media monopolies but of "anarchy"—"the danger of fragmentation... as national magazines die out, as small publications of special interest proliferate, as the time approaches when every big city may have 20 to 30 TV channels, until we get to the point where not even a President can command a national audience... There is an indirect road to the loss of liberty, too. It is called anarchy and it begins with intellectual anarchy."

**White House staff** discussed vacancies at FCC, other agencies and OTP dir. directly with President Ford last week. President reportedly wants to make appointments, despite uncertainty of elections, and Chicago atty. Thomas Houser is said still to be in line for OTP dir. (Vol. 16:19 p1). However, 2 appointments for FCC are reported to be very much up in air. White House is expected to name another woman to replace Comr. Reid, who leaves July 1 (Vol. 16:22 p5), and among several entering speculation is Shirley Temple Black.

**FTC has delayed** beginning series of regional public hearings on proposed nutritional advertising rule. Originally set for June 7 in Washington, first hearing begins July 12 in San Francisco, comes to Washington Nov. 15.

**Senate Commerce Committee's** proposed ban on regulatory commissioners practicing before their agencies for 2 years after they leave (Vol. 16:19 p6)—which passed Senate recently without hearing—troubles FCC Comr. Glen Robinson. In letter to Commerce Minority Counsel Ward White, Robinson said: (1) It's "an imaginary problem... Does Ken Cox have special influence at the FCC? If so I have yet see it. So also for Rosel Hyde or Dean Burch—or Nick Johnson: What special influence have any of them yet shown?" (2) Ban will discourage well-qualified people from serving. (3) Imposing restriction on already-sitting commissioner is "simply unfair." Meanwhile, Senate measure is unlikely to pass House this session; broad coverage caused it to be split up among 4 House committees.

**Precedent-setting fairness** case comes before FCC this week, and staff recommends that WHAR (AM) Clarksburg, W. Va. be found in violation of doctrine because it has aired no programming on strip mining. Complaint was brought by Rep. Mink (D-Hawaii) after station refused to air anti-mining tape. When questioned, WHAR told Commission it hadn't aired any programming (unless it was contained in wire copy) either for or against strip mining—and didn't plan to. Staff says subject is major controversial issue in Clarksburg area, so WHAR hasn't fulfilled obligation to present all sides of controversial issue.

**Top-level exec.** to work in all areas of Assn. activities will be added to NAB staff. NAB Chmn. Wilson Wearn said man wouldn't necessarily be top staff official, spot held by late Grover Cobb. "We've got to strengthen the organization—and I'm not talking about replacing Vince [Pres. Wasilewski]," a dir. told us. Wearn, who's due to be re-elected NAB chmn. June 14, also said he'll appoint special committee to work with Exec. Committee on recommendations of ad hoc group headed by Radio Dir. Donald Jones (Vol. 16:20 p4). Jones group will report to Board next week, seek exec. session to discuss proposals.

**Widespread rumors** that freeze on new AM-FM applications (Vol. 16:18 p3) will be extended beyond Dec. 31 are "totally false," according to Martin Levy, chief of FCC Best. Facilities Div. Also false, he said, is rumor that Commission will relax rules on acceptability of applications. "As it is," he said, "some 30-40% of all AM applications are defective, and we spend most of our time writing to applicants pointing out the defects. If we really wanted to be tough, we could simply reject them."

**Among speakers** at June 16-18 BPA convention at Statler Hilton, Washington: Sen. Humphrey (D-Minn.), FCC Chmn. Wiley, Post-Newsweek Stations Pres. Joel Chaseman, Barbara Walters, WRC-TV Washington Program Dir. Jane Cohen, immediate AWRT past pres.

**N. Y. jury assessed** CBS \$250,000 in punitive damages, \$1,200 compensatory, because camera crew entered Le Mistral Restaurant, N. Y., to film story on unsanitary conditions. Restaurant sued for trespass; CBS said it'll appeal.

**NCTA BOARD AGENDA:** Copyright is major topic at NCTA board meeting June 7-8, Lincolnshire Resort, near Chicago—and Railsback amendment (Vol. 16:21 p5) has a number of board members upset. Amendment, approved 6-1 by Kastenmeier Subcommittee, would require Royalty Tribunal to consider impact on broadcasters when it weighs changing fees—when & if FCC increases number of distant signals a system can import. (Subcommittee discussed no cable issues during June 4 mark-up—resumes work June 10.)

Another substantial issue at board meeting is forfeiture bill, which would allow FCC to slap fines on cable operators. NCTA has said it would go along with bill if it had 2 amendments: (1) Delaying 1977 deadline by which franchises must come into compliance with FCC rules. (2) Abandoning FCC's certificate-of-compliance procedure, allowing systems to file affidavits saying they comply with rules.

Forfeiture bill was "on hold" in Senate last week, as Sens. Roth (R-Del.) and Allen (D-Ala.) sought breaks for their cable constituents. By week's end, they had lifted "holds," getting assurance from Sen. Pastore (D-R.I.) that he'll look into their concerns. Rep. Van Deerlin (D-Cal.) said he hasn't seen NCTA amendments, expects to move bill in Aug. after his Communications Subcommittee finishes its general cable hearing.

Another troubling issue is political-action fundraising. Because of Federal Election Commission rules, said Vp Gen. Counsel Stuart Feldstein, "it's a mess—for everyone, NAB, us—you can't solicit funds the way we have been."

Among other subjects on NCTA agenda: Translators, 1977 certification-franchise deadline, redefinition, EEO, FCC rate inquiry, obscenity (see p. 1), local rate regulation, alien ownership, viewability standards, franchise "poaching."

Board will be addressed June 5 by Rep. Russo (D-Ill.), member of Communications Subcommittee.

**Annual Lombardi golf tournament**, directed by NCTA Pres. Robert Schmidt, is scheduled June 21, Indian Spring Country Club, in Washington suburb. Schmidt says he hopes to raise \$50,000 this year; proceeds go to cancer research; participants pay \$100 to play with celebrities.

**Optical Systems** begins testing national satellite distribution of pay cable, using WU satellite, experimenting with dishes 2.5-4.5 meters. It will beam signal from L.A. to Fla. Cable TV Assn. convention in St. Petersburg Beach, Fla.

**Paris Opera**, under govt. ultimatum to increase accessibility to French public, reduce govt. subsidy, has begun experimental closed-circuit telecasts. First attracted audience of 3,700, vs. Opera House's capacity of fewer than 2,000.

**Average Teleprompter** subscriber pays \$7.17 monthly—vs. \$5.37 in 1973, \$6.97 at end of 1975—Pres. Russell Karp told recent stockholders meeting. Figure is for basic subscription, excludes pay cable fee.

**House Copyright Subcommittee** is considering lifting compulsory license provided public broadcasting by Senate-passed bill. Members discussed staff-drafted revisions last week but took no vote, are expected to complete action at next markup session June 10. Staff version would require that parties submit to compulsory arbitration by copyright tribunal if terms can't be reached in 6 months. Literary works—included in Senate version's compulsory license—would be left to marketplace. Register of Copyrights Barbara Ringer called proposal "promising"; PBS is said to be satisfied with arbitration requirement, unhappy with loss of compulsory license for literary works. Chmn. Kastenmeier (D-Wis.) still plans to complete copyright revision by end of June; Judiciary Committee Chmn. Rodino (D-N.J.) reportedly has told him bill must be completed and turned over to full Committee by July 2 in order to get out this year.

**OTP has analyzed** cable staff report of House Communications Subcommittee, found it agreeing on many issues with OTP's draft of cable bill and Cabinet Committee Report. Writing to Subcommittee Chmn. Van Deerlin (D-Cal.), OTP Acting Dir. John Eger presented comparison of the 3 documents. Among his comments was this on cross-ownership: "It is my belief that those who possess programming expertise & product, as do the broadcasters, should be encouraged to make use of new distribution technologies such as cable... We should strive for a policy that provides an incentive for established interests to participate in, rather than oppose, the development of new modes of communications. In this regard, it may be appropriate to review present policies & regulations concerning cross-ownership, and I encourage you to consider this matter as you proceed with your hearings."

**Cable's opportunities** are "slipping away," according to House Communications Subcommittee Chief Counsel Harry Shooshan. He told Canadian Cable TV Assn. in Toronto that American counterparts were "outlobbied at the White House and out-argued during the recent hearings by the broadcasters." While broadcasters have been hard at work, "no convincing effort has been made by the cable industry," Shooshan charged. His conclusion: "The industry, as a whole, has become complacent and has lost its sense of commitment... Maybe the pendulum is already swinging... away from cable. If so, it is due in part to regulatory mistakes, but in even larger part to the continuing inability of the cable industry to live up to the promise and potential of the technology."

**Home Box Office** will use MDS in San Francisco & Palo Alto, leasing time from Microband. Two transmitters are expected to cover area about 100-by-35 miles, feeding cable systems, apartments, etc. HBO now leases MDS in N.Y. & Philadelphia. MDS is to get signal from United Cable earth terminal in Hayward, Cal.—or others to be built.

**Teledata Systems** has merged with Time & Frequency Technology, will move to TFT Santa Clara hq. Teledata Pres. John Webster assumes marketing responsibility for all TFT products.



**WIFE(AM) IN NEW HANDS:** After long FCC and court battles, Indianapolis Bcstg. assumed ownership of WIFE(AM) June 1 from Donald Burden's Star Stations. At same time, FCC ordered Burden to go dark on his other radios Sept. 1, said it wouldn't extend deadline again because of "plethora of other stations" serving same markets.

Burden lost final appeal 2 weeks ago when Supreme Court refused to review lower court affirmation of Commission action taking away licenses (Vol. 16:22 p6). Indianapolis Bcstg. had won over Star Stations in comparative hearing, and FCC revoked other Burden stations—WIFE-FM, KOIL-AM-FM Omaha, KISN(AM) Vancouver—on character qualifications (Vol. 15:5 p4).

Also last week, FCC: (1) Refused to renew license of WHBI(FM) Newark, as expected (Vol. 15:49 p4). Commission said WHBI wasn't qualified on several grounds, including finding that "the only consideration in the operation of the station was the desire to maximize profit and minimize cash outlay." (2) Ordered KROQ-AM-FM Pasadena to "forward the licenses for cancellation," citing various violations and "undisputed facts... that operation by the stations has been permanently discontinued." Stations have been dark since July 1974, equipment has been repossessed and stations have been evicted from studios. (3) KEET (ETV) Eureka, Cal. was reprimanded for various violations that "disregarded some of the most basic and important sections of the Commission's rules." FCC said fine wasn't assessed because it "would only diminish the station's resources available for programming."

**Growing conception of govt.** as "wise... protecting us from the abuses of the press"—especially broadcast press—threatens freedom of both print & broadcast press, NBC News' Bill Monroe told Washington Journalism Center Conference on First Amendment. He said govt. regulation of broadcasting exists not because of technological limitations but "because we want it. Or we have it because somebody wants it, most notably the politicians who invented it." He urged govt. treatment of broadcasting on "an absolutely equal footing of freedom with newspapers... because the very existence of less-than-free media is a long-range threat, philosophical and political, to the continued existence of any genuinely free media."

**Paramount TV** and International Creative Management (talent agency) form joint venture—Paramount International TV Sales—for program distribution. "We hope to stimulate TV production, not only at Paramount but among independent companies, and to become the leaders in challenging the economic anomalies that now exist in the industry," according to Paramount Chmn. Barry Diller.

**Looking toward design** of "more realistic antenna systems," FCC amended rules for AM directional stations to permit "increased latitude in developing a radiation pattern." New rule relaxes mathematical assumptions, makes several minor changes, is effective July 15.

**CATA schedules seminar** Aug. 9-11, Wagoner, Okla., covering technical & business subjects.

**Ford Foundation** will award PBS \$1 million "with no strings attached" to encourage production of PTV documentaries & public affairs programs next season. Foundation announced in 1973 that it was "phasing out" support for public broadcasting over 4-year period. Ford Pres. McGeorge Bundy criticized CPB for playing too active role in PTV programming decisions and "failure to perceive that its true role is that of the insulating & arbitrating trustee." He said "the right place" for program decisions is "as far from the original source of funds and as near to the consumer as it is possible to get." Other recent Ford grants in communications include: (1) \$5,000 to Cable Arts Foundation to explore arts programming. (2) \$50,000 to United Church of Christ Office of Communications. (3) \$480,000 to Citizens Communications Center. Last 2 are to alleviate minorities' "virtual exclusion from industry ownership & management decisions affecting programming, community news coverage and employment practices."

**"Advocacy journalism..."** is a blatant deception of disguising opinion as news," NAB Pres. Wasilewski told AP Bcstrs. convention in Minneapolis last week. "The 2 words—advocacy and journalism—cannot be joined together satisfactorily. They are mutually exclusive. Yet, I have noted with great concern and misgiving the growth of advocacy journalism in both newspapers and radio and TV. This is a dangerous trend... In my opinion, it undermines the credibility of the entire news operation." At same convention, FCC Chmn. Wiley made new pitch for plan to experiment on radio without fairness doctrine in major markets, urged broadcasters to take full advantage "of their newly-won liberties" from equal time (Vol. 15:39 p1) during 1976 campaigns. "We will be able to demonstrate to concerned members of Congress that freedom and fair play are not incompatible," he said.

**Impact on existing** and potential UHF stations is issue in hearing ordered by FCC on plan by WFMY-TV (Ch. 2) Greensboro to move transmitter toward Charlotte and increase antenna to 1,924 ft. Commission noted changes will increase WFMY-TV's Grade B contour from 11,239 to 19,637 sq. miles, "extending its service for the first time to a number of communities where UHF TV stations have been licensed or where UHF channels lie fallow." At same time, FCC said public interest wouldn't be served "by forswearing indefinitely the benefit of additional VHF service while awaiting the germination of dormant interest in an idle UHF allocation."

**WCFC (Ch. 38) Chicago** went on air May 31 as commercial outlet, raising operating TV stations to 962, including 260 non-commercial. WCFC is owned by Christian Communications, specializes in religious programming. Pres.-chmn. is Rev. Owen Carr, Vp-Gen. Mgr. Jerry Rose.

**FCC regional meetings:** Oct. 19, Houston Hyatt Regency (broadcasters, afternoon; public, evening), in conjunction with NAB fall conference; Oct. 28, Kansas City (broadcasters at Crown City Hotel in afternoon, public in evening at Municipal Auditorium), tied in with Mo. Bcstrs. Assn. convention.

## Personals

Elected to CBS-TV Affiliates' Board: Dist. 1—**James Coppersmith**, WNAC-TV Boston, succeeding **George Anderson**, WGAN-TV Portland; **Law Epps**, WTOL-TV Toledo, replacing **Donald Campbell**, WMAR-TV Baltimore; **James Babb**, WBTV Charlotte, succeeding **Paul Raymon**, WAGA-TV Atlanta, who remains secy.

**Bernard Gold** promoted to NBC legal vp, West Coast, succeeding **Richard Graham**, retired... **Norman Powell** promoted to CBS-TV comedy program development dir., Hollywood... CBS-TV Pres. **Robert Wussler** and Capt. Kangaroo's **Bob Keeshan** are featured speakers at Ga. Assn. of Bcstrs. convention, Lake Lanier Islands, June 27-29.

**Edward Bleier**, Warner Bros. TV vp-network sales & programming, promoted to exec. vp., assumes responsibility for distribution to pay cable, videodisc & other new technologies... **Mark Conrad**, ex-WFBC-TV Greenville, S.C., named TV sales dir., WLWT Cincinnati... **Alan Elkin** promoted to midwest sales mgr., Kaiser Bcstg. Spot Sales... **Robert White** advanced to news dir., KIRO-TV Seattle.

Judge **Harold Medina** receives National Bcst. Editorial Assn. "James Madison Award" at June 8-11 convention, Mayflower Hotel, Washington. Among speakers: Vice President **Nelson Rockefeller**, Sens. **Edward Kennedy** (D-Mass.), **Hubert Humphrey** (D-Minn.), Secy. of Defense **Donald Rumsfeld** and several congressmen.

**George Castrucci** elected Taft finance vp & chief financial officer, succeeding **Dorothy Murphy**, who retires as treas. but remains a dir. & consultant... **Joefrey Bartman** joins NAB PR as writer-editor.

**Donald Hess**, ex-program and promotion mgr., WDSU-TV New Orleans, assumes same title at WISN-TV Milwaukee... Elected new WPIX N.Y. dirs.: **Robert Shay**, vp-programs; **David Polinger**, vp-asst. to the pres.; **Donald Carney**, vp-production & sports; **Yvonne Stewart**, vp-personnel & office management; **Helen Sullivan**, secy.

**Toni Woodward**, ex-CBS, appointed asst. vp, Nephi Productions, Studio City, Cal.; Nephi is new firm formed by ex-CBS-TV Pres. **Robert Wood** (Vol. 16:16 p4)... **Jack Haley** resigns as head of 20th Century-Fox TV Div. to become independent producer under exclusive contract to 20th, successor unnamed.

**ABC-TV has picked up KGTV** (Ch. 10) San Diego as primary affiliate, latter shifting from NBC, date uncertain. Present ABC affiliate, Storer-owned KCST-TV (Ch. 39), led market in Feb.-March sweeps in prime time—first UHF to do so against 2 VHF's (Vol. 16:13 p8). Storer said it's "understandably surprised," has affiliation contract with ABC until July 1977. ABC also picked up as affiliates KXLF-TV Butte (now CBS) and satellite KPAX-TV Missoula.

**CBS has granted** 3-month leaves with full pay to 10 employees—under network's "Social Service Leave Program"—to work in public service projects.

## WEEKLY Television Digest

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Also publishers of annual *Television Factbook* and weekly *TV, AM-FM & CATV Addenda*, *CATV Atlas* and other special publications

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**Thomas Sowell**, black UCLA economics professor, has withdrawn as nominee for FTC. He was named in April for term ending Sept. 25; action leaves FTC with only 3 commissioners for foreseeable future. Full complement is 5. Sowell's decision left frayed tempers at both White House & Senate Commerce Committee. Though Sowell told White House he was interested only in 7-year term, he was named to 4-month term, not informed that subsequent full-term confirmation, preceding presidential election by only 6 weeks, was anything but assured. When Committee staff pointed out his situation, Sowell withdrew, causing White House to blame Committee for making Sowell think Administration was trying to fool him.

**Public service spots** should be spread around more, according to 66 groups and 5 representatives, in petition filed with FCC by Media Access Project. Groups include environmentalists, racial groups, birth control advocates, homosexuals, consumer organizations. They said that too many spots go to well-established charities, govt. agencies, etc., urged that 25% of all PSA's be local; that no more than 20% be made by single outfit, such as Ad Council. Representatives involved, all Democrats: **Aspin** (Wis.), **Chisholm** (N.Y.), **Rees** (Cal.), **Rosenthal** (N.Y.), **Stark** (Cal.).

**Identity of source of opinion** on matter in which station has financial interest should be disclosed, according to **Barry Silverman**, Phoenix. Silverman alleged that spot shown on KOOL-TV Phoenix promoting "free TV" and containing no identification of source violated Communications Act. Broadcast Bureau disagreed, and Silverman has appealed to full Commission. Spot was prepared by TIO, which wasn't identified at all in one spot, wasn't identified as part of NAB in 2nd.



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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended May 21 (20th week of 1976):

	May 15-21	1975 week	% change	May 8-14	1976 to date	1975 to date	% change
Total TV. . . . .	178,675	200,171	-10.7	168,894	3,994,693	3,732,048	+7.0
color . . . . .	114,426	113,886	+0.5	106,900	2,353,050	2,093,538	+12.4
monochrome . . . . .	64,249	86,285	-25.5	61,994	1,641,643	1,638,510	+0.2
Total radio . . . . .	555,538	433,003	+28.3	457,119	11,671,575	9,235,855	+26.4
home, portable . . . . .	297,989	267,536	+11.4	203,802	6,964,325	6,054,578	+15.0
AM-only . . . . .	82,936	74,874	+10.8	57,081	1,643,655	1,914,867	-14.2
FM & FM-AM . . . . .	215,053	192,662	+11.6	146,721	5,320,670	4,139,711	+28.5
auto . . . . .	257,549	165,467	+55.6	253,317	4,707,250	3,181,277	+48.0
Port.-comp. phono. . . . .	41,092	93,455	-56.0	33,403	802,837	1,116,747	-28.1

**Color TV 5-week moving average:** 1976—109,105; 1975—106,838 (up 2.1%).

**VIDEO GAMES TO GET BIG CES PLAY:** Though CB will occupy more exhibit space at McCormick Place (see p. 10), video games are stealing spotlight as hottest new growth area, with number of firms scheduled to show at CES mushrooming from 3 last summer and less than 10 at winter event to at least 24. Many entering field won't be at CES; details on more than 50 games from 37 firms are included in our Directory of Video Games, included as special White Paper with this issue.

Several firms decided to ready games for CES at last minute and couldn't provide details in time for listing in Directory, which is up-to-date as of June 3. Here's rundown on those: Electronic Displays Inc. (Pro-Am Electronic Tennis, 4 game tables at \$695, 4 portable units at \$495, all with built-in 19-in. b&w monitors); Fried Trading (Granada, 4 games, 2 players, GI chip, July delivery, \$79); International Mdsq. Assoc. (Hanimex, 4 games, 2 players, no price); Kendale Technology (Ken-Tech, 3 games, 2 players, \$100, Aug. delivery); Shark Electronics (Mecca, 6 games, 2 players, GI chip, \$89-\$99, summer delivery); Colt Div., Directional International; Quadtronic.

Unisonic Tournament 2000 (Vol. 16:3 p9) has been added to list of approved games, as indicated in Directory. Late in week, FCC also approved Atari C120 (only approved game not listed in Directory), bringing total number of approved games to 13—Atari 3, First Dimension 1, Coleco 2, Entex 1, Executive Games 1, Magnavox 2, Unisonic 1, Universal Research 2. Kendale, Quadtronic & National Semiconductor have filed applications for type approval and are now on test list.

Mirco Pres. Thomas Connors told us 3 home versions of coin-op Challenge games will be shown to trade privately during 3rd quarter, marketed in 4th. They'll be ball-&-paddle type at under \$100. Systek, Japanese OEM calculator producer, is scheduling June-Nov. production of 600,000 units in 6-model game line for OEM export to U.S. at approximately \$30 FOB.

**COLOR IMPORTS SET APRIL RECORD:** Color import surge continued in April, setting new record for month, topping 100,000 for 11th straight month, passing old record of 10 consecutive 100,000 months set in Feb.-Nov. 1973. B&w imports also posted impressive gain, Commerce Dept. figures show.

Total of 463,700 TVs were imported in April, up 50.7% from 1975, as color jumped 116.4%

to 157,100, b&w 30.4% to 306,600. Through first 4 months, importers brought in 1.81 million sets, up 57.5%—583,200 color (up 153.7%), 1.22 million b&w (up 33.4%). During import drive which started last June, 1.5 million color sets were imported, all-time high 11-month total, and with Japan's record April color exports-to-U.S. (Vol. 16:22 p8), it's certain that 12-month color import record of 1.58 million of Oct. 1972-Sept. 1973 will fall in May.

Japan held onto role recaptured from Taiwan in March as largest foreign supplier of TV to U.S., accounting for 240,200 sets in April, up 165.9%, with color up 128.2% to 143,100, b&w up 251.4% to 97,100. Taiwan was source for 195,700, up 5.9%, as color rose 21.1% to 9,330, b&w inched up 5.3% to 186,340. Imports from Korea were down 14.7% to 27,000, as 121.3% gain in color to 4,620 wasn't enough to offset 24.2% drop in b&w to 22,680.

Japan's Jan.-April total of 870,200 was up 228.2%, with color up 199.3% to 525,900, b&w up 284.9% to 344,300. Taiwan supplied 818,600, up just 4.3%, with color down 10.6% to 42,500, b&w up 5.3% to 776,100. Korea's total of just under 117,000 was up 24.9%, as color rose 242.4% to 14,200, b&w 14.8% to 102,800.

Combined boom in April color imports and slowdown in output by domestic producers gave imports nearly 29% of U.S. color supply for month, against 16% in April 1974, and average of 26% for first 4 months of year. Import share, of course, doesn't include U.S.-based production of such foreign manufacturers as Sony, Panasonic (Quasar) & Dutch Philips (Magnavox).

Foreign-controlled portion of U.S. color market will increase significantly when Sanyo completes acquisition of Whirlpool's & public's combined 75% interest in Warwick's TV business. Whirlpool Chmn. John Platts last week said negotiations to finalize preliminary agreement were proceeding satisfactorily. In Japan, Sanyo Pres. Kaoru Iue said he hoped transaction, and establishment of new company to be called Warwick TV, would be accomplished before year's end. Under Sanyo, he said, Warwick would produce \$100 million worth of over-19" consoles for Sears in first year. That would be well above the \$68 million worth of TVs Sears bought from Warwick last year, but somewhat below average \$124 million Sears purchased annually over last 5 years. But average for those years included color portables & b&w Sears used to buy from Warwick but now sources from Sanyo & other Far East manufacturers.

International Trade Commission last week gave Sylvania permission to amend complaint charging group of Japanese TV marketers here with unfair import competition (Vol. 16:7 p7 et seq.). Sylvania had alleged Japanese engaged in predatory pricing practices, accepted unfair incentives from Japanese govt. Amendment expands complaint to include charges of unlawful acts to restrain & monopolize U.S. color TV trade.

**ADVENT'S 'HOME PROJECTION TV':** Advent's "this-is-really-a-consumer item" VideoBeam 750, to be shown for first time next week at Consumer Electronics Show, has virtually no components in common with original Model 1000 (except \$2,495 introductory price).

New model is designed carefully to avoid pitfalls in first unit, which started out as "home" product, developed into commercial-industrial-institutional item as price escalated to \$3,995. According to Advent officials, Model 750 is designed for production in "tens of thousands, not thousands" and has room for eventual price reduction. Advent-developed plastic-embossed screen resists fingerprints & damage and is cleaned easily, as opposed to Model 1000's Ektalite screen which can deteriorate if you give it a dirty look. New system has 3 projection tubes, but they're not of complex Schmidt reflective type with built-in lens—they're straightforward 5" monochrome tubes, all red, all blue & all green, each with 4-element plastic lens in front of it. Like Model 1000, new set has built-in crosshatch test pattern for convergence.

Screen of Advent 750 measures 6-ft. diagonal (3'5" x 5', 18.75-sq.-ft. area) vs. 7 ft. (4'4" x 5'9", 24.5-sq.-ft.) for Advent 1000. Brightness is claimed to be 20-ft.-lamberts, somewhat below Advent 1000, but said to be 5-10 times that of single-tube consumer projection sets. Walnut veneer endtable-sized projector is positioned 7 ft. from screen, may be rolled away when not in use.

Electronics of new set is manufactured by Electrohome (Canada) to Advent specs. (Set will be sold in Canada under Electrohome brandname.) Tubes are procured from 2 picture tube



manufacturers. Advent itself makes screens. Receiver has wireless remote control, direct video inputs & outputs for VTR. Marketing will begin regionally after CES through dept. stores and traditional TV-electronics dealers, with national distribution by mid-1977.

Advent's Henry Kloss is gratified that major TV manufacturers—as indicated by recent statements of Admiral, Magnavox & GE—are looking seriously into projection, since he feels their entry & promotion would popularize concept. Although we've counted 20 consumer projection TV assemblers, there are no TV makers among them except Sony, which is building only handful of 30-x-40-in.-screen projectors, claiming production is seriously limited by cabinet availability.

At least 5 projection TV systems had been scheduled for exhibition at CES—but at least one backed out because of hostile environment of McCormick Place. Bright mercury-vapor lamps there don't permit proper exhibition of projection set, we were told by George Simpson, pres. of General Equipment Corp., Anaheim, Cal. (for details and CES preview, see p. 10).

**IMPORT AID:** Labor Dept. (LD) approved import adjustment assistance for former RCA receiving tube workers, turned down request by Sylvania color picture tube employees, opened 3 new cases.

Clearance for aid went to former workers of RCA receiving tube operations in Cherry Hill & Deptford, N.J., Des Plaines, Ill., Atlanta & L.A. LD reported that RCA's tube output was cut 11% in 1974, 36% in 1975, 34% in first quarter this year, coming to halt in April when RCA ended production, closed facilities. Agency found imported tubes accounted for 48.5% of U.S. consumption last year, up from 38.6% in 1974.

Bid by Sylvania workers was rejected on grounds that economic slump—not import competition—was responsible for declines in employment at Seneca Falls plant of 20.9% in each of last 2 years. LD said plant's tube sales in 1975, all to OEMs, fell 42.1% in units, 39.9% in value, while production declined 43.5%. LD noted that imports held only 2% of market last year, said there were no significant sales to U.S. OEMs.

New assistance eligibility probes cover workers at Fisher Radio, L.I. City, N.Y. (hi-fi equipment); Arvin, Princeton, Ky. (radios, phonos & components); Galetton Production, Galetton, Pa. (receiving tubes).

**Hong Kong conglomerate** Stelux Mfg. got base in U.S. watch market through acquisition of Gulf & Western's 26.8% interest in Bulova. Stelux is supplier of electronic watches & cases to Bulova, owns Coltex Calculator, which makes Corvus calculators under rights acquired last year from Mostek, from which it purchases most of its calculator & watch components. Deal signals Bulova's entry into low-priced digital watch business. Stelux Managing Dir. C.P. Wong & Mostek Chmn. L.J. Sevin join Bulova board.

**New video game chip** will be introduced by MOS Technology in summer. Standard version of chip will be programmed for 8 variations of 4 basic table-tennis & rifle games, but Engineering Vp Donald McGlaughlin says chip can be reprogrammed for customers placing volume orders to play obstacle or "minor strategy" games (tic-tac-toe, etc.). Firm will sample chip in July, hit full production in 4th quarter. In future, MOS will offer line of computer microprocessor chips for video game use.

**Matsushita enters "limited" manufacture & distribution** of new version of its home VTR in Japan. "National Home Video," which was market-tested in Shikoku (Vol. 15:38 p10), has been revamped and playing time per cassette increased to 100 min. from 60. New model VX-2000 will sell at Matsushita stores this month in Osaka-Kyoto area at \$700, and late next month in other districts. Deck will be manufactured at 5,000 monthly rate by Matsushita Kotobuki Electronics in Shikoku. It's designed to compete with Sony's Betamax deck (it's incompatible), which lists in Japan at \$1,000. Matsushita's 100-min. cassette will sell in Japan for \$25, one-hour at \$16.65 vs. Sony's \$15 for 60-min. Betamax cassette. Meanwhile, Toei Video announced it will sell recorded Betamax software in Japan, starting with 30-min. "Tokyo Olympic Highlights" at about \$59.

**Magnavox was winner** in suit against it by 2 former executives in DeKalb County, Ind. court (Vol. 14:21 p11 et seq.). Plaintiffs Keith Nieman & Gerald Martin sued Magnavox ex-Pres. Robert Platt & Consumer Electronics Pres. Alfred di Scipio for \$2 million damages charging they were fired in 1974 for calling attention to "misconduct." Judge Harold Stump, in summary judgment favoring Magnavox, indicated defendants hadn't made case, on basis that company was free to discharge employees. It was indicated that Nieman & Martin would appeal, and in addition, file slander suits against at least some of defendants. Nieman is currently mktg. vp of Samsonite Luggage Div.; Martin, formerly pres. of Utah American, joined Samsonite Luggage last week as dir. of new business ventures.

**National Semiconductor** may enter CB field, decision to come after test-market program beginning in summer. Mobile 23-channel CB will have retail price of about \$150, carry National name. Spokesman said CBs will be assembled in Japan from National components and will be shown at CES. "We're doing it to see if National belongs in the communications field," he said. Meanwhile, Cybernet confirmed it is supplying GM's Delco Div. with CB units for factory installation in 1976 & 1977 Buicks (Vol. 16:18 p7). Cybernet is shipping 40,000 units monthly to Delco, also has CB deal with Fujitsu. Cybernet will make transceivers & Fujitsu FM-AM radios for combination in-dash CBs which will be exported to U.S.

**BIGGEST CES YET:** More than 600 exhibitors are scheduled to display in over 350,000 sq. ft. of net exhibit space at Chicago's McCormick Place June 13-16 in biggest CES yet. Show management forecasts attendance of over 45,000, compared with last year's total registration of 38,775 visiting 425 displays.

Nearly 1/3 of all exhibitors—probably close to 200—will be displaying CB. CB majors E. F. Johnson, SBE & RCA Distributor & Special Products Div. will be showing at Summer CES for first time. Big new category will be video games—with at least 24 scheduled (see p. 7).

Majority of this year's exhibitors didn't show last summer. Some 150 of last summer's participants won't be back this year. Among notable dropouts are GE Audio, which announced it will display at winter show only (Vol. 16:22 p11), Admiral & Sylva. Virtually only traditional manufacturers showing TV will be Toshiba, Sanyo & Sharp. Panasonic for first time will display audio products only. Olympic, back in CES, is expected to show close-out TVs.

There will be smattering of TV sets among other exhibits. Tatung of America will preview its Taiwan-made TV line (Vol. 16:17 p8). C. Itoh will show Teknika line (Japan). United Electronics (Taiwan) will have color & b&w TV for private-branding. Sales agent Bill Angster Enterprises, Framingham, Mass., will show United & Metropolitan sets from Taiwan, possibly some Korean TV, for sale on letter-of-credit basis. American United City, N. Y. will be seeking private-label buyers for 3" b&w set with electronic digital clock & radio, to retail at about \$150. Soundmusic, N. Y., will offer 12" Taiwan-made b&w under own brand to retail at \$80. International Mds. Assoc., Schiller Park, Ill., will have Taiwan-made Hanimelex brand TV at under \$100. TV will also be displayed at collective Korea & Taiwan exhibits.

Debut of Advent home unit (see p. 8) will highlight projection TV activities at CES. Other projection exhibitors: Worldwide Entertainment Systems, N. Y.; Video-1, Miami; Brown's Music Store, New Ulm, Minn. General Equipment Corp. dropped out of show (see below).

\* \* \* \*

New projection TV set by General Equipment Corp., Anaheim, Cal., uses 17" Zenith color portable as projection source. Home version of system, with 32-x-40-in. Ektalite screen, is \$1,995, commercial unit with 6-ft. diagonal screen is \$2,595. Pres. George Simpson, ex-Olivetti, told us company is now making 500 units monthly, will double production by July. Herbert Rushing is chmn.-treas.

Another projection-TV attachment is advertised in N. Y. Times: "Now! Turn any Wall Into a Giant 6-Ft. TV Screen... for less than \$35!" Teleramic mirror attachment "reflects your TV picture through a special chamber where it is brightened, then beamed across a room," says ad, showing mirror chamber attached to upside-down portable TV. Claimed to work with sets up to 17", Teleramic is described as product of Automation Information Industries Inc. (1275 Bloomfield Ave., Fairfield, N. J. 07006).

**CANADA'S YEAR:** Canadian TV manufacturers managed to regain portions of shrinking market last year, picking up ground against imports in color, holding own in b&w, Statistics Canada reports.

Canada's total TV market (factory sales of domestic sets plus imports) fell 26.7% last year to 1.04 million, as color dropped 22.5% to 764,230, b&w slipped 31.6% to 273,684. Canadian factory sales total dropped 23.7%, color off 18.2%, b&w 46.5%. Total TV imports were down 29.2%, as color dropped 27.7%, b&w 31.6%. As result, imports captured 50.9% of Canada's total TV market, down from 52.8% in 1974. Color market share for imports slipped to 42.5% from 45.6%, while b&w share held steady at 74.4%. Domestic totals include sets assembled in Canada by U. S. & Japan-owned companies.

Available breakouts show that 45.8% of domestic-made color sets were portable, 8.9% table, 44.8% consoles, 0.5% combinations. In b&w, 74.9% were portable, 6.6% table, 18.5% consoles. Comparable 1974 figures aren't available. Import breakdown by screen size, with 1974 percentage in parentheses: Color under 18", 33.3% (33.4%); 18", 5.7% (6.8%); over 18", 61% (59.8%). B&w under 18", 88.9% (85.1%); 18", 0.6% (4.5%); over 18", 10.4% (10.4%). Here are details on factory sales & imports of TV & other products:

#### CANADIAN FACTORY SALES (Made-in-Canada Products only)

	1975	1974
Total TV . . . . .	509,329	667,901
color . . . . .	439,226	536,782
monochrome . . . . .	70,103	131,119
Radio-phonos . . . . .	105,793	102,345
table, comp . . . . .	12,321	n. a.
console . . . . .	93,472	n. a.
Phonograph . . . . .	82,000	80,369
stereo . . . . .	28,528	36,048
mono . . . . .	53,472	44,321

#### CANADIAN IMPORTS

Total TV . . . . .	528,585	747,380
color . . . . .	325,004	449,570
monochrome . . . . .	203,581	297,810
Auto radio . . . . .	2,121,530	943,493
Home radio . . . . .	1,867,122	1,801,553
Radio-phonos . . . . .	472,054	707,032
Phonograph . . . . .	60,313	94,508
Tape rec. & players . . . . .	912,985	1,298,167

**Quadraphonic suit in N. Y.** Federal Court charges CBS, Electro-Voice & its parent Gulton with conspiracy to restrain trade in matrix 4-channel hardware. Brought by Industrial Patent Development Corp. of Philadelphia, action asks \$14.5-million damages. Suit says E-V bought knowhow, marketing & sublicense rights to system developed by IPDC Pres. Jon Fixler in 1970 (Vol. 10:42 p10), later signed cross-license pact with CBS. E-V & IPDC had dispute over royalty payment compensation and in 1972 E-V quit field, leaving CBS to dominate market. CBS executives said they hadn't seen suit, declined comment.



**Recorded music business** was in holding pattern last year, with unit sales dipping slightly, dollar volume up modestly, RIAA reports. In all, industry sold 563 million discs & recorded tapes, down 5% from 1974, with \$2.35 billion retail list value, up 8%. In discs, sales were down 7.1% to 446 million, value up 8.3% to \$1.67 billion. LPs rose 2% to 282 million, value up 9.5% to \$1.49 billion. Total tapes were up 4% to 117 million, with value up 7.1% to \$684 million. Sales by type: 8-track, 100.2 million (up 3.6%) at \$583 million (up 6.2%); cassette, 16.4 million (up 7.2%) at \$98.8 million (up 13.3%); reel, 400,000 at \$2 million (both down 20%). In addition, industry sold 1.1 million 4-channel 8-track tapes, down from 1.4 million, worth \$8.2 million, down from \$11.3 million. Totals for 4-channel discs weren't released.

**Have problems** with General Instrument's Omega digital tuner (Vol. 15:25 p9) delayed its introduction in new lines? Yes, says at least one manufacturer which planned to use it but brought out May line without it. No, says GI's Elias Cohen. Problems are said to have involved blowout of some tuner elements when picture tube arcs. Cohen said that any problems there may have been are resolved, that GI is going into production on schedule soon and tuners will appear in 1977 TV models. June production will include both conventional 82-channel 2-digit-address 4-chip unit and more sophisticated 5-chip version with auxiliary memory that stores 20 channels for recall by one-button address. GI says it has customers for both.

**U.K. color sales** continued downslide in first quarter while b&w showed pick-up, BREMA reports. Color sales to U.K. distributors dropped 35% from same 1975 period to 309,000 as domestic-made sets slipped 33% to 273,000, imports fell 48% to 36,000. In b&w, total sales were up 15% to 244,000, as 89% jump in imports to 134,000 offset 22% domestic sales decline to 110,000. Import share of color market dropped to 12% from 14.5%, while b&w imports rose from 33% to 55%, as many traditional U.K. b&w producers switched to imports late last year. Market for other products: Audio systems down 19% to 154,000, phonos down 26% to 37,000, radio-phonos down 58% to 11,000, radios up 6% to 1.1 million.

**3M won't be showing** new Wollensak tape equipment at CES, having decided not to preview line which it says it still may test-market this year. Company also has dropped plans for high-end Wollensak cassette & 8-track recorder decks. 3M is last of big-3 tape producers still in consumer audio hardware business—Bell & Howell & Ampex having dropped out several years ago—and reports persist it's about ready to quit too.

**Ad notes:** Dynascan has started 30- & 60-sec. network TV spots for CB using theme "Cobra punches through loud & clear"... Dynaco appoints Daniel S. Roher Inc. for PR... **Sylvania** will make "unprecedented promotional announcement" on Sept. 11 NBC Perry Como special; product commercials will be devoted exclusively to GT-Matic... **Motorola Auto Products** appoints N. W. Ayer for CB.

**Calculator attrition**, Japan style: Japan Business Show in Tokyo saw only 8 brands on exhibit vs. scores at 1975 show— and even some of these were visibly making last stand before counting selves out of continuing price warfare. Displays were by Casio, Commodore, English Companion (Tateishi), Hewlett-Packard (Yokogawa H-P), Omron (Tateishi), Sharp, Systek & TI. Most manufacturers pushed specialty models, such as Casio's Biorhythm, Sharp's Thin Man. Systek has been export-only private-label manufacturer, is now seeking home-market orders, including business of Ricoh, which is phasing out own production in favor of electronic watches & cash registers.

**Caution with CB power** mikes is urged by FCC. Stating that excessive modulation of mikes can cause "severe interference" to other CBs, other radio services and TV receivers, Commission recommends seeking advice on properly adjusting mikes from commercial first- or 2nd-class radio operator. Meanwhile, in "continuing effort to keep the public informed" about CB, FCC issued set of 26 questions and answers to typical queries. Eight-page release is available from FCC, 1919 M St. NW, Washington 20554.

**Experimental giant-screen** direct-view TV set with 1,125-line resolution and viewable diagonal of 28-29" (over-all 30") has been built by Japan's govt. - supported NHK with cooperation of Matsushita & Asahi Glass. Set has zoom feature (for picture-element enlargement 3.5 times); screen measures about 15-x-25 in. (375 sq. in.). Matrix tube has 90° deflection, weighs 77 lb. In April, Sony announced it would produce Trinitron TV & monitor with 30" viewable picture, area about 575 sq. in. (Vol. 16:14 p 10).

**GE filed for exemption** from Bureau of Radiological Health order to recall 36,000 combination free-standing ranges for inspection, and, if necessary, repair of microwave ovens they contain to bring them into compliance with microwave leakage standards. BRH ordered recall last April (Vol. 16:17 p11). GE said it was seeking exemption because it felt less than 1% of units failed to meet standards and that they presented no danger to public.

**Capacitor sales** dropped sharply in 1975 from 1974, according to EIA, which reports unit factory volume of just under 2.8 billion, down 30%, with value off 30.5% to \$469.7 million. Sales by manufacturers were off 30% to \$390.6 million, while distributor volume dropped 34% to \$79.1 million.

**Midland** adds "jumbo 13" (13.6V") b&w at \$100, 12" b&w at \$90... **Hitachi** is expected to add 5" b&w battery portable in July at \$150. Set weighs just under 8 lbs., is available in Japan at \$120, has initial 10,000 monthly production rate.

**Monsanto** is increasing silicon wafer output capacity 25% with multi-million-dollar expansion at St. Peter's, Mo. plant slated for completion by 3rd quarter 1977.

**WHITE HOUSE MOVING ON CB:** Administration made it clear last week that it intends to play strong role in development & regulation of CB, said OTP recommendations on channel expansion & licensing will go to Domestic Council regulatory reform task force (Vol. 16:19 p7) in 60-90 days. Emerging from 3-hour Administration-sponsored CB meeting, OTP Acting Dir. John Eger said President Ford is getting interested because of general desire to deregulate industry and increase competition in communications. Meeting was attended by FCC observer, officials from OTP, Domestic Council, OMB, Justice & State Depts., trade user groups, manufacturers.

Eger said that OTP hopes to come up with minimum of 80 new channels in recommendation, that Interdepartment Radio Advisory Committee is taking close look at 50-450 MHz for "more immediate relief," 900-MHz range for long-term use. Eger also repeated statement that govt. is considering new channels for special services (Vol. 16:19 p7). Those attending meeting agreed licensing of users should be retained, but expressed feeling that easing requirements, including point-of-sale licensing, should be explored. On interference problem, E. F. Johnson Pres. Richard Horner said TV & CB industries must decide what is tolerable, "then design to that. I'm suggesting negotiations. We're only 30-db apart, and that's not an unbridgeable chasm. I'm confident we can get together."

Is there connection between Nov. election and sudden White House involvement in CB? Question was raised obliquely after meeting when group was asked whether it amounted to anything more than lip service. Eger replied that heavy representation from executive branch "is significant in itself," and Domestic Council's Lynn May said Administration "has been looking at this for a couple of months now, we felt it was time to go to the users & manufacturers and find out where the problems are... It's not going to be overnight, but we are committed to taking a good hard look at this."

**Watch watch: National Semiconductor** will offer watch with continuously lit LED readout later this year. It will have permanent battery, come with inductance recharging accessory. Firm also has introduced: (1) Mini-clock module, in versions for clock radio or stand-alone alarm, complete except for power transformer & switches, priced \$10-\$11 each in lots of 100. (2) First \$20 electronic digital on N.Y. market. LED model is being offered by discounter Alexander's... **Litronix** will use Avator brand on watch line to be marketed through mass merchandisers, price \$20-\$60. Firm also will become private label supplier... **Optel**, in financial trouble, cut 94 employees, reducing staff to 175... **Self-charging** electronic watch developed by Sicura Watch of Switzerland is 2 watches in one. Case contains both conventional self-winding dial-&-hand & LED electronic watches. Winding mechanism is also generator which charges electronic watch's 1.2-volt battery... **Casio** formed Timepiece Div. to handle watch marketing, introduced high-end LCD model that comes preset for 6 time zones (Tokyo, S.F., Chicago, N.Y., London, Paris), can be set for one more, also functions as stopwatch & counter, shows month, day & date.

## Trade Personals

**Anthony Conrad**, RCA pres.-chief exec., adds post of chmn., vacant since departure of **Robert Sarnoff** last Nov. (Vol. 15:45 p5). Move results in \$25,000 salary boost for Conrad to \$300,000, ends speculation RCA is looking outside for chmn.

**Jerome Hellmann**, ex-RCA color TV sales planning mgr., appointed Quasar color TV product mgr... **Raymond Peirce** promoted at Oak from Materials Group vp to operations exec. vp, new post... **Gary Stein** promoted from rectifier product line mgr. to national sales mgr., General Instrument Semiconductor Products Div... **Herbert Criscito**, Intersil national sales mgr., adds sales vp duties of **Robert Skinner**, now with Kierulff Electronics as East Group mgr.

**James Flynn** elected treas. of Corning & Corning International. Elected Corning International vps: Controller **Oakes Ames**, Secy. **Chesley Booth** & **Kirtland Gardner**, Latin America-Asia deputy gen. mgr. Corning Ltd. (U.K.) Chmn. **Floyd Hankey** & **Sovirel** (France) Chmn.-Pres. **Jean Regis** named Corning Glass International vps... **Andrew Galef** advanced from chief exec. to pres. of Audio Magnetics, **Robert Franzoni** named chmn. Both are from Sun Ventures, which increased interest in AM to 80%. **John Kane**, former AM head, has left company... **Ralph Cousino** promoted at Capitol Records from engineering dir. to engineering & tape mfg. vp.

**Harold Danzig**, ex-pres. of Textron's Electronic Research Co. (watch modules), elected Waltham pres., assuming chief exec. duties of **Georges Didisheim**, who resigns as chmn. **Charles Bloom**, chmn. of Societe des Garde-Tempes of Switzerland, takes chmn. post... **E.W. Luzius** advanced at Arvin from Automotive Group vp to senior vp-administration, succeeding late **Charles Meyers**... **Ira Lash** appointed Boman Industries New England mktg. dir.; **Larry Laps** named for southeast.

**Goldmark backs RCA:** Cover story on videodiscs in June 1 Forbes contains quotation from Goldmark Communications Pres. Peter Goldmark that both Philips/MCA & RCA disc systems are good, but if forced to choose, he would take RCA because of "the 2-sided record and the technology which is more conventional and which I believe will be more reliable." On other hand, Zenith Research Vp Robert Adler is quoted apparently in favor of optical approach: "It would be a pity if we had to standardize now on a system which does not do all these things."

**NEC will market** U-type videocassette recorders in U.S. under own name; it previously has supplied OEMs exclusively.

## Obituary

**Al Bernsohn**, 60, Dealerscope exec. editor, died in sleep at Palos Verdes, Cal. home June 2, following apparent heart attack. In 1940s through 1950 he held PR posts with RCA, serving as NARDA exec. dir. & exec. vp 1951-59, later becoming Home Furnishings Daily columnist, NRMA PR dir. in 1972-74, among other posts. He was prolific writer on consumer electronics & other subjects. Wife, son & daughter survive.



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**A TELEVISION DIGEST  
WHITE PAPER**

© 1976 TELEVISION DIGEST, INC. JUNE 7, 1976, VOL. 16 NO. 23  
1836 JEFFERSON PLACE, N.W. • WASHINGTON, D.C. 20036 • TELEPHONE: (202) 872-9200

Updated to June 3, 1976

## Directory of Video Games

COMPANY	NAME	GAMES	PLAYERS	FEATURES	PRICE	FCC STATUS	DELIVERY
<b>Allied Leisure</b> 245 W. 74th Pl. Hialeah, Fla. 33014 (305) 558-5200	The Name of the Game	6	2	On-screen digital scoring; built-in TV/Game switch	\$100	Submit soon	Sept. 1
	Same	6	4	Color	Not Set	Submit soon	Sept. 1
<b>APF</b> , 375 Park Ave., New York, N.Y. 10022 (212) 758-7550	TV Fun Game	4	2	On-screen digital scoring 3 sounds	\$ 89	Pending	After FCC approval
<b>Atari</b> 14600 Winchester Blvd. Los Gatos, Cal. 95030 (408) 374-3440	Pong	1	2	On-screen digital scoring;	\$ 99	Approved	Immediate
	Super-Pong	4	4	sound Color	\$ 90	Approved	Summer
<b>Broadmoor</b> (Olympic International) 26 General Pl. Jericho, N.Y. 11753 (516) 334-4811	Four Play	2	4	12" b&w monitor included; on-screen digital scoring	under \$200	Not required	Immediate
<b>Channel Master</b> Ellenville, N.Y. 12428 (914) 649-5000	Challenger	4	2	On-screen digital scoring; sound	\$ 80	Submit soon	Aug.-Sept.
<b>Coleco</b> , 945 Asylum Ave. Hartford, Conn. 06105 (203) 278-0280	Telstar	3	2	On-screen digital scoring; variable ball speed	\$ 70	Approved	Immediate
	Telstar Classic	3	2	Same with AC adaptor; wood cabinet	\$ 80	Approved	Immediate
<b>Dyn</b> , 3095 NW 77th Ave., Miami, Fla. 33122 (305) 592-6710	Paddle-Four	4	2	Wired remote controls; on-screen digital scoring	\$ 99	Pending	Aug.
	Paddle-Six	6	2	Same	\$124	"	"
<b>Enterprex</b> 970 N. Broadway Suite 201 Los Angeles, Cal. 90012 (213) 628-5181	Apollo	4	2	On-screen digital scoring; sound	under \$100	Pending	After FCC approval
<b>Entex</b> 1016 E. Burgrove Carson, Cal. 90746 (213) 638-7887	Tele-Pong	3	2	On-screen digital scoring; sound	\$ 50	Approved	Immediate
<b>Executive Games</b> 230 5th Ave. New York, N.Y. 10001 (212) 532-3256	TV Tennis	4	2	AC adaptor; wired remote controls	\$ 70	Approved	Immediate
	Face-Off	2	2	2 paddle sizes; joy stick controls	\$ 90	Submit soon	July w/FCC approval
<b>Fairchild</b> 4001 Miranda Ave. Palo Alto, Cal. 94304 (415) 493-3100	Video Entertainment System	2	2	Number of games & players can be expanded by removable cartridges. Can be used for educational, other applications	Not set	Submit in June	June
<b>Fantasia</b> 1098 Randolph Ave. Rahway, N.J. 07065 (201) 574-2525	Fantasia 101	4	2	On-screen digital scoring; variable ball speed	\$ 60	Pending	Mid-July
<b>First Dimension</b> Box 40130 Nashville, Tenn. 37204 (615) 385-1875	First Dimension (3000 W)	3	4	Robot goal; on-screen digital scoring	\$130	Approved	Immediate
	Video Sports by First Dimension 76	4	2	Digital on-screen scoring; 3 paddle sizes	\$ 70	Pending	After FCC approval
	Video Sports by First Dimension 76C	4	2	3 speeds; color	\$ 79	Pending	After FCC approval

COMPANY	NAME	GAMES	PLAYERS	FEATURES	PRICE	FCC STATUS	DELIVERY
<b>First Dimension</b> (Cont'd)	Video Sports IV	4	2	Color	\$ 79	Submit in July	Sept.
	Undecided	6	4	Color	Not Set	Submit in Aug.	Sept.
<b>IEA</b> , (Weber Electronics) Downsview, Ont., Canada (416) 638-1322	Teletainment	7	2	Manual scoring	\$ 80 (Canada)	Pending	After FCC approval
<b>Lloyd's</b> 180 Raritan Center Pkwy. Edison, N.J. 08817 (201) 225-2030	Monte Verde	6	2	Variable ball speed; wired remote controls	\$100	Pending	Late June/ early July
	Lloyd's	6	2	AC adaptor	\$100	Pending	Sept.
<b>LTA</b> , 323 Geary St. Suite 203, San Francisco, Cal. 94102 (415) 362-2870	Homemachine	4	4	On-screen digital scoring; built-in 19-in. b&w monitor	\$1,495	Not required	Immediate
<b>Magnavox</b> 1700 Magnavox Way Ft. Wayne, Ind. 46804 (219) 432-6511	Odyssey 100	2	2	Manual scoring	\$79-\$99	Approved	Immediate
	Odyssey 200	3	2	On-screen bar scoring	\$99-\$129	Approved	Immediate
	Odyssey 300	3	2	On-screen digital scoring; auto. serve	Not Set	Pending	Aug.
	Odyssey 400	3	2	English control; horiz., vert. player movement	Not Set	Submit soon	Aug.
	Odyssey 500	4	2	Color; stick-figure players; moving goal	Not Set	Submit soon	Late Sept.
<b>Microelectronics</b> 1 Electronics Court Madison Hts., Mich. 48071 (313) 399-4300	Riccochet	4	2	Color; on-screen digital scoring	\$100	Pending	July
<b>Morse</b> , 101-10 Foster Ave., Brooklyn, N.Y. 11236 (212) 272-4343	Super Pro	6	4	AC adaptor; wired remote controls	\$ 99	Submit soon	End of June
<b>Novus</b> 2900 Semiconductor Dr. Santa Clara, Cal. 95051 (403) 733-2600	Adversary	3	2	Color; AC adaptor; wired remote controls	\$ 99	Pending	Late Aug.
<b>Olympic</b> (see Broadmoor)							
<b>Phoenix International</b> (Tokyo Phoenix) 375 Sylvan Ave. Englewood Cliffs, N.J. 07632 (201) 567-6310	Video Sports	4	2	Auto/manual serve; variable bat size	\$ 80	Pending	June
<b>Phone-Mate</b> 325 Maple Ave. Torrance, Cal. 90503 (213) 320-9800	Zonk	4	2	Wired remote controls	\$ 99	Pending	Summer
	Zonk	6	2	Wired remote controls	\$119	Pending	Summer
<b>Radio Shack</b> 2617 W. 7th St. Ft. Worth, Tex. 76107 (817) 335-3711	—	4	2	On-screen digital scoring	Under \$100	Pending	—
	—	4	2	Same	Under \$100	Pending	—
<b>Radofin</b> 10 B Engelhard Ave. Avenel, N.J. 07001 (201) 574-2929	Undecided	4	2	Auto/manual serve; wired remote controls	\$ 50	Submit soon	Fall
<b>Tele-Match</b> (Interstate Ind.) 111 S. Washington Mundelein, Ill. 60060 (312) 566-4840	Tele-Match 4400	4	2	On-screen digital scoring; wired remote controls	\$ 70	Pending	Early July
	Tele-Match 7700	4	2	Same	\$ 80	Pending	Mid-Aug.
<b>Unisonic</b> , 1115 Broadway New York, N.Y. 10010 (212) 255-5400	Tournament 2000	6	2	On-screen digital scoring; wired remote controls	\$120	Approved	Immediate
<b>Universal Research</b> (Control Sales) 2500 Devon Ave. Des Plaines, Ill. 60605 (312) 296-5595	Video Action II	3	4	Steel cabinet; formica top	\$299	Approved	Immediate
	Video Action III	3	4	On-screen digital scoring; sound	\$199	Approved	Immediate
	Video Action IV	3	4	Road-racing game	\$100	Submit soon	After FCC approval
	Video Action Fact	—	—	Educational; game display using removable cartridges	\$300	Submit soon	After FCC approval
	Video Action Game Table	3	4	Built-in monitor; inlays for chess, checkers, back- gammon	\$500	Not required	Fall
<b>Videomaster</b> (American Consumer Electronics) 21 Brewster Rd. Cornwall, N.Y. 12518 (914) 534-9239	Olympic	6	2	Infinite speed control; manual scoring	\$130	Pending	After FCC approval
	Rally	4	2	3 speeds	Under \$ 80	Submit soon	Sept.
<b>Weber</b> (see IEA)							

**Note:** Following firms plan to show games at CES, details not available at press time: Allstates Mktg.; Continental Microsystems; Colt Div., Directional International; Electronic Resources, Fried Trading Co.; I.C. Instruments; International Mdsg. Assoc.; Kendale Technology; Jack Levin & Assoc. Plans of toy firms Cardinal & Jansa not known.



WEEKLY

# Television Digest®

with  
consumer  
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The authoritative service for broadcasting, consumer electronics & allied fields

JUNE 14, 1976

VOL. 16, NO. 24

## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**TV NETWORKS' 1975 PROFITS:** Only NBC shows increase, up 11.36% to \$73.5 million. ABC down huge 40.8% to \$29 million. CBS drops 3.63% to \$106 million. Revenues also broken out by network. (P. 1)

**TV ADS HURT BY VIOLENCE?** J. Walter Thompson finds 40% avoiding violent programs, 8% shunning products. Gerbner reports spring violence levels down for CBS, slightly up for ABC & NBC. Wiley lauds CBS 'commitment.' (P. 2)

**N. C. PHONE CO. PULLS PLUG** on CATV, after ATC systems refuse to pay increase. Service resumed pending court decision. NCTA asks FCC to take over. (P. 2)

**'HOT & HEAVY' NAB BOARD** meetings expected in Washington this week, in controversy over effectiveness of Assn., board & staff. Radio vice chmn. sole contested election. (P. 3)

**WHAR VIOLATES DOCTRINE** because radio station carried no local programming on strip mining, FCC rules. (P. 4)

**NCTA RAILS AGAINST RAILSBACK:** Will fight pro-broadcaster copyright amendment. Board acts on forfeitures, franchise renewals, franchise raiding, certification, engineering issues. (P. 5)

### Consumer Electronics

**QUASAR HOME VTR,** sourced from Matsushita, due for introduction at under-\$1,000 late this year. Panasonic still mulling plans. (P. 7)

**ONLY NBC-TV SHOWS 1975 PROFIT INCREASE:** After steady upward march in annual profits since 1972—when ABC broke into black for first time in decade—only NBC of the 3 TV networks had increased profits in 1975 over 1974. Trend for this year, however, is much better than expected, and all 3 networks now predict record 1976 profits. CBS, for example, had budgeted after-tax profit of \$72 million, now estimates figure will be over \$80 million, we're told. (Figures cover TV network operations only, don't include performance of network-owned TV stations.)

According to figures confirmed by Television Digest, here's how networks did in 1975 (profits are before federal income taxes, revenues after payment of compensation to affiliates and agency commissions): ABC—profits took huge 40.8% drop to \$29 million, from \$49 million in 1974, on revenues of \$510 million. CBS—\$106 million in profits, down 3.63% from \$110 mil-

**DUAL-BAND CB SERVICE,** with 45 channels in 27 MHz, opening of channels in 50-450-MHz range, proposed by EIA Communications Div. EIA CEG, ABC, AMST & NAB file views on eliminating interference to TV. (P. 7)

**MAGNAVOX TV-GAME** combination, an industry first, being unveiled at CES. Texas Instruments announces \$4 chip which makes \$30 b&w TV game possible. (P. 8)

**SYLVANIA'S ANSWER** to Zenith tube—25" self-converging slot-mask with 100° deflection, tri-potential gun, conventional glass—due in late 1977. (P. 9)

**OUR MARKET-SHARE SURVEY** shows Sony moving to 4th place from 7th in color, 2nd biggest increase by RCA. Biggest monochrome gainers are Panasonic, Admiral & Zenith. (P. 9)

**MAY SEES SURGE** in color sales to dealers at annual rate of 8.1 million, 3rd best May in history, 7.3% ahead of 1975. B&w sales down 9%. (P. 10)

**QUASAR—NEW SETS, NEW PLANS:** Hopes for profitability by end of 3 years of Matsushita ownership. Large screen color overhauled. (Pp. 11 & 13)

**TV GAME APPROVAL** drive by FCC results in two more clearances in time for CES; many fail. GI predicts 5 million games market this year, 10 million in 1977. (P. 12)

**TED MOVES TO JAPAN,** General announcing plans to produce videodisc player at \$500 retail. Discs \$3.30 each. Magnavox gives 'latter 1977' target for regional player sales. (P. 13)

lion, on revenues of \$596 million. Additionally, we've learned that CBS's after tax profit last year was \$69.9 million. NBC—profits increased 11.36% to \$73.5 million (\$66 million in 1974) on revenues of \$573 million.

For comparison, here are networks' 1972 & 1973 profits, as reported exclusively each year by Television Digest: 1972—ABC, \$22.6 million; CBS, \$60.2 million; NBC, \$28.1 million. 1973—ABC, \$36.7 million; CBS, \$88.2 million; NBC, \$66 million.

**TV ADS HURT BY VIOLENCE?** Significant numbers of consumers are avoiding programs they consider too violent, and are not buying products advertised on such programs, according to J. Walter Thompson agency. As result, agency is telling clients to "evaluate the potential negatives of placing commercials in programming perceived as violent." JWT is nation's 2nd largest agency.

American society is becoming "desensitized" by media's excessive use of sex & violence, JWT execs. theorize. They consider TV biggest problem. "We're not attacking TV," Pres. Don Johnston told AAF annual convention last week. "We're questioning one part of TV—programming that exploits violence... We are convinced that it is socially & psychologically damaging to large sections of the population."

In preliminary survey of 200 viewers, agency found that 40% avoid watching violent programs, 20% of men and 33% of women prevent children from watching, 10% said they considered not buying product because it was advertised on violent program, and 8% said they actually didn't buy such product. "This is very preliminary, a small sample, but if even half of the people are not doing what they say they are doing, it would be a major concern to us," Johnston said.

CBS Vp-Program Practices Thomas Swafford questioned JWT conclusions: "Are we condemning society, or are we condemning the media that reflect that society's tastes & standards?... I would like nothing more than to slow down and evaluate where we are, but you can't do that in the real world." FCC Chmn. Wiley told ad execs.: "Put it on a moral basis, or on a business basis—the American people today are thirsting for decent, wholesome & uplifting programming. I have done all I can do. I submit that the rest is up to the private sector."

Violence levels during spring 1976 indicate "a slight upturn" in family viewing (FV) period, except on CBS, slight decline during late evening hours and weekend daytime hours, according to addendum to annual violence profile prepared under NIMH grant by Annenberg School of Communications. Results reflect sampling of 2nd week of programming, as recommended in 1975 by Social Science Research Council advisory committee on TV & social behavior (Vol. 15:29 p1).

While FV increase & corresponding decrease in other time periods leaves over-all index "substantially unchanged, fall or spring, since 1974," CBS registered declines during all time periods. "Only CBS has been going consistently down," Project Dir. George Gerbner commented. "It's really a remarkable accomplishment." FCC Chmn. Wiley was even stronger in praising CBS: "There's where there is real leadership," he told Gerbner. "There's where there is real commitment."

**N. C. PHONE CO. PULLS PLUG ON CATV:** First cutoff of service to cable systems by phone company occurred last week, as Carolina Telephone & Telegraph (CTT) disconnected ATC systems serving Dunn, Irwin, Whiteville & Chadbourn, N. C. Some 1,300 subscribers were without service from June 8 to June 11, when attorneys finally negotiated resumption—to continue until court acts on dispute.

CTT is subsidiary of United, which has been hardest-nosed about agreements with systems. It had built systems involved, had "strand rental" agreement with ATC. It increased rate about 50%. ATC declined to pay increase. CTT disconnected systems from headend, said it would do same June 15 in Fayetteville—where it increased pole price from \$3 to \$5—in system serving 23,000. However, June 11 agreement removed that threat.

ATC pleaded with FCC for help, and Cable Bureau Chief James Hobson wrote CTT Pres. J. C. Cluen, saying FCC formula couldn't justify price above \$3. Cluen called back, Hobson told us, and "said they'd go ahead and enforce their contract." ATC then filed complaint in U. S.



Dist. Court, Eastern Dist., N. C., alleging damages, antitrust violations, seeking restraining order.

NCTA jumped into fray June 11, filing petition with FCC asking agency to assume jurisdiction immediately over phone & power pole rentals. Assn. cited not only N. C. cutoff, but many other instances of non-AT&T and power companies demanding increases beyond rates agreed to by AT&T (Vol. 15:40 p3). For example, NCTA said, American Electric Power Co. plans increase to uniform \$5.60, Toledo Edison wants either percentage of system gross or \$9 per pole, Dayton Power seeks increase from \$4 to \$8, etc.

NCTA asked FCC to: (1) Assume immediate jurisdiction. (2) Declare that CATV pay no more than "reasonable apportionment of the utilities' actual cost of providing such space..." (3) Set up procedures to resolve disputes.

**'HOT & HEAVY' NAB BOARD MEETINGS:** "The discussions will be hot and heavy, but there won't be 3 votes to fire anybody," NAB board member told us in referring to 4 days of board meetings in Washington this week. Most other directors echoed that view, and several said there's been much more cross-talk among themselves than usual before board meeting.

Current feelings have been brought on by 2 events: (1) Submission of 16 grievances at Jan. board meeting by Radio Dir. George Brooks (Vol. 16:4 p1). (2) As outgrowth of Jan. discussions, ad hoc fact-finding committee was formed at March convention, chaired by Radio Dir. Donald Jones. This group presented several recommendations to Exec. Committee in May (Vol. 16:20 p4), will repeat requests at exec. session of joint board June 14.

Controversy and discussions have been fanned by continued letters and phone calls from Brooks, who complained he'd spent \$530 of his own money on "the committee's work" since NAB refused to pay his March-May phone bill. In 2 long letters to directors last week, Brooks was critical of NAB Chmn. Wilson Wearn, called for firing of Pres. Vincent Wasilewski and Exec. Vp-Station Relations Burns Nugent. "The NAB board has the clear responsibility to remove top management that fails to perform," Brooks wrote. "We have some over-achievers on the NAB staff who have been hemmed in by... ineffective, stunting superiors."

Practically all of directors we reached agree that Brooks has raised many legitimate points and criticisms of NAB performance—and that board hasn't properly guided that performance—but they also are highly critical of Brooks' personal attacks. Speaking to Vt. Assn. of Bcstrs. last week, Radio Dir. William O'Shaughnessy referred to this week's meetings, added: "I, for one, am determined to keep our debate on the issues and away from personalities... The NAB staff—and I'm talking about Wasilewski and the secretaries down to the janitor—clearly don't deserve the criticism you've seen heaped on them." Before attempt is made to remodel NAB, he said, "our 44-member board... has got to redefine its attitudes, goals and priorities and would do well to get its head together."

In last couple years, NAB has greatly beefed-up its radio efforts and now there's growing criticism that Assn. isn't doing enough for TV. "There's nobody running the TV effort at NAB," director told us. "It's just wandering." Wearn had told us earlier that major reason new top-level exec. is being recruited

(Vol. 16:23 p3) is to provide more services for TV members. Wasilewski declined to answer Brooks' charges, saying only that "I'll respond to questions that are raised at the board meeting."

Board agendas also will be heavy with usual matters—govt. relations, legal, station relations, fall conferences, research, etc. One of more important items is proposal by Ad Hoc Cable Research Committee chaired by TV Dir. Thomas Bolger—and approved by Exec. Committee—to commission outside study on impact of imported signals on stations. Variety of markets and situations would be analyzed. Research Vp John Dimling is preparing proposal for TV Board.

Only contest for leadership posts is 3-way race for Radio vice chmn. among Jones, O'Shaughnessy and Virginia Wetter. Wearn is unopposed for re-election as NAB chmn., as are TV Chmn. Robert Gordon and Vice Chmn. Kathryn Broman. Only candidate to succeed Harold Krelstein as Radio chmn. is Donald Thurston.

Annual audit (for year ended March 31) showed NAB had surplus of \$160,314 on total income of \$3.58 million. TV Code was only dept. in red, spending \$48,447 more than it took in. New NAB policy of dropping delinquent stations after 6 months (instead of year) caused loss of 160 members. TIO had income of \$772,394, expenses of \$762,391, for year. Net convention income was \$379,206.

**Sports anti-blackout law** hasn't "seriously affected" NFL ticket sales, according to FCC's 3rd (and last) annual report to Congress on law's impact. NFL's fear that televising games would result in lower season ticket sales was declared by FCC to be "unfounded... The average number of season tickets sold by NFL teams increased when the number of home games locally televised during the preceding season also increased." However, 2 teams—Miami & Atlanta—were adversely affected by law, report notes, though FCC said it doesn't understand why. Two other teams—Dallas & L. A.—also had increased numbers of "no-shows," but weather and other factors were blamed. Other professional sports—hockey, basketball, baseball—were either "minimally" impacted or not at all, FCC concluded. Report should give boost to final approval of law's permanent extension, tentatively okayed by House Senate conference last month (Vol. 16:21 p6).

**NCTA starts survey** of systems for 1976 Cable Services Directory—showing originations, etc.

**WHAR VIOLATES FAIRNESS:** Failure of WHAR(AM) Clarksburg, W. Va. to carry any local programming on strip mining has resulted in FCC ruling that station violated fairness doctrine. Precedent-setting decision had been expected (Vol. 16:23 p3), and was unanimous—although 3 commissioners concurred.

Commission entered usual disclaimer that it has "no intention of intruding on a licensee's day-to-day" programming but "that some issues are so critical or of such great public importance that it would be unreasonable for a licensee to ignore them completely." FCC said it regards "strict adherence" to doctrine "as the single most important requirement of operation in the public interest" and that such obligation includes programming on issues of concern to community.

WHAR was given 20 days to inform FCC "on how it intends to meet its fairness obligations"; station's lawyer Eugene Mallick said: "I think we'll go along with the Commission and provide some programs on strip mining." In concurring statement, Comr. Robinson pointed out precedent-setting nature of decision, said that while he thought doctrine should be abolished, if WHAR wasn't ruled in violation then FCC could never make such a ruling. "It's that strong a case," he told us.

**Networks didn't incur** any "additional equal-time obligation" when they individually sold Jimmy Carter 5 min. at 10:55 p.m. June 6—just before 3 crucial primaries June 8—FCC ruled just hours after telecast. Sen. Church (D-Ida.) charged simultaneous telecast gave Carter "an immeasurable political advantage," sought equal time June 7. However, 4 Republicans on FCC (Wiley, Reid, Washburn, Lee) rejected complaint. In separate action, Commission ruled that WKZO-TV Kalamazoo hadn't violated "reasonable access" provision of Sec. 315 by refusing to sell 5-min. segments in fringe and prime time to Rep. Riegle (D-Mich.), candidate for Senate nomination.

**"Significant increase"** in power of clear-channel stations could cause great interference to other signals passing through ionosphere, Commerce Dept. Office of Telecommunications (OT) has told FCC. Among results could be cross-modulation, scattering and severe weakening of other signals, according to OT research showing power of only 500 kw could cause such results. "A great deal remains to be discovered about the impact... of high-powered AM broadcasts," OT said in urging Commission to conduct field tests.

**TV advertisers spent** \$246.1 million on networks in March, up 16.3% over 1975, according to TvB-BAR. In first quarter 1976, network billings of \$703.1 million were up 17% over 1975's \$601 million. Of 3-month total, CBS led with \$244.3 million, NBC had \$238 million, ABC \$220.6 million.

**National Bcstrs. Club** elections: Pres., Leonard Tuft, RCA; first vp-treas., Roy Easley, AMST; 2nd vp, Wally Briscoe, NCTA; secy., Patti Grace, NAB.

**NAB N. Y. Code Office** moves to Suite 1405, 477 Madison Ave. 10022, 212-759-7020.

**Recommendations** of American Bar Assn. Communications Law Committee (chaired by Washington lawyer Marcus Cohn) on First Amendment issues raised in FCC regulation of broadcasting: (1) Increase focus on first requirement of fairness doctrine—that broadcasters devote reasonable amount of time to discussion of controversial issues—specifically that Commission adopt percentage guidelines for informational programming. (2) Implementation of requirement that stations provide opportunity for discussion of contrasting viewpoints be consistent with First Amendment. To do this, access programming should be used to reduce need for govt. interference and FCC should adopt renewal-only approach to fairness. (3) FCC replace personal attack rule with policy stating simply that licensee must offer opportunity to respond when such attack occurs. (4) Revise FCC's political editorial rule to require simply that station which hasn't achieved fairness notify candidate and give opportunity to respond. (5) FCC follow "hands-off" policy in news distortion complaints with one "narrowly-limited exception"—where there is "extrinsic independent evidence" that licensee has given instructions to slant news. In other instances, complaint should be referred to station "with no FCC follow-up." (6) Impose no fairness or equal opportunity requirements on cable systems with access channels. (7) Recognize that ban against ETV stations editorializing "is unconstitutional as a prior restraint of speech," thus change Communications Act. (8) Delete requirement that ETV stations observe "strict adherence to objectivity and balance in all programs."

**Nomination of Thomas Houser**, one-time FCC commissioner, partner in Sidley & Austin, Chicago law firm, has been submitted to Senate by White House (Vol. 16:16 p1). However, there was considerable speculation that Senate Commerce Committee wouldn't schedule hearing until White House also sends up CPB & FCC nominations sought by Communications Subcommittee leaders Pastore (D-R.I.) & Baker (R-Tenn.) (Vol. 16:19 p1). Asked for comment, Pastore would only say that "hearings have not been scheduled." White House official said that at least one FCC nominee would be submitted within 10 days, while another said all nominees in coming weeks would be chosen solely on basis of "politics" in search for Ford delegates to GOP convention. "There'll be no concern on the White House's part about possible confirmation," he added. One Commerce Committee senator concluded last week—on basis of White House inquiries—that all earlier-proposed nominations were "dead in the water."

**Democratic National Committee** will seek Supreme Court review of D. C. Appeals Court refusal to overturn FCC ruling that candidates' news conferences are exempt from Sec. 315 (Vol. 16:20 p4, et seq.).

**Institutional investors** in same-market station-cable cross-ownership will be allowed up to 5% in properties, FCC has decided. Investors won't need to show such interests are passive.

**FCC forfeiture bill** was okayed by Senate last week without amendment. Key provision would extend FCC's fining authority to cable.



**NCTA RAILS AGAINST RAILSBACK:** Major action announced by NCTA after board meeting last week was to condemn pro-broadcaster Railsback (R-Ill.) amendment to copyright bill—and cablemen immediately got sympathetic reaction from Rep. Van Deerlin (D-Cal.), who said amendment invades his Communications Subcommittee turf (see below). In other actions, board:

(1) Set up franchise-renewal committee under William Strange, Sammons Communications, which is likely to ask FCC to postpone 1977 franchise-updating rules. (2) Directed gen. counsel to seek some changes in 1977 rebuild decision. (3) Agreed to participate as amicus curiae in Cablecom's court fight to retain its Hugo, Okla. franchise against "franchise raider." (4) Determined to seek simplification of certification. (5) Decided to request FCC approval of small satellite stations. (6) Approved resolutions regarding variety of engineering issues—measurements, all-channel receiver, standards for Army-base systems.

Board was particularly concerned about forfeiture bill, approved by Senate (p. 4), will fight for amendments to minimize "broadcaster harassment."

Assn. has been hit by discrimination suit. Carol Seeger, former aide in pay cable & govt. relations, charged in court and before EEOC that NCTA fired her without good reason, pays her male successor more for same job—and was anti-Semitic.

Next board meeting: Washington Sept. 20-21, Regency Hyatt House.

**House Copyright Subcommittee** Chmn. Kastenmeier (D-Wis.) has been told by Communications Subcommittee Chmn. Van Deerlin (D-Cal.) that Railsback amendment to copyright revision bill (Vol. 16:21 p5) "clearly raises jurisdictional problems from the point of view of the Commerce Committee." Van Deerlin earlier said he hoped Commerce could "stay out of the way" of Judiciary Subcommittee, warned latter not to delve into CATV-broadcasting matters (Vol. 16:19 p5). In letter, Van Deerlin said that Railsback provision "on its face would have the tribunal making judgments which are reserved to the FCC," urged Kastenmeier to "express my serious reservations on [it] to the other members of your Subcommittee." Meanwhile, Subcommittee spent 3rd successive day on public broadcasting's compulsory license last week without final vote, tentatively set June 16-17 for markup sessions.

**CPB hopes to begin** submitting satellite applications to FCC by end of June. CPB board last week gave permission to Pres. Henry Loomis to complete contract with WU, and CPB satellite consultant William Houser told us he hopes contract will be signed in 1-2 weeks. He confirmed that there have been "some changes" made in terms with WU following transfer of negotiating responsibility from Satellite Working Group Exec. Dir. Mike Curzan to CPB (Vol. 16:8 p5); Curzan formulated for-profit spare channel leaseback arrangement with WU (Vol. 16:4 p3)—certain to generate controversy at FCC. However, Houser declined to specify changes pending final agreement.

**Assessment of public broadcasting's performance** 10 years after passage of 1967 Public Broadcasting Act is goal of commission proposed by CPB board. Stung by criticism from Ford Foundation Pres. McGeorge Bundy (Vol. 16:23 p5), board directed staff to investigate feasibility of establishing commission, recommended it also study public broadcasting's "future course," focusing on "the type of entity that should be the operative body, and its sponsorship, funding & membership." Meanwhile, Senate Appropriations Subcommittee: (1) Approved highest possible funding levels (ranging from \$103 million for fiscal 1977 to \$140 million for fiscal 1979) for CPB under long-term funding bill. House Appropriations Committee earlier okayed levels ranging from \$96.75 million-\$120.2 million, added requirement that CPB be responsible for public broadcasting stations' EEO performance. Sen. Brooke (R-Mass.) argued for same amendment to Senate appropriation bill, but Sen. Pastore (D-R.I.) urged that CPB not be made policeman, convinced Subcommittee to ask better civil rights compliance in report accompanying bill, rather than in statute. (2) Okayed \$18 million appropriation for HEW public broadcasting facilities grants for next fiscal year—\$17 million for facilities, \$1 million for demonstration grants. Bill signed recently by President authorized up to \$30 million, but President's budget asked that only \$7 million be spent.

**FCC's EEO enforcement** "has been both vigorous and effective," Chmn. Wiley told Black Citizens for Fair Media in N.Y. "There is simply no room—in an industry as 'public' as broadcasting—for employment practices which discriminate against minorities and women," he said. "Moreover... a broadcaster's personnel policy must be more than simply nondiscriminatory." Wiley noted that since Jan. 1973, FCC has closely scrutinized employment practices of 1,200 stations, that half have received letters from Commission and that of 200 stations given conditional renewals, 150 were ordered on FCC's own motion rather than as result of complaints. (Note: FCC is scheduled to take up revised EEO rules for licensees next week in rulemaking pending for year.)

**RCA Americom** will provide Hughes TV Network with at least 1,800 hours annually of domestic satellite TV transmission under "multi-year" contract. RCA will offer service between N.Y., L.A., San Francisco, Chicago, Houston & Philadelphia, plans to propose to FCC bulk-use video tariff that is "distance-insensitive" and offers "substantial savings" over conventional distribution methods, according to Americom Pres. Philip Schneider. Meanwhile, NBC has established committee to examine feasibility of TV-radio transmission via satellite, under Communications Mgr. Donald Kivell.

**Owner Cecil Heftel** has resigned as KGMB-TV-AM Honolulu pres. to seek Democratic nomination to U.S. House of Representatives. Heftel ran for Senate in 1970, losing to incumbent Sen. Fong (R) by 8,000 votes.

**Mutual Bcstg. moves** hq from Washington to suburban Arlington, Va.—1755 S. Jefferson Davis Hwy. 22202, 703-685-2000.



## Personals

Reception for Rep. **Lionel Van Deerlin** (D-Cal.), chmn., House Communications Subcommittee, is scheduled June 30 by National Bcstrs. Club, 6:30 p.m. . . **Thomas Kauper**, Justice Dept. Antitrust Div. chief, resigns to return to teaching at U. of Mich. Law School, successor unnamed.

**Jerry Rubin** promoted to CBS-TV vp-business affairs; **Sheldon Perry** promoted to vp-business affairs, Hollywood, succeeded by **Alan Levin** as vp-business affairs, N.Y.; **Michael Marden** advanced to dir., motion pictures for TV & mini-series, Hollywood, new post; **Mae Helms** promoted to feature films dir.; **Jerome Dominus** advanced to daytime sales dir.; **Jack O'Sullivan** to sales development dir.

**James Fish**, General Mills, elected AAF chmn., succeeding **Carl Nichols**, Cunningham & Walsh; **James Ward**, WLAC(AM) Nashville, elected chmn., Council of Governors.

**Marcia Carsey** promoted to ABC Entertainment vp-prime time comedy program development. . . **Sy Salkowitz**, 20th Century-Fox TV vp-prime-time programming, advanced to pres., succeeding **Jack Haley**, resigned (Vol. 16:23 p6). . . **Charles Hairston** promoted to feature films & program development mgr., NBC-TV; **Hilary Hendler** advanced to TV Spot Sales eastern sales dir.

Leaving NCTA: Asst. Gen. Counsel **John Kenny** to become Washington counsel, Southern Pacific and its communications div.; Congressional Relations Dir. **Josh Lanier**, who said he'll "remain in Washington in the cable business"; Asst. Dir.-Govt. Relations **Francis Pollock**, named vp-business development for Communications/Engineering Services.

**Ted Powers**, WDBJ-TV Roanoke, elected pres., National Bcst. Editorial Assn., succeeding **Richard Hughes**, WPIX N.Y.; **Dillon Smith**, WMAQ-TV Chicago, vp; **Art McDonald**, KOMO-TV Seattle, secy.-treas.

**Lewis Engman**, ex-FTC chmn., drops out of race for Republican nomination for U.S. Senate from Mich., plans unannounced. . . FCC Law Judge **Ernest Nash** retires.

**Dick Gold**, ex-NBC Stations eastern spot sales dir., named sales dir., KNBC L.A. . . **Larry Manuel** advanced from vp-gen. mgr., operations & production, to vp-gen. mgr., Arbitron Radio. . . **L.E. Stanley** named Theta-Com product sales mgr., new post.

**Michael Cefaratti**, ex-WLVI-TV Boston, named corp. accounting mgr., Belo Bcstg. . . **Les Lindvig**, KOOL-TV Phoenix vp, retires; **Harry Ebbesen** promoted to asst. gen. sales mgr.

**Allen Scollay**, ex-program mgr., KRON-TV San Francisco, joins Optical Systems as head of satellite program acquisition & distribution. . . **Robert Donnelly** advanced to West Coast mktg. dir., Viacom Enterprises; **Jean Goldberg** promoted to research dir. . . **Marvin Dilbeck**, Times Mirror Communications vp, appointed chmn., NCTA OSHA Committee.

In restructuring, HBO Exec. Vp **Bruce Sawyer** becomes responsible for new affiliates and renewals, Senior Vp **James Heyworth** is dir. of operations, handling studio operations (**Reva Melniker**), mktg. & affiliation relations (**Paul Eisele**), operations & engineering (**George Gilbert**).

**Thomas Willett**, Continental Cablevision mktg. dir., named vp-mktg. . . **W. Austin Cross** promoted to operations mgr., Keokuk (Iowa) Cablevision. . . **Clark Eisel** promoted to media in fighting gag orders. . . **William Guerra** elected Oak Industries controller. . . **Joseph Chaplinski**, ex-Storer Bcstg., joins Compu-Net TV as product mgr.

"Fight like tigers every inch of the way. . . Don't make any concessions. Don't make any compromises." This is advice of Senior Appeals Court (2nd Circuit) Judge Harold Medina to media in fighting gag orders. Accepting "James Madison Award" from National Bcst. Editorial Assn. in Washington, Medina said courts are using gag orders "to cover errors. . . It's easier for the judge to just make one omnibus gag order, shutting up everybody—the police, the prosecutors, the lawyers, all the witnesses and everybody else. It doesn't seem conceivable to me that people wouldn't realize that that is an abridgement of the freedom of the press when they do that. . . So what I say to the news media is this: Stick by the First Amendment itself. You don't need any legislation. You don't need anything else. . . If there's legislation, you're going to lose. . . You can't possibly gain by it." NBEA presented "certificate of honor. . . for distinguished service to the cause of freedom and the First Amendment" to Block Drug Co. as only sponsor which didn't drop advertising on CBS's controversial "Guns of Autumn" last Sept. after pressure was applied by National Rifle Assn. and others (Vol. 15:37 p5).

NAACP petitions to deny renewals of 88 Miss. stations (Vol. 16:19 p4) were rejected by FCC last week as "fatally defective" in most parts. Commission said that charges of employment and program discrimination were "unsubstantiated," that petitions weren't timely filed. Speaking to Miss. Bcstrs. Assn. last week, FCC Gen. Counsel Ashton Hardy said: "The Commission is rarely impressed by the charge that nearly every broadcaster throughout an entire state is guilty of misconduct. . . Such blanket allegations would normally lead us to believe that the complainant is either paranoid or is reluctant to do the homework necessary to identify the irresponsible broadcaster."

High hopes for pay TV in Canada were expressed by Jeanne Sauve, Minister of Communications, in address to Canadian TV Assn. Aiming for pay-cable start this fall, she said system must: (1) Not duplicate programs available from stations. (2) Not siphon. (3) Have "high-quality Canadian programs that Canadians will watch." (4) "Ensure that programs are produced in Canada for international sale." She looks for fee of \$8 monthly, saying penetration of 35% is probably attainable. She said: "I am firmly convinced that the introduction of this new service will be a watershed in the development of broadcasting, with major structural implications for the entire system."



# Consumer Electronics®

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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended May 28 (21st week of 1976):

	May 22-28	1975 week	% change	May 15-21	5 months 1976	5 months 1975	% change
Total TV. . . . .	270,342	235,060	+15.0	178,675	4,265,035	3,967,108	+7.5
color . . . . .	150,583	127,039	+18.5	114,426	2,503,633	2,220,577	+12.7
monochrome . . . . .	119,759	108,021	+10.9	64,249	1,761,402	1,746,531	+0.9
Total radio . . . . .	837,720	521,331	+60.7	555,538	12,509,295	9,757,186	+28.2
home, portable . . . . .	570,151	362,010	+57.5	297,989	7,534,476	6,416,588	+17.4
AM-only . . . . .	127,825	95,179	+34.3	82,936	1,771,480	2,010,046	-11.9
FM & FM-AM . . . . .	442,326	266,831	+65.8	215,053	5,762,996	4,406,542	+30.8
auto . . . . .	267,569	159,321	+67.9	257,549	4,974,819	3,340,598	+48.9
Port.-comp. phono. . . . .	77,082	62,813	+22.7	41,092	879,919	1,179,560	-25.4

**Color TV 5-week moving average:** 1976—120,047; 1975—112,088 (up 7.1%).

**QUASAR NEXT IN HOME VTR:** Quasar will enter home VTR field late this year or early 1977, Pres. Robert Bloomberg told distributors at Oak Brook, Ill. convention last week. Unit, a deck, will be "extraordinarily well priced to hit volume home sales," he said, later told us Quasar aims for under \$1,000, or about \$300 less than Sony & Sanyo home VTR decks.

Quasar's cartridge color VTR deck will be same one put into limited distribution in Japan by parent Matsushita last week at \$700 (Vol. 16:23 p9). Deck offers 100-min. play-record time on cassette priced in Japan at \$25—60-min. is \$16.65 vs. \$15 for Sony's—has simplified transport. Tape head enters cassette, tape isn't pulled out.

Quasar's sister company Panasonic apparently won't have unit this year. We were told Quasar was promised exclusive U.S. introduction rights. At Panasonic, spokesman said home VTR plans "were still under study." Quasar, Sanyo & Sony VTRs use different cartridges, different standards, thus are non-compatible.

**NEW CB CHANNEL PROPOSAL:** Dual-band CB service with expanded 45-channel allocation in current 27-MHz band and new VHF or low UHF allocation in 50-450-MHz range, are Citizens Radio Section (CRS) of EIA Communications Div. recommendations in comments on FCC channel-expansion docket.

New proposal, views of CRS and EIA CEG on CB interference problem, and growing concern over other possible CB headaches—mounting inventories and spectre of shakeouts, price disorder—come as industry gathers at CES this week.

In FCC filing, CRS said that IF interference problem (Vol. 16:6 p7 et seq.) "dictates either a 40- or 45-channel AM/SSB service," that "whole IF interference" above 50 channels would occur on at least 15 different channel pairings. Though backing 45 channels, CRS said that meant moving Class C hobbyist service out of 27 MHz, proposal opposed by users of remote controlled devices (Vol. 16:21 p12). External IF filters are termed too large & expensive to be used as solution to problem.

Other CRS comments: (1) While 27 MHz remains good spectrum for rural areas, 220-225 MHz would provide better urban service, be free of ionospheric skip, allow production of hi-fi transceivers in \$250 range. (2) Hold off use of 900-MHz because equipment is too expensive, limited range requires repeaters. Study of 900 MHz "years down road would be a very signifi-

cant & forward-looking activity." (3) There should be no interleaving or exclusive SSB channels, because 25-Hz stability is beyond state-of-art for average \$200-\$300 SSB transceiver. (4) To handle flood of type-acceptance applications, first filing date should be 6 months before effective date of new regulations. (5) Industry shouldn't be forced to stamp serial number on CB chassis to prevent thefts; problem should be controlled at local level. (6) Add-on channel expansion devices for current 23-channel CBs should be prohibited.

Comments on CB-TV interference came from several directions, including CRS & CEG of EIA, ABC & NAB. CRS recommends 60-dB harmonic suppression on 2nd harmonic & higher, plus 20-dB or better harmonic suppression from typical base station antennas. CRS said this would meet FCC's proposed 70-dB value. CRS also recommended use of external lowpass filter in base station antenna installation, said additional attenuation resulting from cross-polarization (base station vertical antenna to horizontal TV antennas) "can provide a system radiated harmonic suppression in excess of 120 dB."

"Significantly more attenuation of harmonics from CB transmitters is necessary than that proposed," CEG said, recommending that harmonics at antenna terminals be at least 112 dB below 4 watts into 50-ohm load. Proposed 70 dB suppression "has little prospect of significantly reducing complaints of interference or of limiting the interference zone to the vicinity of the transmitter." In addition, CEG recommended that frequency separation between first & last CB channels not exceed 400 kHz to control CB interference with AM broadcasting, noted that more study is needed of interference with other types of AM & multiband receivers.

ABC said that suppression should be on order of 85 dB—not 70 recommended by FCC—that interference is particularly bad on channels 2 & 5, and that 12 ABC affiliates using 2 & 5 serve about 10% of all U.S. households. Network said it's "especially concerned" over existing problem, fearful of new interference if FCC channel-expansion "is not carefully implemented."

Interference was described as bordering on "catastrophic" by NAB, which said it "could destroy vast portions of TV service now enjoyed by public" if unchecked. NAB said FCC shouldn't move on channel expansion until new Personal Use Radio Advisory Committee completes studies on interference, enforcement of CB rules. AMST said all CB should be shifted to 900 MHz, while E. F. Johnson filed in support of CRS.

Interference isn't only problem facing industry as CES gets underway. Supply is clearly approaching demand and major producers say over-inventory could see prices at low end of CB deteriorate. Leading distributors are already cutting back on number of lines carried, and NARDA Exec. Vp Jules Steinberg says for first time since CB boom exploded, trade group hasn't received single request from member asking help in locating CB merchandise in past month. He said NARDA would hold off on reorders of X-tal CBs it has been offering to dealers through Traffic Builders Div. "until we see if this trend we detect is in fact true."

CB import statistics indicate volume of CB merchandise flooding into country. April import of 1.54 million transceivers shot an incredible 437% above the April 1975 total, bringing 4-month total to just under 5.3 million, up 301.4%. Growth was led by auto CB units, 936,400 in month, just over 3 million for Jan.-April, both up 10-fold from 1975.

NOTE: FCC Chmn. Richard Wiley plans major speech on CB at CES in Chicago this week. Commission has minor fued going with White House and OTP over what Wiley and others consider interference with agency's jurisdiction over CB (Vol. 16:23 p12).

**MAGNAVOX, TI VIDEO GAME PLANS:** In major developments at high & low ends of frantic video-game market: (1) Magnavox unveils 19" color set with built-in Odyssey on opening day of CES. (2) Texas Instruments reveals plans to market \$4 game chip it says will make possible under-\$30 game.

Magnavox TV-game combination will go on market in Sept., priced about \$500, contain circuitry of 3-game Odyssey 300, introduced to trade in May. (Prices on new Odyssey games released last week—300, \$70; 400, \$100; 500, \$130.) Controls for games are contained in wired remote handheld modules which plug into back of set. Spokesman said 19" set used with game is new, pointed out that game can be played with set tuned to any channel simply by push-



ing TV/Odyssey button on front panel.

Basic TI chip is b&w, plays 2 games, has 3-segment paddles, 3-speed ball, doesn't have sound or on-screen scoring. Firm demonstrated game at Chicago Spring Conference, will sample customers with chip in 4th quarter, says such options as scoring will be available in supplementary chips. Chip makes under-\$30 game feasible because it requires very little add-on circuitry. Magnavox is showing new TV-game unit at CES, but FCC lowered boom on long list of other game firms hoping to display approved products at Show (see p. 12).

**SYLVANIA SHOWS ANSWER TO ZENITH TUBE:** Sylvania lost no time in putting together what it thinks are the good parts of Zenith's "Able" tube and leaving out what it believes are the bad.

Good parts are tri-potential gun, 100° deflection, narrow (29-mm) neck, in-line gun, slot mask, self-converging hybrid yoke. Bad part, as reflected in Sylvania statements (Vol. 16:20 p7), is Mark IV glass developed by Corning & Zenith for Zenith's automated production facilities. Early prototype of new Sylvania tube, shown in 25" size at last week's IEEE Chicago Spring Conference on Consumer Electronics, is claimed to have improved center focus, with spot size 30% smaller than comparable delta tube, outside focus about same as delta. Glass is conventional design, except for 100° deflection.

As demonstrated in Sylvania suite, alongside conventional 25" delta type, center focus indeed was much improved. Sylvania spokesmen said new tube was part of "family of tubes we hope to develop." Also demonstrated was improved-focus 19" slot-mask tube with 90° deflection, high-voltage bi-potential gun, narrow-neck self-converging design. Both new tubes are tentatively scheduled to be available in late 1977.

While Sylvania hopes to compete with Zenith, using conventional glass, it was obvious from technical papers at conference that Zenith believes unique mechanical configuration of new tube is really name of game, much more than are greater deflection angle and high-resolution gun.

Two other 25" in-line tubes were shown at conference: (1) Hitachi 110° slot-mask, narrow neck, bi-potential gun, self-converging, hybrid yoke, which can operate on voltages as low as 25 KV. Hitachi said it plans to introduce family of 110° tubes & components with power consumption competitive with 90° tubes. (2) GE showed pictures of 25" in-line delta-mask wide-neck 90° tube (Vol. 16:13 p13), offering it to OEMs.

Sylvania also displayed experimental picture tube with internal resistive coating to limit arcing. Demonstrations indicated arc was reduced from 200 to 15 amps, which would sharply cut or eliminate damage to components from tube arcing. No production plans were given.

**SONY, RCA LEAD COLOR MARKET-SHARE GAINS:** Our annual Share-of-Market Survey of TV manufacturers shows few major surprises, but some shifts in rankings of middle-echelon firms—Sony jumping from 7th to 4th in color and Quasar dropping from 5th to 7th place in monochrome.

Survey is based on balloting by domestic & foreign-owned TV manufacturers, who are asked to estimate all major competitors' U.S. market shares for model year just closing. We tally medians and put together share-of-market consensus. Neither rankings nor shares can be taken as gospel—they're merely collection of informed guesstimates by industry's market researchers. Shares & rank are based on brand-name sales, not total production or sales—so companies with private-label business come out with lower numbers than they would on total-sales basis.

In color tally, Sony showed biggest increase in market share—1.2 percentage points, to leapfrog Magnavox, GE & Quasar for 4th place with 7% of market. Next biggest increase was by RCA, which went up one percentage point while Zenith dropped by one, narrowing gap between No. 1 & No. 2 to 3 points—23% to 20%. Less significant increase was half-point rise by Admiral to 3.5%, while Quasar & GE dropped by 0.9 & 0.7 of a percentage point and Philco lost half point. If all 3 Matsushita brands in U.S.—Quasar, Panasonic, JVC—were lumped together, they'd rank 4th, between Sears & Sony, with about 8% of market. Sylvania plus Philco would have about 6%, between Magnavox & GE.

In monochrome, gainers for 1976 model year were Panasonic (up 1.8 points), Admiral (up 1.7), Zenith (up 1), RCA (0.8). With Quasar losing 2.1 points, Panasonic replaced it in 5th

place and Admiral jumped 2 notches to 6th, overtaking Quasar & Sony. Minor declines of about half a point were shown by GE, Sylvania & Philco. Major increases for the 5 gainers came mostly from "all others" category—minor brands & private-label—which declined to 17.3% of market from 20.8% one year ago. Combined share of Matsushita's U.S. brands would be at least 13%, making company a strong No. 3 in b&w. Sylvania plus Philco would represent about 6% of market, placing them between Panasonic & Admiral. Here are results of 1977 model-year Share-of-Market Survey compared with those of 4 preceding years:

### SHARE OF U.S. TV MARKET BY MODEL YEAR

#### COLOR

Rank	Brand	1976		1975	1974	1973	1972
		% share	Range	% share	% share	% share	% share
1	Zenith. . . . .	23.0	22.0-26.0	24.0	23.75	22.5	19.1
2	RCA. . . . .	20.0	19.0-22.0	19.0	20.5	20.3	20.5
3	Sears. . . . .	9.0	8.0-10.0	8.7	7.5	7.8	8.5
4	Sony. . . . .	7.0	6.0-9.0	5.8	5.0	4.0	3.3
5	Magnavox. . . . .	6.5	4.0-8.0	6.6	6.75	8.0	8.9
6	GE. . . . .	5.5	5.0-7.0	6.2	6.0	6.0	5.3
7	Quasar. . . . .	5.0	4.0-7.0	5.9	6.75	8.0	7.0
8	Sylvania. . . . .	4.5	4.0-5.0	4.4	5.0	5.0	4.5
9	Admiral. . . . .	3.5	2.0-4.0	3.0	3.5	3.5	4.2
10	Panasonic. . . . .	2.5	2.0-4.5	2.3	-	-	-
11	Philco. . . . .	1.5	1.0-2.0	2.0	-	-	2.7
Other brands. . . . .		12.0		12.1	15.25	14.9	16.0

Scoring 1-2% market share in some survey responses: Hitachi, MGA, Montgomery Ward, J. C. Penney, Sanyo, Sharp.

#### MONOCHROME

1	Zenith. . . . .	18.0	14.0-19.0	17.0	17.75	17.0	13.2
2	RCA. . . . .	14.0	12.2-15.0	13.2	12.0	12.0	10.6
3	GE. . . . .	11.0	10.0-12.0	11.6	11.9	11.0	9.3
4	Sears. . . . .	9.0	8.0-10.0	9.0	8.8	9.0	7.9
5	Panasonic. . . . .	8.0	6.0-9.0	6.2	7.75	8.0	10.8
6	Admiral. . . . .	5.7	3.0-6.0	4.0	5.0	5.6	4.6
7	Quasar. . . . .	5.0	3.8-8.0	7.1	6.0	6.0	3.8
8	Sony. . . . .	4.0	3.5-5.0	4.1	3.15	4.0	5.1
9	Sylvania. . . . .	3.0	2.0-4.0	3.5	-	-	2.0
10	Philco. . . . .	3.0	2.0-3.5	3.5	4.3	4.8	3.3
11	Magnavox. . . . .	2.0	0-3.0	-	-	4.0	3.3
Other brands. . . . .		17.3		20.8	23.35	22.6	29.4

Scoring 1-2% market share in some survey responses: Hitachi, Montgomery Ward, J. C. Penney, Sanyo, Sharp.

**COLOR SALES TO DEALERS SURGED IN MAY:** Color pulled smartly out of April doldrums, EIA sales-to-dealers figures show. In fact, May 1976 was 3rd best May in color's history and by far best month of year in seasonally adjusted annual sales, which ran at 8.1-million-set rate.

Although May wound up only 7.3% ahead of same 1975 month, it must be remembered that year-ago May was unusually strong—best month of 1975 on seasonally adjusted basis. Annual color sales-to-dealers rate of 8.1 million in May 1976 (based on trends of last 5 years) compares with annualized rate of 7.1 million in April, 6.7 million in March, 7.4 million in Feb., 7.3 million in Jan. With sales of 473,932 color sets during month, each week of May was up from corresponding 1975 week—as opposed to April, which ended up marginally below 1975, with 3 of 4 weeks on downside. May's final week, with sales of 150,583 color sets, was 3rd best of year.



Monochrome sales didn't share in advance—309,000 sold, 9% below May 1975. But final week's advance of 10.9% over year earlier snapped 7-week string of declines.

Color TV inventories at factory plus distributor levels at end of May were about 2.1 million, down slightly less than 5% from year earlier but up about 10% during month. Production (including imports) totaled 680,000, up about 48% from 459,000 of May 1975, but it's good guess that major part of increase was represented by imports, not domestic output. May import figures aren't available yet, but April's pattern shows domestic manufacturers continuing to hold tight lid on production. Although production plus imports rose 20.7% over 1975 in April, actual domestic production was up just 2.6% to 390,000, while imports leaped 116% to 157,000 (Vol. 15:23 p7), analysis of Commerce Dept. & EIA figures indicate.

Set makers are still sticking to first-of-year forecasts for 1976. Our May survey of 12 manufacturers yielded median forecast of 7.6 million color sets, 5.25 million b&w. Our survey last Dec. gave medians of 7.7 million color, 5.5 million b&w. Here are EIA sales-to-dealers figures for May (for 5-month data, see State of the Industry):

Product	May 1976	May 1975	% change	May 1974
Total TV . . . . .	782,932	781,169	+0.2	867,872
color . . . . .	473,932	441,800	+7.3	497,126
monochrome . . . . .	309,000	339,369	-9.0	370,746
Total radio . . . . .	2,339,693	1,876,910	+24.7	2,679,977
home, portable . . . . .	1,304,133	1,225,318	+6.4	1,894,535
AM-only . . . . .	339,129	344,664	-1.6	820,276
FM & FM-AM . . . . .	965,004	880,654	+9.6	1,074,259
auto . . . . .	1,035,460	651,592	+58.9	785,442
Port.-comp. phono . . . . .	174,994	239,089	-26.8	157,721

**NEW QUASAR—NEW SETS, NEW PLANS:** After 2 years of Matsushita ownership, Quasar is right on track—with brand new chassis across-board, longer color line, home VTR (see p. 7), new automated production facilities—and still hopes for profitability by end of year 3. So distributors were told at national meeting last week in Oak Brook, Ill.

Complete overhaul of large-screen color, following earlier replacement of small-screen sets, removes all former Motorola models. Major advance in new line is "Super Module" (still in drawer in 25" sets) containing 75% of circuitry, replaceable in 3 min. for substitution of factory-rebuilt chassis. New module with ICs reduces number of parts to 550 from 640 in preceding model, cuts wiring to 125 from 250 ft. (to 100 in portables), slices 25" power consumption to 120 watts from 170.

Replacement Super Modules will cost \$100 out of warranty, but less than \$40 on factory-exchange basis. Thus, in-home repair customer gets virtually complete remanufactured chassis on repair job. Company's advertising will be geared to reliability ("You Can Depend on Quasar") and will claim 97% of 13" & 15" sets require no warranty repairs in first 8 months.

Console line has been enlarged to 22 from last year's 9, portables remaining at 13, with prices substantially unchanged—a few up \$10 or down \$10-\$20 (see p. 13). All color sets except leader 12" (Japan) are U.S.-made, and 12" itself may be moved here. "Our basic plan is for all color assembly here," we were told by Pres. Robert Bloomberg. Monochrome sets under 16" are made by Matsushita in Japan, under 16" at Panasonic Puerto Rico factory.

Quasar continues one-year labor warranty on all consoles, has instituted 90-day in-home policy for 19" sets. Mktg. & Sales Vp Alex Stone said company is looking into prepaid freight policy instituted by Zenith & Admiral, will "decide very soon."

Highly automated Franklin Park (Ill.) plant "could easily produce 60,000 color sets a month," Bloomberg told us. Facility will make consoles for Panasonic, and beginning this week Quasar will actively solicit private-label and derivative-model business. "Production problems are behind us," said Bloomberg. Pontiac (Ill.) plant will be taken over by Matsushita America, presumably to build Panasonic small-appliance parts as reported here (Vol. 16:14 p13). Quincy

plant is for sale. Total employment is about 2,000, same as year ago.

In reversal of earlier plans, Quasar now says it has no current intention to offer audio in U.S., but still has small team to handle export & licensee audio business. Stone said Quasar increased market share in first half, that more than half of distributors reported 25-180% increases in Jan.-May business. Now with facilities & product, Quasar officials set as realistic near-future goal "sustained moderate growth."

**FCC OKs 2 MORE GAMES:** FCC drive to approve majority of games on test list in time for CES failed, but labs did give go-ahead to APF (TV Fun Game) & Microelectronics (Riccochet) late in week, and spokesman said several others might squeak through for Show. Delay in approving games presumably was caused by failure of many to pass rigorous type-approval test program. FCC won't talk about rejected games since previous comments to press on flunked units sparked angry debate between firms involved and FCC Lab engineers. "We're taking a hard-nosed approach now," said harried spokesman, citing barrage of phone calls & visits from firms pleading for approval. "We have to do it just to survive. No one will get special treatment."

Earlier in week, FCC approved Tele-Match 4400 (Tele-Match Inc.), but others on test list were left without legal right to display turned-on games or offer them for sale. At week's end, several firms were planning to side-step rules on display of non-approved products (Vol. 16:15 p11) by wiring games to video output of Advent projectors. FCC requires approval of games which generate RF signal, connect to antenna terminals of TV set. Spokesman said members of Chicago field office will police CES for violations.

Games market could hit 5 million units this year, 10 million in 1977, GI Vp Edward Sack, Microelectronics Group gen. mgr. said at press briefing & tour of chip maker's Hicksville, L.I. facility. Sack based forecast on belief "volume will be dominated by single-chip market and we plan to make 5 million chips this year." GI is only producer currently offering standard single chip to games industry. Sack also said: (1) Growth of game market will be similar to that of watches & calculators, and new firms planning to enter chip market will bring prices down quickly. (2) GI is actively developing new chips and Sack "will be disappointed if we don't have some new offerings by the winter CES." (3) Single chip offers 50% reduction in manufacturing costs over multiple-chip approach, translates into \$25-\$30 difference at retail. (Magnavox found way to cut price on multiple-chip Odyssey 100. Firm apparently is closing game out, and N.Y. stores are offering it for \$50, half original suggested price.)

**Matsushita retained position as top color marketer in Japan last year, accounting for 32% of 7.47 million sets sold, up from 31% of 8.76 million in 1974 (totals exclude exports).** Ranked 2nd was Toshiba with 17%, up from 16%; Hitachi 3rd at 15%, up from 14%, according to Japan Economic Journal survey. Pioneer took 22% of 1.9-million unit stereo market in 1975, up from 20% of about same size market in 1974. Matsushita placed 2nd with unchanged 16% share, followed by Sony with 10%, down from 15%.

**Pemcor is quitting TV parts business, shutting down Mexican operations of Videocraft Div., converting Laredo, Tex. plant to produce Jensen speakers.** Videocraft, producer of deflection components, was casualty of "decrease in the number of domestic TV manufacturers, increased imports of components from the Far East, more in-house manufacture of parts by TV set makers and rising costs in Mexico," Pres. Edward Anixter said. Pemcor said it sold \$5.8 million in TV parts in year to March 31, down from \$6.4 million, and it indicated Zenith, which bought its Mexican yoke plant in 1974 (Vol. 14:20 p11), was its major parts customer. Pemcor said it lost \$627,400 (including \$484,300 reserve for plant disposal) on TV business last year, \$1.07 million in fiscal 1975.

**Technological advances** for matrix 4-channel stereo continue despite increasing disinterest at manufacturer & consumer levels. Deltek, Bloomington, Ind. producer of parts & subassemblies, has formed OEM Div. to market parametric decoder developed by Peter Scheiber, holder of basic matrix patent. Slated for summer production, unit is said to provide 35-dB separation for all channels. National Semiconductor has agreed to produce ICs for enhancement system developed by UK's Tate decoder, first shown here 2 years ago, which promises separation equal to that of Deltek unit.

**Masco sold \$30-million worth of personal communications products (Royce CB & Electra Bearcat scanners) in first quarter, up 200% from same 1975 period, company says in prospectus for \$75-million bond issue.** Masco said 1975 sales of those products plus other specialty items were \$102.3 million, up from \$51.6 million in 1974, while net rose to \$23.1 million from \$9.9 million. Company claims it's largest U.S. producer of scanners, says bulk of its CB gear is made by single (unnamed) Japanese supplier 10% owned by Masco.

**Taiwan showed \$301-million favorable balance in international electronics trade last year, down 23% from \$390-million surplus of 1974, Economic Affairs Ministry reports.** Taiwan's exports, mainly consumer electronics, were down 24% to \$692 million; imports, primarily components, dropped 25% to \$391 million. Govt. also reported that average monthly pay for factory worker rose 31.3% last year to \$144.95. Highest paid are those in metal & machinery equipment production, including electronics, who averaged \$174.26.

**Korea & Taiwan electronic show dates have been moved back month.** Korea: Oct. 16-23; Taiwan: Oct. 24-31. Postponements follow EIA-Japan's shift of Japan Electronic Show from mid-Sept. to Oct. 22-27.



**TED MOVES TO JAPAN:** Although Telefunken has suspended production of TED videodisc player in Germany because of slow sales, there's new interest in Japan, where General Corp. announced it had signed cross-licensing agreement with TED proprietors Telefunken & British Decca. General said it would manufacture TED players in Japan and license TED to use its sequential RGB technology.

General plans to market player next April at about \$500. Software will be manufactured by Nippon Video System, joint venture of Toppan, Japan's 2nd largest printing company, and Shogakukan, leading textbook & educational publisher. Discs will sell for about \$3.30 each. General is one of 5 Japanese firms to sign RCA videodisc licenses (Vol. 15:40 p7). Sanyo was Japan's original TED licensee, but never put system on market, is now selling own home videocassette recorder in Japan & U.S.

"You begin to wonder what the future of the printed page would be" if most U.S. homes were equipped with videodisc players, Zenith Research Vp Robert Adler told Chicago Spring Conference audience in analysis of disc systems. As to optical vs. capacitance systems, he said which one succeeds is question of "how valuable the special features of the optical system are—it's very important for us to find out." Conference heard papers on Philips/MCA system parameters, Thomson-CSF transmissive optical system. Tentatively scheduled paper on TED system was not delivered. Philips & Magnavox conducted demonstrations of optical videodisc using player carrying new Magnavox logo. North American Philips Vp Robert Cavanagh said Magnavox plans regional market introduction of player "in latter 1977, preceded by complete user tests—timing isn't as critical as making sure the product is right."

**Sony sales** (parent company only) rose 15.4% to record \$554.4 million in half to April 30, while net jumped 33.3% to \$34 million. Sony said consolidated results would be released by end of month... **Nippon Electric** sales rose 10.8% to \$1.43 billion, but profit slid 20.9% to \$15.5 million in year to March 31. NEC said consumer electronics sales were up 16.8% to \$128 million. Sales of other lines, in millions: Wire communications \$463 (up 3.5%), wireless \$266 (up 6.3%), computers \$334 (up 13.7%), other electronic devices \$234 (up 26.3%).

**Ad notes:** BSR budgets \$1 million for print & spot TV campaign for Accutrac 4000 computerized turntable beginning in Oct... **Royce Electronics** names Gardner Adv., St. Louis, for all consumer products... **E. Gluck Watch Co.** (Quasar) appoints Hartel, Catalano & Gornick, replacing Edward Weiss Adv. on \$300,000 account.

**Import adjustment** assistance was rejected for former corporate staff members of Philco-Ford Consumer Products Div. by Labor Dept., which said cutbacks resulted from 1974 sale of consumer electronics business to Sylvania rather than import competition.

**TRW hiked prices** on plastic foil & tantalum capacitors average of 9%-15%.

**QUASAR, HITACHI LINES:** Quasar color (see p. 11) starts with carryover 12" continuing at \$330, step-up at \$340, 13" unchanged at \$350, as are 15" at \$370 and 17" at \$400 & \$410; new 17" is open-listed (\$420). In 19", line starts with open-list leader (unchanged at about \$420), first step is up \$10 to \$440, version with Super Module is \$460, Super Insta-Matic model \$470 (down \$10), varactor remote \$550. Group of 23" consoles opens unchanged at \$600, step-up pair are \$630, double-sided console \$650. In 25", new leader table model is \$600 (remote \$700), leg console \$630 (no comparable models last year); first consoles (3 credenzas) are \$650 (down \$20), with remote at \$750; 3 models with Super Module & Super Insta-Matic are \$680 (up \$10), with step-up at \$700 and pair of remotes at \$780. Full-feature series with manual varactor tuner opens at \$730, pair of step-ups at \$770, remote model \$825.

Quasar b&w features 9" & 12" battery portables, unchanged at \$130 & \$150; 12" AC leader down \$5 to \$110, step-up \$125. New 13" is open-listed, new 16" is \$150; 19" starts with open list (about \$150, unchanged), step-up \$170.

**Hitachi** adds 9" battery-portable color at \$320, down about \$10 from previous open-list model. New set has slot-mask tube as do all sets in 1977 line with exception of 19" remote holdover. Also new are two 13" color portables at \$330 & \$350, a \$10 drop for leader. B&w line now includes two 9" battery portables at \$120 & open (about \$130), open-listed 19" (about \$160). Bulk of TV line, introduced in Jan., continues at same pricing (Vol. 16:2 p9).

**Bowmar's emergence** from bankruptcy hinges on court clearance of creditor-approved plan calling for payment of some \$14 million in cash & shares over 8-year period. In some cases, creditors will settle for 25%. Bowmar will also assign to creditors 66% of proceeds derived from pending \$240 million anti-trust suit filed against Texas Instruments (Vol. 14:49 p9).

**Industry sales forecasts** for 1976 by Sharp Exec. Vp William Anderson: TV, 7.3 million color, 5.6 million b&w; CB, 8-8.5 million mobile & base stations; audio, 500,000 tape decks, 34.5 million radios; microwave ovens, 1.2 million counter & combination units.

**Tiny TV camera**, 2.5-x-3.75-x-2 in., was demonstrated at Chicago Spring Conference by Fairchild. Latest version of CCD b&w cameras, it has resolution of 244 lines, 190 picture elements per line, sells at about \$5,000. Fairchild spokesman said company aims at color version in 2 years.

**Memorex** is recalling some 3,000 tape-head demagnetizers because of possible shock hazard. Company told Consumer Product Safety Commission it had received no consumer complaints.

**Korea approved** Dong-suh Electric's purchase of RCA color TV patent license; royalty rate is 1.8%.

# WEEKLY Television Digest

with  
**Consumer Electronics...**

**PUBLISHED BY TELEVISION DIGEST, INC.**

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Also publishers of annual *Television Factbook* and weekly *TV, AM-FM & CATV Addenda*, *CATV Atlas* and other special publications

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## 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
Communications Properties			
1976-6 mo. to April 30	10,838,565	(189,727)	--
1975-6 mo. to April 30 <sup>a</sup>	8,344,776	(533,979)	--
1976-qtr. to April 30	5,558,729	(80,237)	--
1975-qtr. to April 30 <sup>a</sup>	4,241,661	(221,683)	--
Electro Audio Dynamics			
1976-9 mo. to May 1	39,785,000 <sup>b</sup>	520,000	.20
1975-9 mo. to May 1	33,723,000 <sup>b</sup>	2,000	--
Major Electronics			
1976-year to March 31	25,160,000	523,000 <sup>c</sup>	.65
1975-year to March 31	11,518,000	(870,000)	--
Pemcor			
1976-year to March 31	92,336,079 <sup>b</sup>	1,814,912	1.10
1975-year to March 31	90,873,365 <sup>b</sup>	696,913 <sup>c</sup>	.42
Teletronics International			
1976-9 mo. to March 31	6,733,000	381,000	.42 <sup>d</sup>
1975-9 mo. to March 31	6,475,000	446,000	.53 <sup>d</sup>
1976-qtr. to March 31	2,513,000	117,000	.13 <sup>d</sup>
1975-qtr. to March 31	2,244,000	136,000	.16 <sup>d</sup>

Notes: <sup>a</sup>Restated. <sup>b</sup>From continuing operations. <sup>c</sup>Includes special credit. <sup>d</sup>Fully diluted.

## Trade Personals

**James Proud** advanced at Sylvania to audio products national sales mgr., succeeding **Jerry Henricks**, who shifts to Hitachi as national hi-fi sales mgr., new post; **H. Andrew Fay** replaces Proud as Sylvania mktg. manpower development & sales training mgr... **Morris Wilson**, former D.C. zone dealer sales planning mgr., advanced at GE Major Appliance Group to TV mdsg. mgr., succeeding **Dale Sutton**, now Hotpoint N.Y. retail sales mgr... **Allaire Karzon**, ex-Aladdin Industries, appointed RCA staff vp & counsel... **Mike Staup**, former strategic planning mgr., now Magnavox videodisc product mgr.

**Michael Shea** joins Atari as consumer products mktg. dir... **Bernard Marren** resigns as American Microsystems pres. & chief exec., duties assumed on interim basis by **Valentine Peterson**, a company founder & a dir... **Samuel Borofsky**, ex-Litronix eastern sales mgr., joins Unitrex as special mktg. dir.; **Edward Prokop**, ex-Texas Instruments, named national sales mgr. for National Accounts Div., both new posts.

**Steve Gillespie** advanced at Benjamin Electronics from West Coast mgr. to national sales mgr., new post... **Sanford Berlin** retires as Harmon Industries exec. vp Aug. 31, continuing as consultant... **Charles Condi**, ex-British Industries, named Distributor sales mgr., Robins Industries Consumer Products Div... **Ed Carrier**, ex-Magnavox, joins Epicure Products as eastern sales mgr.; **Tom McLoughlin** advanced to western mgr.

**C. P. Wong**, managing dir. of Hong Kong-based Stelux, appointed chief exec. & exec. committee chmn. of 26.8%-owned affiliate Bulova, succeeding **Harry Hensel**, who continues as chmn.; **R. Mark Bourquin** named pres., replacing **Kenneth Yarbrough**,

resigned; **George Sheinberg** advanced from vp-treas. to exec. vp, succeeding **Bourquin**... **Fred Weisel** appointed watch product mktg. dir., Hughes Solid State Products Div.; **Victor Gill**, ex-Collins Radio, appointed Microelectronic Products Div. communication products mgr., replacing **Weisel**... **Robert DePalma** named Rockwell financial analysis vp; Controller **Charles Ryker** appointed vp; **William Neely** advanced from gen. asst. treas. to treas., succeeding **DePalma**... **James Ambrose**, ex-GE, named International Importers capacitors mktg. mgr.; **Dean Cochran** appointed CB mktg. mgr.

**John Douglas** advanced at GTE from exec. vp to chmn., succeeding **Leslie Warner**, retired; **William Harrison** upped from vp-controller to senior vp-finance, replacing **Douglas**... **Rand Araskog**, ITT group exec. responsible for electronics, components, energy & aerospace operations, advanced from vp to exec. vp, and along with Exec. Vp **Lyman Hamilton**, named to office of pres. for operations; **Maurice Valente**, ITT Europe pres., promoted from senior vp to exec. vp; Vp **John Plann** moves up from deputy treas. to treas., replacing **Hamilton**.

**Lee Barton**, Buckbee-Mears vp, named gen. mgr. of new In-Line Products Div. (shadow masks) in restructuring of Industrial Group; **H. Douglas Smith** appointed Micro Products Div. gen. mgr... **J. Lawrence Scalise**, ex-CTS, named Wabash Transformer Div. sales mgr... **Charles Steinberg**, Ampex Audio-Video Systems Div. vp-gen. mgr., adds responsibility for data products... **Jane Alsbrough** promoted at ABC Records from west coast publicity mgr. to national press & PR dir.

**RCA won \$3.5-million contract** to build & train personnel for C/MOS wafer plant from Taiwan's Industrial Technology & Research Institute.



WEEKLY

# Television Digest®

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JUNE 21, 1976

## SUMMARY-INDEX OF WEEK'S NEWS

VOL. 16, NO. 25

### Broadcast

**'HEALTHY THINGS' TO HAPPEN:** Fact-finding group's recommendations accepted by NAB board, which forms task force to follow through. 'Activists' Thurston & Jones elected to Exec. Committee. NAB condemns FCC fairness ruling. (P. 1)

**'ILLEGAL' GOVT. INFLUENCE ON FV:** Plaintiffs in suit want TV Code provisions called illegal, un-enforceable; charge FCC acted illegally, created 'atmosphere of urgency.' (P. 2)

**SMALL EARTH STATIONS** continue to attract attention from cablemen. Greenstadt terms tests 'wildly encouraging.' FCC skeptical. (P. 3)

**FV 'NOT ENOUGH' TO STOP** public outcry over violence, Humphrey tells BPA seminar. Wiley sees public thirst for 'decent, wholesome' programming. Chaseman says networks try to 'self destruct.' (P. 4)

**DEBATE OVER MORE NEWS:** NBC claims affiliates have fared better than networks in sales & profits. CBS denies decision made on expanded news. (P. 4)

**HOUSE RETURNS TO RENEWALS:** Van Deerlin sets Sept. 14-16 hearing, though chances for successful legislation are slim. Staggers introduces 4-year bill with protection for incumbent. (P. 5)

### Consumer Electronics

**GULF & WESTERN ENTERS** consumer electronics through purchase of assets of Muntz Home Theatre

by subsidiary Sega, plans electronic games, other home electronics. Muntz establishes new projection-TV firm. (P. 9) CES projection highlights. (P. 14)

**BUSINESS LIKE CES** sets records for attendance & exhibitors but not for excitement. Sales atmosphere good. Audio revolt dampened. (P. 10)

**FCC EYES VIDEO GAMES** for interference, talks of banning attachments to antenna terminals. Industry buoyant over 1976. (P. 10) New games star at CES, highlighted by Fairchild cartridge system. (P. 13)

**CB MIXED REVIEWS AT CES:** Govt. gets tough on type acceptance, says it will reveal new channels in July. Industry suffering from too many shows. (P. 11)

**CPSC REJECTS UL** request for 150-day delay in deadline for TV safety standard. (P. 12)

**TV PLANT CLOSINGS** by major manufacturers restricted to 2 weeks this year. (P. 12)

**NEW REGROUPING BY GTE** drops Sylvania name from worldwide electronics & lighting businesses. Kremer in major new post. Lann heads domestic Home Entertainment Group. (P. 14)

**CB PROFITS SOARING** this year for Hy-Gain, Dynascan. Regency, Conrac boost dividends, APF splits stock. (P. 15)

**MORSE BUYS PILOT** brand name, inventories from Mitsubishi. Harman International takes over Ortofon, buys RCA plant complex in L.A. (P. 15)

**NAB—"HEALTHY THINGS ARE GOING TO HAPPEN":** Accepting report of "fact-finding" committee "with enthusiasm" last week, NAB board immediately established task force to implement recommendations. "I've got a feeling that some pretty healthy things are going to happen" as result, according to new Radio Vice Chmn. Donald Jones, who also was chmn. of fact-finders. "That's one reason I ran for vice chairman—to make sure that the work that's already been done doesn't just die out... The board this time asserted its responsibilities, which in the past it's tended to let slide or pass on to other people."

First order of business for task force (which meets July 29-30) will be to establish qualifications for new senior exec. (Vol. 16:23 p3) and to write job definitions for existing NAB depts. and staffers. Chmn. Wilson Wearn said there's no timetable on hiring new man.

Board adopted resolution praising fact-finding group's work and "reaffirmed its confidence" in Wearn and Pres. Vincent Wasilewski after 2-hour closed meeting (without staff)—described

as "acrimonious" and "hot & heavy" at times. Among other proposals—neither put to vote—before board were resolutions (1) praising entire NAB staff and (2) censuring Radio Dir. George Brooks for personal attacks on some staffers (Vol. 16:24 p3). Brooks (who was member of fact-finding committee) threatened to walk out, but ended up voting for resolution which also directed task force "to carry on the constructive work which has been initiated and which carries a top priority among NAB's goals and objectives."

Among fact-finders recommendations: (1) Active involvement of all dirs. on committees. (2) List annual goals and objectives of NAB. (3) Reorganize NAB internally to serve TV and radio members separately, along with independent TV and radio boards. (4) Adopt "a management by objectives program" for every NAB employe. (5) "Aggressively seek a meeting of the minds" between NAB and NRBA. (6) "Much more emphasis" on improving industry's public image. (7) Poll board members before Exec. Committee sets policy on major matters. Committee voted against hiring outside management firm to study re-organization.

Task force is composed of 7-member NAB Exec. Committee, plus 4 dirs.—Frank McLaurin, Carl Venters, Charles Batson, Forest Amsden.

In only contested election, Jones was elected radio vice chmn. over 3 opponents—Virginia Wetter, William O'Shaughnessy and Vic Diehm (last got in race only night before). Jones defeated Diehm 17-11 in 3rd run-off. Other new member on Exec. Committee is Radio Chmn. Donald Thurston, who succeeds Harold Krelstein. Re-elected hold-overs include Joint Chmn. Wilson Wearn, TV Chmn. Robert Gordon and TV Vice Chmn. Kathryn Broman. Exec. Committee also includes Past Chmn. Andrew Ockershausen, Pres. Wasilewski and CBS Washington Vp Bill Leonard (last doesn't have vote).

Thurston and Jones are considered "activists" by board colleagues, aren't expected to accept staff recommendations and actions automatically. Thurston said he'll push for major NAB seminar on press freedoms and First Amendment. Jones said his main interest will be internal NAB organization to make it more responsive "to a dynamic TV-radio industry."

Board condemned recent FCC ruling that WHAR(AM) Clarksburg, W. Va. had violated fairness doctrine (Vol. 16:24 p4) as "an unwarranted intrusion into the First Amendment rights of the public." In resolution—advocated by CBS's Leonard, opposed by ABC's Eugene Cowen (who abstained when vote was taken)—NAB also urged Congress to "repudiate the fairness doctrine and to immunize news and public affairs broadcasting from such oversight or supervision." On motion of Radio Dir. David Scribner, NAB also agreed to establish FOI Committee and adopted "declaration of broadcast freedoms" proposed by Radio Dir. Herbert Hobler. All board members signed declaration, which will be sent to state assns., seeking additional endorsements. In other actions, board:

(1) Approved \$100,000 study by outside consultant to determine "fractionalization in cable households and the extent of cable penetration" (Vol. 16:24 p3). (2) Told broadcast management dept. to study feasibility of holding labor-relations seminar and to issue quarterly reports on labor developments in broadcasting. (3) Approved Sept. seminar for black owners in Washington. (4) Agreed to pay RAB \$50,000, TvB \$20,000, for participation in 1977 convention. (5) Agreed to reimburse dirs. for coach-class airfare to Jan. 1977 board meetings in Maui, Hawaii. Previous rule was first-class airfare to West Coast only.

Radio board took no position on request of Small-Market Radio Committee that it oppose higher power for clear-channel stations. Board suggested that Committee file its own position with FCC without NAB endorsement. Other radio board actions: (1) Tabled for further study proposal to equalize number of radio stations in each NAB district. (2) Urged FCC to require identification of all cable radio programming and to prohibit cable systems from using call signs beginning with W or K. Board also will seek FCC requirement that any cable system importing radio must carry signals of all local radios of same class (AM or FM). (3) Endorsed 6-month DST. (4) Will seek FCC permission to re-broadcast CB signals, particularly in emergencies.

**'ILLEGAL' GOVT. INFLUENCE ON FV:** Addition of family viewing (FV) concept to NAB TV Code was "significantly influenced" by illegal FCC actions—with agency also mandating time



schedule and creating "an atmosphere of urgency"—plaintiffs Tandem Productions and WGA-W told L.A. federal court last week. In separate brief, Tandem said "All in the Family" has "a unique importance" in suit against networks, NAB and FCC, and asked court to tell CBS it could move program back into FV time (7-9 p.m.).

Plaintiffs argued that FV violates First Amendment, Sec. 326 of Communications Act and Administrative Procedures Act and "cannot escape strict scrutiny because it allegedly protects children. [FV] is impermissibly vague...impermissibly overbroad [and] imposes a restraint that is impermissibly drastic." They asked court to declare TV Code unlawful and to prohibit NAB from enforcing its provisions.

Tandem and WGA-W also asked for reimbursement of "reasonable"—unspecified but reportedly \$600,000—legal fees, saying that broadcasters themselves should have filed suit against "pervasive government influence." Plaintiffs said FCC "specifically agitated for censorship" and only relief sought "would simply protect broadcasters from illegal action by the government... But it appears that the networks and the NAB have too much to lose from FCC displeasure to risk resisting...government pressure for spurious self-regulation and disguised censorship." They charged FCC "intentionally, unintentionally, directly, indirectly, subtly and harshly" interfered with "the decision-making processes of the NAB."

On "Family," Tandem said it's entitled to relief "that will dissipate the taint" that program is inappropriate for family viewing. "The evidence has demonstrated that CBS was extremely reluctant to tamper with either the content or timing of its most popular program but finally had to yield to growing pressure from the FCC, the other networks and the NAB..." Tandem asked court to rule that program was moved to 9 p.m. because of FV and that "Family" is appropriate for general audiences. Network, NAB and FCC briefs are due next week, and argument before Judge Warren Ferguson is scheduled July 15-16.

**SMALL EARTH STATIONS:** Various groups—particularly cable—continue to argue for earth-station terminals using dishes smaller than 9 meters, cutting station costs from \$60-\$70,000 to \$30-\$40,000. But FCC is waiting to be convinced.

Veronica Ahern, of FCC Common Carrier Bureau, said there are no proposals pending before FCC to allow smaller dishes, and she emphasized Commission's concern that such units would increase prospects of interference and require greater separation between satellites, reducing efficiency.

NCTA Engineering Vp Delmer Ports has no reservations, says use of small units "is inevitable." Last week, Optical Chmn. Alan Greenstadt spoke to Fla. Cable Assn. from L.A. via satellite, said he was "wildly encouraged" by tests of dishes from 2.8 to 4.5 meters. Howard Hubbard, of Antennas for Communications, Ocala, Fla., said he plans demonstrations for FCC in Washington in next few weeks.

Domestic small earth-station market (defined as dishes 10 meters or smaller) is forecast by Commerce Dept.'s Office of Telecommunications to grow from \$7.7 million in 1975 to \$62.9-\$89.5 million by 1985. Prepared by Arthur D. Little, OT study says estimates exclude land & buildings, site preparation, other equipment & costs.

To promote their use, OT recommends stepping up research & development in 11-14 GHz and 18-30 GHz bands, asks FCC to establish "clear and simple" procedure for requests or authorizations for earth stations using standard interference calculations & limits, set "realistic time intervals" to avoid "inordinate delays" in processing applications.

**House Copyright Subcommittee** completed work on public broadcasters' copyright obligations last week, lifting compulsory license granted them by Senate, approving compromise requiring compulsory arbitration by royalty tribunal if parties can't agree on payments after 6 months. Non-dramatic literary works are left to marketplace. Subcommittee also defeated, 3-2, amendment offered by Rep. Danielson (D-Cal.) giving radio stations standing to sue cable systems if they delete commercials. NAB-drafted amendment was based on argument that radio stations will lose revenues if cable systems run their own commercials. "We take this [defeat] quite seriously," NAB official told us, hinting it might be grounds for Assn. to oppose bill's final passage. Meanwhile, Commerce Committee threat that it will seek referral of copyright bill due to Railsback amendment (Vol. 16:24 p5) wasn't even mentioned during 2 days of markup last week. "This seems to be a matter we can't talk about," commented staffer. "I think that Chmn. Kastenmeier [D-Wis.] is very eager to get a bill out," Communications Subcommittee Chmn. Van Deerlin (D-Cal.) told us. "He won't want to jeopardize its passage with a referral." Replied NAB official: "We want a bill and we're not going to use referral as a means of killing the bill." However, he rejected possibility of compromise because "the Railsback amendment already is a compromise."

**Hearing on regulation of cable** resumes next month with 9 sessions scheduled July 20-Aug. 5. Topics will include pay cable, sports, distant signals, federal-state-local relationships, "industry structure," cross-ownership, minority ownership, EEO, rural service, FCC.

**FV 'NOT ENOUGH'—HUMPHREY:** Evidence to date points to "a causal relation of some kind" between violence on TV and aggressive behavior of children, Sen. Humphrey (D-Minn.) told BPA seminar in Washington last week. Noting increasing public and congressional concern about TV violence, he said "there is little doubt that a steady diet of violence in programming is having an effect on our children..."

"In a society where even our 3- and 4-year-olds watch more than 30 hours of TV a week, the simple creation of a 'family hour' may not be enough... And broadcasters should be aware that no amount of complaint about censorship can stand up to citizen pressure... While we can recall a faulty car, there is no way to 'recall' a program after the damage, if any, is already done."

FCC Chmn. Wiley again called for 5-year renewals, which would permit Commission to do "a more effective job of zeroing in" on bad operators. He also urged Congress to amend equal-time law because it "inhibits" political coverage, said courts have gotten FCC "very deeply" into First Amendment area through radio-format rulings. Wiley said any broadcaster who doesn't have an effective EEO affirmative action plan "is letting himself in for a lot of trouble" and that "the American public is thirsting for programming that is decent, wholesome and uplifting... I think we're going to see some improvements in this regard."

Post-Newsweek Stations Pres. Joel Chaseman had unkind words for TV networks and newspaper coverage of TV-radio. He said it appears at times that networks are trying to "self-destruct"—citing refusal to sell time to presidential candidates and debate over expanded news programs. Of newspapers, he said: "We have a right to demand respect... The people who write supposedly factual articles should know what the hell they're writing about."

New ABC anchorwoman Barbara Walters: "We are still suffering from the closeness of broadcast journalism and show business... As long as we're in it for ratings, we should stop being so sensitive about it... Why are we so embarrassed? Obviously, the name of the game is ratings."

Finally, Katz TV's Robert Hoyt had this advice: "A good promotion manager should be a good reporter. If he is, he'll create good promotion for TV news programming."

**WALB-TV Albany, Ga.** wasn't politically motivated when it refused to carry 5-hour Jimmy Carter state-wide telethon, FCC ruled last week in refusing to order renewal hearing. Carter's ad agency had charged WALB-TV Chmn. James Gray canceled contract to air telethon for political reasons—Gray ran against Carter for governor in 1966; Carter removed Gray as state Democratic chmn. when Carter was elected governor. Station offered Carter free 30-min., opportunity to purchase more time. "WALB-TV's failure to clear a 5-hour block of time did not constitute a willful or repeated failure to provide reasonable access, particularly when free and paid program time was available to Carter," unanimous FCC said.

**DEBATE OVER MORE NEWS:** Networks haven't been doing as well as affiliates financially, NBC argued last week, presenting figures designed to counter those offered by Group W Chmn.-Pres. Donald McGannon in his opposition to expansion of TV network news in station time (Vol. 16:22 p2). Among NBC points:

(1) In last 10 years, networks sales rose 92% while local increased 235%, regional-national spot 85%. (2) Network profits were 4.4% of sales in 1970, 14.6% in 1974, 10.4% in 1975, while VHF stations' low point was 22.6% in 1971, 32.1% in 1965.

(3) NBC provides 56 prime-time 30-sec. local spots vs. 50 in 1971-72, offers total of 84-88 min. weekly for local sale. (4) NBC paid stations \$248.2 million in 1974, up 16% from 1964, would have been up 24% to \$266.2 million if it hadn't been for prime-time-access rule.

At BPA convention last week, Post-Newsweek Stations Pres. Joel Chaseman said one network advised WTOP-TV Washington that it was going to hour of news, 6-7 p.m., in fall 1977. He later identified network as CBS, individual as Peter Herford, dir. of affiliate relations for news. Chaseman called this "an outrageous grab of power."

CBS Affiliates Chmn. Charles Brakefield said: "I don't believe Peter Herford is qualified to make such a statement," added that he was at CBS hq last week and nothing was said about longer news, and that CBS Pres. Arthur Taylor had assured him affiliates would be consulted about any expansion. Said CBS News Senior Vp William Small: "There's absolutely nothing to it. We're a long way from anything firm."

**FCC's fee structure** should be studied by House & Senate Communications Subcommittees, House Appropriations Committee recommends in approving full amount of Commission's fiscal 1977 budget request (\$51,448,000). Committee says inquiry should cover whether any fees should be charged, what agency costs fees should cover, whether licensees, "who presumably derive great benefits" from FCC license, should pay for entire licensing service through fees. Recommendations follow hearing during which Rep. Early (D-Mass.) suggested that if CB radio license fee were raised from \$4 to \$20, this would produce double FCC's current annual budget (Vol. 16:12 p6).

**Correction:** We had typographical error on NBC profits for TV network in 1973 (actual profit was \$60 million, instead of \$66 million, as published) in article on 1972-75 pre-tax profits of 3 TV networks (Vol. 16:24 p1); rest of figures for 4 years are accurate. You may want to make this change in June 14 issue of Television Digest so you'll have accurate figures in one place.

**Reverse discrimination:** KLFB(AM) Lubbock received short-term renewal (to Aug. 1, 1977) from FCC because Vp Marco Garcia removed Anglo-Saxon names from entries in 1973 station contest. Commission added that it would "scrutinize closely... with particular emphasis on KLFB's conduct in running station contests" next renewal application.



**HOUSE RETURNS TO RENEWALS:** Rep. Van Deerlin's (D-Cal.) Communications Subcommittee has set Sept. 14-16 for new look at renewal legislation. Hearing was requested by Ranking Republican Frey (Fla.) & Commerce Chmn. Staggers (D-W. Va.). In announcing session, Van Deerlin honored commitment made to broadcasters by former Communications Chmn. Macdonald (D-Mass.) after Staggers killed 1974 bill by refusing to appoint House members to conference committee (Vol. 14:49 p1). Staggers later acknowledged he'd killed bill because broadcasters had broken promise not to seek 5-year term (Vol. 15:42 p3).

Despite hearing, chances of successful legislation this year are virtually nil. Though promising to approach hearing with "open mind," Van Deerlin put odds on bill's passage at "about 1-1/2 on a Richter scale of 10." Because hearing comes so late in year, "no one could be enthusiastic about a bill's chances at this time," he explained. In addition to time factor, there's almost certain opposition by citizen groups to any bill which will strengthen licensee's hand at renewal time, as well as fact that Senate is unlikely to act.

Staggers last week introduced draft bill basically pro-broadcaster. It would ban consideration of media cross-ownership at renewal time unless FCC has rule to cover specific situation, set time limit on petitions to deny, provide for appeal of FCC decisions to Appeals Court in licensee's circuit, give incumbent renewal if it followed FCC rules. On other hand, it would provide only 4-year term, require comparative hearing for mutually exclusive applications, require licensee to ascertain public's "needs, views & interests." In addition to Staggers bill, Subcommittee will have bill drafted by Frey last year (Vol. 15:13 p6).

**FCC "overstepped** its statutory authority and has improperly expanded its role under the fairness doctrine" in ruling 8 Cal. stations violated doctrine over pro-nuclear-power spots (Vol. 16:21 p4), NAB told Commission last week. Asking for reconsideration, NAB said agency "failed to respect the wide latitude given to licensees" and order is "patently offensive in that it represents an unprecedented governmental interference with licensee programming decisions."

**Spot TV spending** by national & regional advertisers was up 18% to \$463.3 million in first quarter, TvB announced. Leading product categories were food (\$113.7 million, up 16%), automotive (\$44.7 million, up 33%), toiletries (\$41.4 million, up 34%), medicines (\$31.6 million, up 10%), records & tapes, radios & TVs (\$31 million, up 12%), confectionery & soft drinks (\$30.1 million, up 49%).

**RTNDA moves hq** from E. Lansing, Mich. to Washington (1735 DeSales St. NW 20036, 202-737-8657) June 28. Retired NBC News exec. Len Allen is managing dir.; Marion Hattenbach, WMAL-TV Washington, asst. Veteran RTNDA Exec. Secy. Rob Downey returns to Mich. State U. full time.

**FCBA annual seminar** is set for Nov. 19-22, Cerromar Beach Hotel, Puerto Rico, speakers not yet confirmed.

**CPB & Western Union** signed 7-year contract last week for provision of space segment of public TV satellite distribution system. Contract provides for 3 transponders at \$2.4 million annually, with option on 4th. First earth stations are scheduled to begin in late spring, 1978, all to be operating by end of year. Plans for radio networking via satellite haven't been finalized. WU plan to buy space on each CPB earth station to receive satellite's remaining 9 channels is "separate and distinct issue" under final version of contract, according to CPB consultant William Houser. In previous draft, "public television agrees to support Western Union applications before the FCC for such approval," according to Jan. 1976 brochure prepared for PTV stations. Meanwhile, Public Service Satellite Consortium announced it's researching satellite-based "national network for continuing education" for such groups as doctors, engineers, industrial mgrs., etc. Network would use existing satellites, deliver programs via cable, relays from conventional earth stations, or smaller receiving stations installed by institutions such as hotels and hospitals.

**PBS is establishing fund** to enable corporate underwriters to fund news & public affair programming, according to PBS Pres. Lawrence Grossman. He told us experiment will mark first time PTV has accepted such funds for news & public affairs. PBS has dual concern, he said: To protect underwriter who is afraid of being associated with controversial program, and to protect producer who fears money will come with strings attached. Grossman said efforts to get "untagged money"—given for unspecified use, rather than for specific program—have been unsuccessful, requiring PBS to serve as buffer between underwriter and producer.

**Master TV antenna system** feeding apartment in Tacoma produces harmful interference, and owner A. J. Corvin's failure to obey FCC order to correct it brought cease-&-desist order. FCC Judge Naumowicz threw out Corvin's defense—that he had grandfather rights "since he was there first." System picks up KPLU-FM on 88.5 MHz, retransmits it on 177 MHz, interfering with KIRO-TV Seattle (Ch. 7).

**ABC got final approval** of exclusive U.S. TV rights for 1980 Winter Olympic Games in Lake Placid, N.Y., paying more than \$15 million. International Olympic Committee earlier approved agreement in principle with ABC for \$10 million, but NBC & CBS protested that they had been excluded from bidding. NBC offered \$11.1 million, CBS \$15 million.

**FTC advertising programs** are subject of June 22-24 hearing by Rep. Rosenthal's (D-N.Y.) House Commerce, Consumer & Monetary Affairs Subcommittee. Panel will examine ad substantiation, corrective ads, comparative advertising, case selection, industry self-regulation, will hear testimony from consumer groups, industry, commissioners.

**"Black Ownership and National Ad Dollars"** is title of NAB Sept. 15-17 seminar at Washington hq. Participants will include black station owners, congressmen, FCC officials and NAB execs.

**Suspension from practice** before FCC for 6 months is penalty recommended for attorney Benedict Cottone, for hearing room behavior during KAYE case (Vol. 16:22 p4), by Special Hearing Officer Samuel Steinfeld. Retired chief justice of Court of Appeals of Ky., state's highest court, Steinfeld found Cottone had been "insolent, discourteous & offensive" toward FCC Judge Ernest Nash, said: "Just as judges are ordinary men, sometimes dressed in different clothes (robes), so too are lawyers with the same emotions, reactions & sensibilities as judges. Nevertheless, the lawyer must control his feelings... The processes of appeal & review are the havens for the lawyer, therefore, making a record without attacking the judge is his weapon." Disbarment wouldn't be appropriate, judge said, because: "Cottone's age [68] and long membership at the bar are to be considered... The testimonials of his good reputation and good character are impressive." Cottone will appeal suspension.

**Horror movies** on KCOP(TV) L.A. Sat. & Sun. afternoon lost 5 sponsors, following complaint by National Assn. for Better Bcstg. Dropping out: Procter & Gamble, Gillette, Kinney Shoe, Jack in the Box and Albertson's Food Centers. Richard Frank, station vp-gen. mgr., said movies had been edited to "what is acceptable to the Los Angeles community" and that NABB had "coerced" advertisers. Frank Orme of NABB said group didn't threaten boycott of advertisers but appealed to "their common sense & integrity." He said KCOP was "most flagrantly offending" station in area but that NABB would work on other stations, too.

**Import of Mexican stations**, permitted by copyright bill (Vol. 16:21 p5), would damage U.S. Spanish-language stations, according to Spanish International Network (SIN). In letter to House Copyright Subcommittee, SIN officials said they pay \$800,000 a year for Mexican programs—while CATV could import them for small fee, and 6 months or more earlier than they appear on SIN.

**L.A. field hearing** on family viewing, TV sex & violence, by House Communications Subcommittee (Vol. 16:22 p5), has been changed to Aug. 17-18; one-day Denver hearing remains July 9. Asked if Republican has agreed to attend, Chmn. Van Deerlin (D-Cal.) said: "They're welcome to."

**Democratic National Committee** will buy up to \$250,000 of network time during convention July 12-14 in N.Y. to appeal for contributions. If successful, DNC Chmn. Robert Strauss said, spots also will be bought during Republican convention in Kansas City.

**Fairness complaint** against NBC's "Teamsters Power" has been dismissed by FCC Bcst. Bureau. Union charged program "constituted a distorted view... and an unbridled attack on the 2 million Teamster members."

**Bartell Media-Downe Communications** merger has been approved by both firms' boards. Downe already owns about 2/3 of Bartell's shares, will offer \$1.25 per share for outstanding stock.

**Theta-Com is getting out** of cable equipment business—after losing \$1.5-\$2 million a year—but will continue AML. Hughes Aircraft subsidiary will continue providing cable equipment spare parts and maintenance for existing customers, move AML to L.A., expand it. Layoff of the 250 employees is expected this fall; company has about 3 months' backlog. Theta-Com Chmn. James Sutherland said decision came "because CATV operations have not been profitable for some time, and conditions in the CATV industry do not indicate an improvement in this situation in the foreseeable future." It's understood that sales this year have been excellent—but that price competition forced losses. Theta-Com entered business in April 1972, buying Kaiser's CATV business.

**FCC's annual TV program** report for 1975 found average station devoted 24.6% of entire broadcast day to non-entertainment & non-sports programs. Of this, 9.6% was news, public affairs 4.9%, all other 10.2%. During prime time, figure was 22.4%. Locally produced non-entertainment & non-sports programs totaled 8.5% of entire broadcast day; including entertainment & sports, locally produced programs accounted for 9.7% of day. During prime time, locally produced non-entertainment & non-sports programs amounted to 8.2% of time; including entertainment & sports, locally produced material totaled 9.3%. Breakdown for each station may be inspected at FCC reference room.

**CATV growth anticipated** by Arthur D. Little consulting firm: (1) Revenue increasing 14%-18% yearly through 1980, reaching \$1.5-\$1.8 billion then, in current dollars. (2) Pay-cable subscribers will increase 50% yearly, totaling 3-4 million by 1980. (3) Basic subscribers will increase 7-10% yearly, reaching 15-17 million in 1980 (20% of 77.6 million TV households). (4) Pay-cable subscribers will total 5-7 million in 1985, while basic subscribers will run 20-26 million (30% of 84.8 million TV households). Study was prepared by Peter Shapiro & Warren Bender.

**FCC has added 13** prohibited practices to examples of fraudulent billing, first prohibited in Oct. 1965. Commission said that new examples, and those previously incorporated in rules, are not "all-inclusive."

**Same-day non-duplication** protection was granted to KIVA-TV Farmington, N.M. by FCC, which concluded there were substantial prospects of damage via simultaneous non-duplication. Commission said it would look at situation again in 18 months.

**Southern Cable TV Assn.** convention in Atlanta Sept. 12-14, Fairmont Hotel, includes addresses by Rep. Van Deerlin (D-Cal.), FCC Cable Bureau Chief James Hobson, NCTA Chmn. Burt Harris.

**Cable "anti-poaching" law**, one of most stringent in nation, has been enacted in Fla., copies available from Fla. Cable TV Assn., 100 E. 17th St., Riviera Beach 33404.

**Confirmation hearing** on nomination of Thomas Houser to be OTP dir. is scheduled June 25. Sen. Pastore (D-R.I.) will chair.



## Personals

NBC Chmn.-Chief Exec. Officer **Julian Goodman** has signed new 3-year contract with parent RCA; **Robert Goldfarb** advances at NBC-TV from program development dir. to comedy & variety programs vp; **Deanne Barkley** promoted from west coast program development vp to dramatic programs vp.

**Tony Converse** advanced at CBS-TV from dir. to vp, special programs; **Bernie Sofronski**, ex-N.Y. daytime programs dir., promoted to N.Y. program development dir... **Sen. John Pastore** (D-R.I.) receives awards: From Southern Educational Communications Assn., for contributions to public broadcasting; from Catholic Apostolate of Mass Media (Washington), Award of Merit.

CBS News Pres. **Richard Salant** elected to National News Council in expansion from 15 to 18 members... **Leo Domeier** promoted to vp, WTCN-TV Minneapolis... **Michael Berman**, ex-WXYZ-TV Detroit, appointed gen. sales mgr., WWJ-TV Detroit.

**Robert Strite**, ex-Allegheny Airlines, elected ABC controller, succeeding Vp-Finance **Warren Schaub**, who held post on interim basis; **Merle Worster & Verne Pointer** elected vps, Bcst. Operations & Engineering Div.; **Thomas Day** advanced to ABC-TV affiliate relations northeastern mgr., succeeding **Joseph Niedzwiecki**, promoted to assoc. clearance dir.

**Joseph Mazza** promoted to gen. sales mgr., WXIX-TV Cincinnati... **John Orose** promoted to King Bcstg. treas... **Robert Blake**, ex-Group W Productions, appointed PR dir., WPIX N.Y... **Jack Duffield**, ex-RKO General, appointed syndication dir., WCVB-TV Boston.

**Donald Kleffman** named gen. mgr. of Ampex Audio-Video Systems Div., succeeded as national mktg. mgr. by **Richard Sirinsky**, ex-national sales mgr... **Richard Burns** appointed Oak Industries sales mgr. for middle Atlantic states with hq in Raleigh, N.C.

Heading new Katz TV Minneapolis sales office (2850 Metro Dr., 612-854-0020): **Thomas Hetherington**, formerly in Chicago office, and **John Aronson**, ex-WMT-TV Cedar Rapids; **Frank Truglio**, ex-H-R, joins Katz TV Continental Silver Team, N.Y... **Elio Betty** advanced to midwest sales mgr., ABC-TV Spot Sales.

**John Cannon** elected NATAS pres., succeeding **Robert Lewine**; he'll be its first full-time, paid head... **Vern Coolidge**, S. Fla. CATV, elected pres., Fla. CATV Assn.; **Leonard Gregory**, TPT-Fla., is pres.-elect... **Jeffrey Benson** promoted to exec. asst. to **David Gerber**, David Gerber Productions; **Andrea Baynes**, ex-NBC, named Columbia Pictures TV program development dir.

**Austin Furst**, ex-Computer TV Inc. pres., named HBO programming vp, succeeding **Harlan Kleiman**, who starts own production firm... ATC promotions: **Joseph Collins**, vp-eastern operations; **Michael McCrudden**, vp-western operations... **Thomas Polis** promoted to Magnavox CATV Div. international sales mgr... **Ted Hughett**, Monterey, elected pres., Cal. Community TV Assn.

**Stuart Gray**, NBC, named pres., Radio-TV Research Council; **Richard Montesano**, Trendex, pres.-elect; **Bernard Lipsky**, Foote, Cone & Belding, secy.-treas... **Robert Mitchell**, ex-NTA, named north-central sales dir., Warner Bros. TV Distribution, new post.

In formation of new CPB Human Resources Development Dept.: **W. Ed Mansfield**, consultant, appointed minority affairs dir.; **Audrey Colom**, ex-National Women's Political Caucus pres., named women's activities dir.; **Martha Carrell** advanced to training & recruitment dir.; **Carlos Morales** promoted to planning & coordination dir.

**William Smith** resigns as Miss. ETV Authority exec. dir... **F. Lee Morris** promoted to acting exec. dir... **Jonathan Rice**, KQED San Francisco mgr. & program dir., retires, remains consultant; **James Scalem** advanced to asst. program mgr.; **George Foster** promoted to public affairs dir.

**Sally Wells** advanced to WETA-TV-FM Washington development dir... **Bill Porterfield** appointed KERA-TV-FM Dallas public affairs dir... **Paul Steen**, gen. mgr., KPBS-TV San Diego, re-elected pres., Western Educational Network... **Michael Hardgrove** joins KVIE(ETV) Sacramento as broadcasting dir., new post.

**Renee Valente**, Columbia Pictures TV vp-talent, advanced to vp-movie, long form & novel programming dept., new post... **Angela Schapiro**, ex-Warner Communications, joins Columbia Pictures as pay TV operations dir., new post... **Ivan Bigelow** appointed Ameco vp-mktg... **Eugene Reich**, ex-Telemation, named international technical services mgr., International Video... **George Brownstein**, cable consultant, joins Cinemerica as vp-corp. development.

**Robert Stone**, ex-Jobbers' Credit Assn., named vp-administration, Bcst. Credit Assn., which moves hq from Chicago to N.Y... **Todd Gaulocher**, Viacom domestic syndication dir., advanced to vp-sales development.

**Arthur Hook**, ex-WLVI-TV Boston, appointed gen. mgr., KUID-TV-FM (U. of Ida.) Moscow, succeeding **Peter Haggart**, who remains Radio-TV Dept. chmn... **Robert Glazier**, KETC(ETV) St. Louis exec. dir. & gen. mgr., resigns to undertake unspecified new venture... **J. Nicoll Durrie** advanced to treas., Time-Life Films... **Thomas Kirwan** advanced to pres., CBS Professional Publishing Div., succeeding **Theodore vanden Beemt**, retired.

**Teleprompter added 7 systems** June 18 to string of satellite-served operations getting HBO programs. ATC satellite will feed Fla. systems in St. Petersburg, Largo, Hillsborough, Lakeland, Plant City, Manatee. TPT's own dish will feed Pocatello, Ida. system. Feed to Telesis Neb. systems began June 17 from dish in Grand Island.

Citing "unprecedented advertiser demand," TvB has more than doubled (from 12% to 27%) predicted 1976 increase in spot TV billings over 1975.

**EEO enforcement** by public broadcasters is subject of Aug. 9-10 hearing by House Communications Subcommittee. Hearing was promised by then-Chmn. Macdonald (D-Mass.) last year when House-Senate conference agreed to strike from CPB funding bill a provision authored by Congressional Black Caucus holding CPB responsible for public stations' enforcement of civil rights laws (Vol. 15:49 p5). Witnesses will include FCC, EEOC, HEW & Justice Dept.; public broadcasters & public interest groups also are likely to be called. Chmn. Van Deerlin (D-Cal.) said in printed statement that since CPB "was not established to be an enforcement agency," hearing will attempt to determine where EEO enforcement responsibility lies.

**Commission on Federal Paperwork** has made 6 recommendations to House Speaker Albert (D-Okla.) on how to cut excessive govt. red tape. In 2-page report, Chmn. Frank Horton said Commission concluded that amendment of Administrative Procedures Act to give bigger voice to affected parties in rule-makings would "substantially reduce" govt. paperwork. Among suggestions on how to achieve this: Require proposed rulemakings to include projected estimate of paperwork burden; extend public comment period from 30 to 45 days; require agency to make "a reasonable attempt" to work on rulemakings with those likely to be burdened with resultant paperwork, certify it has done so.

**Pole attachment action** following dispute in N.C. (Vol. 16:24 p2): (1) Rep. Van Deerlin (D-Cal.) assured NCTA delegation he'll give them hearing during cable sessions which resume July 20. (2) NCTA pole committee, headed by Amos (Bud) Hostetter, formed 2 groups—Hostetter, Harold Farrow & David Kinley, to draft legislation; Barry Simon & Farrow, to review litigation around country. (3) NCTA group called on Justice Dept. antitrust lawyers, seeking help against phone & power companies. (4) Cable industry faces uphill battle as it urged Commission to assume jurisdiction over pole agreements; right now, majority vote isn't there. FCC is expected to invite comments on NCTA petition.

**Loews Corp.**, parent of Coaxial Communications, has notified FCC that senior Loews officials "were aware of and participated in" illegal domestic political contributions 1971-1973. Recognizing that FCC might consider this grounds for refusing to renew licenses for Coaxial's 5 CARS licenses (in Columbus, O. & Madison, Fla.), Loews asks FCC to defer any action until firm can file pleading to suggest how FCC should proceed. Reporting form submitted to SEC 2 weeks ago revealed that Loews execs. made about \$48,000 in illegal contributions, which were "improperly reimbursed" by company. Loews attorney declined to identify contributors or recipients.

**Gannett buys 3 newspapers & their broadcast affiliates**, price undisclosed: Springfield, Mo. News and Leader & Press, with KGBX(AM) & 50% of KYTV(TV); Muskogee, Okla. Phoenix & Times Democrat, with KBIX(AM); KHMO(AM) Hannibal, Mo. Springfield & Hannibal properties are owned 50% by Duval family, 50% by Oklahoma Press Publishing Co. which owns Muskogee media.

## WEEKLY **Television Digest** with **Consumer Electronics...**

PUBLISHED BY TELEVISION DIGEST, INC.

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Also publishers of annual *Television Factbook* and weekly TV, AM-FM & CATV Addenda, CATV Atlas and other special publications

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**Syndicated Communications (Syncom)** is for-profit organization formed by Opportunity Funding Corp. (OFC) to increase minority broadcast management and ownership. Syncom has \$1 million loan commitment from Ford Foundation and \$1.5 million from consortium of OFC, Cooperative Assistance Fund and Presbyterian Economic Development Corp. It hopes to raise total of \$30 million from banks and other private firms. If Syncom itself participates as investor, it will sell its share to minority interest as soon as station reaches break-even point, according to Syncom Chmn. John Gloster, 2021 K St. NW, Washington 20005.

**New FCC rules requiring licensees to report all litigation involving shareholders** is much too broad "and is sure to cause confusion and misreporting," NAB told agency last week. Assn. argued requirement that any litigation involving "moral turpitude" be reported "could involve anything from bingo to alienation of affection, and the FCC owes it to licensees to clarify what types of litigation come under this." NAB asked Commission to adopt 10% ownership standard for required report.

## Obituary

**Taft Schreiber**, 68, an MCA dir. and member of exec. committee, died June 14 in L.A. of complications following surgery. He joined MCA when it started in 1926, became a vp. Schreiber figured in 1965 U.S. Supreme Court decision which upheld FCC ruling that he must testify in open hearing during investigation of network program practices. He had argued that open hearing would give competitors an advantage (Vol. 5:22 p6). Active in GOP politics, he was co-chmn. of President Ford Committee, had been a supporter of Nixon. Survivors include widow, son, daughter.



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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended June 4 (22nd week of 1976):

	May 29- June 4	1975 week	% change	May 22-28	1976 to date	1975 to date	% change
Total TV. . . . .	172,693	172,868	-0.1	270,342	4,437,728	4,139,976	+7.2
color . . . . .	102,003	100,324	+1.7	150,583	2,605,636	2,320,901	+12.3
monochrome . . . .	70,690	72,544	-2.6	119,759	1,832,092	1,819,075	+0.7
Total radio . . . . .	372,457	960,180	-61.2	837,720	12,881,752	10,717,366	+20.2
home, portable . .	153,109	801,866	-80.9	570,151	7,687,585	7,218,454	+6.5
AM-only . . . . .	36,595	379,825	-90.4	127,825	1,807,985	2,389,871	-24.4
FM & FM-AM . .	116,604	422,041	-72.4	442,326	5,879,600	4,828,583	+21.8
auto . . . . .	219,348	158,314	+38.6	267,569	5,194,167	3,498,912	+48.5
Port.-comp. phono. .	28,745	53,313	-46.1	77,082	908,664	1,232,873	-26.3

Color TV 5-week moving average: 1976—115,187; 1975—108,425 (up 6.2%).

**GULF & WESTERN ENTERS HOME ELECTRONICS:** With projection TV & video games as base, huge international conglomerate Gulf & Western Industries is staking out new claim in consumer electronics. How large a claim isn't known, but company is establishing new division for "TV & home entertainment products," based in L.A. area.

One of first steps in new operation was G&W's surprising acquisition of all assets of Muntz Home Theatre projection TV. Although it became known at CES last week that Muntz had been sold, it wasn't generally realized that G&W was ultimate buyer. Earl Muntz sold business to partner Sy Weintraub, who in turn sold it to Sega Enterprises, Redondo Beach-based firm which is 95% G&W subsidiary.

Sega is manufacturer, distributor & operator of coin-operated games, operating principally in Japan, which recently established manufacturing & distribution operation in U.S., is moving heavily into coin-op video game business. Finance Vp Malcolm Kaufman told us Sega plans to enter home video game business and other aspects of consumer electronics, but definite plans won't be in place for 60 days or so. To underscore its seriousness, G&W advertised last week in Wall St. Journal for "Dir. of Mktg., TV & Home Entertainment Products" for "newly established div." in L.A.

Reached at his home, Earl Muntz told us he was going right back into projection-TV business through newly formed Muntz Electronics, has already signed lease on building across street from his former plant in Van Nuys, Cal., would offer Earl Muntz Signature Projection TV in both self-contained & 2-piece models as well as re-entering auto stereo business which he pioneered, adding CB, other products. G&W also will use Muntz brand name "at least for the time being," Kaufman told us.

G&W sales in year ended July 31 totaled \$2.6 billion. Company is collection of about 140 businesses, is in electric musical instruments, amplifiers & speakers through Unicord, Westbury, N.Y. (Univox brand), makes consumer electronic components through Elco, Willow Grove, Pa. Major leisure holdings include Paramount Pictures, Simon & Schuster.

Muntz brand has been foremost & best-selling of single-tube projection-TV systems which use modified small-screen home color sets as projection source, magnifying picture through lens and throwing it onto high-gain Kodak Ektalite screen. With purchase of Muntz, G&W becomes first major U.S. company to see potential in this type of system. (For report on projection TV at CES, see p. 14.)

**A QUIET DOWN-TO-BUSINESS CES:** Tenth annual Consumer Electronics Show last week performed its function admirably—displaying latest wares, getting buyers & sellers together. Those seeking real excitement might have found more last Sun. in Peoria. For 4 days, Chicago's McCormick Place was community of 45,000, supporting 4 daily newspapers which couldn't even agree on a lead story.

Closest to single new gee-whiz product was the video game, but this had been anticipated. CB makers were out in force, but they'd shot their wad at PC-76. Gone was the 4-channel of yesteryear. Calculators & watches were old hat. Prediction of \$9.95 digital watch within year by Microelectronic Systems' Jerry Allen was ho-hummed by seminar-goers, and calculators on display at \$6.95 retail levitated few eyebrows.

Yet it was good show. Dealers were in serious buying mood, anticipating good business. Official registration (not necessarily attendance) was record 45,280, up 17% from last year's 38,775, with record 660 exhibitors showing, despite some unexplained last-minute cancellations.

Aside from CB, biggest action was in audio, where high-end components & compacts moved briskly. There was softness at low price levels and almost unanimous complaints about slowness of foreign sources in filling orders. Show saw U.S. debut of one potentially important new audio product—1/4-in. Elcaset, designed for cassette convenience, open-reel fidelity (Vol. 16:10 p11, 16:19 p10)—displayed by Superscope, Panasonic & JVC for delivery next year.

Virtually only discordant note was move by rump group to pull IHF out of CES next year and into IHF-sponsored show (see p. 13). By show's end, drive seemed to have lost whatever steam it had started with, and CEG offer to turn over nearby McCormick Inn to audio next year probably killed it.

It was last CES managed by Snitow Organization. EIA Consumer Electronics Group has set up own show organization in Chicago, headed by William Glasgow, former McCormick Place Greyhound food mgr., associated with that exhibition hall for 15 years, with Judy Dorini, ex-Greyhound sales & catering mgr., as asst. As CES ended, Show Committee voted to ask EIA to consider enlarging winter show from 3 days to 4 (Jan. 13-16), add exhibit space in Blackstone Hotel to areas already reserved in Hilton. Other show highlights will be found elsewhere in this issue.

**VIDEO GAMES—TROUBLE IN PARADISE?** Otherwise buoyant mood of video game industry at CES was dealt disturbing setback when FCC warned that only solution to growing TV interference problem may be ban on sale of TV RF devices. Move not only would be catastrophic for games, but also would seriously hinder development of emerging home VTR & videodisc businesses.

As part of presentation on CB interference problems (see p. 11), FCC Chief Engineer Raymond Spence said games are also beginning to cause trouble and "problem is going to get worse." If game market gets too large, he said, rules may have to be modified to eliminate RF games, have them feed signal into sets through video input jack.

FCC has already had game interference complaints, Spence later told us. If sales boom as anticipated, he said, Commission will either be forced to tighten rules or end RF output. Any drastic changes would be made over several-year transition period to give set & game makers chance to adapt.

Elimination of RF output authorization, even after 2- or 3-year period, would leave game suppliers selling to universe of at most 20-30 million sets equipped with video jacks, opposed to well over 100 million today. Before FCC acts, situation will be reviewed after Christmas to see if interference has increased significantly.

Installation of video input jacks on new sets shouldn't be much problem or expense for manufacturers of sets containing power transformers, but there's potential for shock hazard on hot-chassis or AC-DC sets, which would mean extra costs for isolation transformers, Spence said.

Though set makers at show didn't address comments by Spence directly, sales Vp Ken Thomson said Sylvania had discovered by testing 4 different games (none approved by FCC) that many wouldn't work with GT-Matic color system, due to its use of automatic horizontal & ver-



tical circuits. "We'd like some kind of EIA feeling that all games should be compatible with what we are building," Thomson said at TV seminar. "The trend is toward automatic tuning, and some of these circuits can override games."

Those were just about only sour notes for games, which replaced CB as talk of CES. Favorite game among producers at show was pooh-poohing competitors' production forecasts—many of which were obviously inflated—but most agreed that total market in 1976 will be a healthy 2-million-plus units (see p. 13) and primary concern was supplying market demand through Christmas season.

Tight supply—if market in fact takes off—also will serve to hold prices at profitable levels through year's end, with low end of basic ball-&-paddle units holding at \$60-\$70, step-up full-featured models at \$80-\$120. Some pressure on price points will come toward year's end, as more sophisticated "action" & cartridge-based games premiered at CES (see p. 13) hit market in \$100-\$150 range during fall.

Debut of more complex games brought market into sharper relief, and split of games industry into 2 categories—table-tennis games & multi-function cartridge systems—was clearly evident. Behind that split is message that once supply catches demand after Christmas, price crunch will set in—a fact conventional suppliers don't discuss but which delights toy firms getting into field.

Said one dealer on show floor: "I'm scared of all these games. There are too many, and eventually you'll see dumps. It's just like anything else. The first year, you can sell all you can get but you can't get any. The 2nd year you can get all you want but you can't sell any."

Note: Magnavox & Atari reached out-of-court settlement in game patent suit brought by Magnavox, signed cross-licensing agreement. Sears, also named by Magnavox because it markets Atari game, was dismissed from suit. Firms involved wouldn't discuss terms.

**CB AT CES—GOOD NEWS & BAD:** Bloom isn't off CB boom, but there were signs at CES that industry is facing variety of problems—including bad case of overexposure—and FCC showed up with its own good & bad news.

First the good news: Both FCC Chmn. Wiley & Chief Engineer Raymond Spence said long-awaited expansion of 27-MHz CB band is likely to be announced next month, before Aug. adjournment. CB allocation will go from current 23 channels to 40 or 50, depending on whether 5 Class C channels now used by remote-control hobbyists are dumped into Class D CB service (Vol. 16:24 p7 et seq.).

Bad news was tough stance taken by Spence during CB seminar on FCC's new policy of sampling all CB units submitted for type acceptance (Vol. 16:22 p10), rather than approving CBs on basis of test data & specs submitted by manufacturers. Spence said 100% sampling policy stemmed from fact that 25 units tested by FCC labs failed to meet type-acceptance requirements. Remark drew angry comments from some in industry—now faced with long delays in getting new products on market—and EIA Communications Div. Staff Vp John Sodolski told us CB Engineering Committee hopes to meet with FCC officials this week to clarify situation, decide on appropriate response.

"I would be less than candid if I didn't stress the seriousness of this problem," Spence said, urging producers to evaluate test procedures and consider installation of in-house testing capabilities. Report on tests will be issued; Spence said he doesn't know if names involved will be released. Some type-acceptance applications were dismissed, others got 60 days to make corrections and re-submit. Problems included high spurious harmonics and overmodulation; both U.S.-made & import CBs were involved.

"This could be a good move by the FCC," industry official told us. "There's a lot of garbage coming in from the Far East, and this could flush some of it out. I don't think that's their intention, but it could serve that purpose."

Standards themselves probably will be tougher once FCC acts on channel expansion. Docket dealing with expansion also covers interference problems, and final report undoubtedly will in-

clude stiffer specs. Spence said that current rules were based on low interference probability at time they were drawn up and that if all equipment now on market complied with present rules, interference would remain serious problem.

On show floor itself, CB booths were well-attended, but much of initial excitement seemed gone, with dearth of new products and general feeling that industry will be forced to cut back on number of annual shows. With PC show dates moved closer to Winter CES (Feb. 15-17), there was speculation CB producers may concentrate attention on summer CES & winter PC show in future.

Indication of "it's-being-talked-to-death" attitude of many was attendance at CB seminar on 2nd day of show—600-800 in room with 1,400 seating capacity. Asked during seminar about reports of heavy inventories, price-cutting—even dumping—industry executives were in general agreement it isn't happening, at least not yet. Royce Pres. Jack Loss said there has been some price erosion, but no significant pressure on basic price points. Hy-Gain Vp Ted Andros said million-a-month rate of imports may cause temporary inventory pileup at distributor level which could have momentary effect on pricing. There also was feeling that prices may drop as 23-channel merchandise is cleared through pipelines once expanded-channel merchandise comes on market.

Retailers at seminar and on floor said supply at most price points remains tight, with exception of some lowball off-brand goods from Far East. Buyer for major catalog house told us he's not getting as many CBs as he needs, doesn't see supply meeting demand this year. "The chaotic condition of CB traffic is more likely to kill CB than any over-supply."

**CPSC REJECTS DELAY IN TV STANDARD:** Sticking to position that TV accident data compiled from set manufacturers and other sources has yielded about all necessary safety-related information, Consumer Product Safety Commission last week turned down UL's request for 150-day extension of June 22 deadline for submission of recommended TV safety standard. CPSC did grant 2-week postponement "to make up for any time that may have been lost waiting" for decision.

UL's TV standards development committee had asked for extra time to allow additional study of data "as a joint effort of CPSC & UL, but if this is not possible, by UL alone," to see if new information on TV hazard patterns could be developed. Letter said this "may result in further revisions to the proposed standard," the 3rd and supposedly final draft of which was put out for comments last month.

Earlier this year, CPSC tentatively agreed to join with UL in data analysis project, with much of financing to come from EIA Consumer Electronics Group, but in May backed out, stating organizations were too far apart on study objective and methodology. In refusing time extension, CPSC noted that UL was given permission to develop standard on May 19, 1975, and that UL had already had one 150-day extension from original Oct. 16, 1975 deadline. CPSC said "further analysis of the available TV-related accident data is unlikely to lead to substantially improve recommended standard." However, decision does leave UL free to conduct data study, submit results to CPSC later.

**PLANT SHUTDOWNS:** Color sales pickup is reflected in plant vacation schedule of major manufacturers. In contrast to last year, when some opted for extended closings to work off excess inventories, this year all are sticking to traditional 2-week shutdown, though some will add extra day off for July 4. One company, Warwick, has completed 2-week closing, reopens June 21. Most manufacturers convert production lines for new models during vacation period. Here's rundown with starting dates:

Admiral . . . June 21	Sony . . . . . Aug. 2
GE . . . . . July 26	Sylvania . . . . July 19
Magnavox July 2	Warwick . . . . . June 7
Quasar . . . July 19	Wells-Gardner July 5
RCA . . . . . July 19	Zenith . . . . . July 2

**Imports of RF devices**—TV, FM radios, transceivers, etc.—will have to be documented for compliance with FCC rules starting Nov. 1. Amendment to FCC & Customs regulations requires each shipment be accompanied by new FCC Form 740 filled out to show product, manufacturer, importer, FCC identifier, and containing declaration of compliance. FCC says forms will be available about Oct. 1. Rule is modification of original proposal which would have required attaching copy of actual FCC equipment authorization to entry papers (Vol. 14:39 p10).

**RCA is expected** to eliminate 2 factory branches in next few weeks, probably adding their territories to those of nearby independent distributors.



**GAMES—NEW CES STAR:** Video game was clearly CES glamor product, and show gave visitors look at array of available ball-&-paddle games plus glimpse of 2nd-generation cartridge-based systems, complex "action" games. With exception of troubles at FCC level (see p. 10), only real problem emerging at CES was possibility of tight supply during fall-Christmas, with total sales during 1976 limited by production capacity.

Sales projections for year ranged from 2-5 million units, and Fairchild forecast 1980 worldwide games market of 20 million units at \$40 average price. Market was probably 800,000 (\$130) in 1975, will hit 5 million in 1977 (\$60), 10 million in 1978 (\$45), and 15 million (\$40) in 1979, Fairchild said. Atari Pres. Nolan Bushnell said at video game conference that 1976 sales would be less than half 5 million units forecast by chip supplier GI, since industry now has "no significant inventory," less than 80 production days left before deadline on Christmas delivery schedules. Magnavox Product Mgr. John Helms said industry will experience some "technical problems" in delivering this year, put total at 3-4 million.

Though majority of video game booths were heavily attended, Fairchild cartridge Video Entertainment System (VES) (Vol. 16:21 p 12) drew biggest crowds with impressive demonstrations of sophisticated drawing, game-playing, question-answering capabilities. Firm said pricing program, shipping dates would be set after system is approved by FCC, but booth personnel privately quoted \$100-\$150 price on hardware, \$20 on cartridges, said delivery goal is fall. In beginning, system will include five 2-4 game cartridges, total of 16 games. In future, cartridge-of-month program—possibly including Star Trek game—will be started. Firm said VES uses 4 standard Fairchild F8 microprocessors, cartridges contain ROM (read-only memory) devices. Control console allows players to set time limits, select skill levels, freeze game action.

A look at home computer of future was provided in Admiral's hotel suite, where it previewed Videospod, which it described as "not a product—a concept," but which company officials have stated could sell for less than \$1,000 in quantity. System is programmed by standard audio cassette, has type-writer keyboard, 2 joystick controls, separate changeable keyboard for games, calculations, etc. Digitally programmed cassette is used for record, playback & storage of information as well as for programming of microprocessor. System even can provide rudimentary full-color animation and audio commentary. Four functions were demonstrated: (1) Interactive programmed learning. (2) Information storage & retrieval—single cassette can store 600 "pages" of data. (3) "Prompting calculation"—example shown was computation of diet & exercise regimens tailored for individual overweight members of audience to reach ideal weight. (4) Entertainment—sophisticated action & "thought" games, as well as "Etch-a-Sketch," which permits participants to draw color pictures on screen, store them in cassette for later viewing.

Other CES developments: Magnavox said 19" color set with built-in Odyssey (Vol. 16:24 p8) will be joined by other combination models next year,

eventually will include remote unit. First Dimension will add 4x4 8-game color unit with segmented paddles, automatic volley increase, to line for Oct. delivery, intends to produce 85,000 games this year. Tele-Tainment (Weber Electronics, Canada) will submit 2 new games (\$90 & \$110) to FCC in next 60 days. Unisonic will introduce 14-game model using own chip at Jan. CES (Pres. Maurice Lowinger insisted firm will produce 1-2 million units in 1976 of 6-game model shown at CES). National Semiconductor showed \$100 3-game Adversary (Vol. 16:20 p11)—color, 3 paddle sizes—said low-end & programmable markets are being studied. Universal Research showed first road-racing game, \$100 Indy 500 which also plays conventional hockey, tennis.

New game producers: Quadtronic (Electronic TV Game, 4 games, \$60-\$80, GI chip, made in Far East, assembled in Salinas, Cal.), Olympos Electronics, Korea (Gaymatic, 4 games, GI chip, \$60-\$70, Sept. delivery), Gem's Enterprises (TVG-1,000, 3 games). Several firms, including Shark, Colt & Radofin, changed plans at last minute, didn't show games. Radofin cancelled plans after entire production run planned at Hong Kong factory was sold to Morse, which apparently ran into problems with original supplier of Super Pro game. Radofin spokesman said firm will be shipping 20,000 units monthly to Morse by Nov.

Atari showed only ball-&-paddle Pong (\$70) & Super Pong (\$90) in home versions, but elaborate display of working coin-op games (including 8-man tank & car-racing units) was strong indication of direction it eventually will take in home market. Firm won't discuss future games, but spokesman said arcade-type models will be added to home line next year.

Dyn got last-minute approval from FCC to show Paddle-Four game at CES, but half-dozen other firms were forced to display disclaimers saying game didn't have FCC approval and to use monitor or projection system with video input jacks for demonstration. FCC spokesman at show said several game firms violated rules by connecting unapproved games to antenna terminals of TV sets, would be sent violation notices.

**Revolt against CES** by some high-end audio manufacturers (see p. 10) appeared quelled by end of show through efforts of EIA/CEG Senior Vp Jack Wayman and compromise proposal by Sansui. At June 15 audio conference, co-sponsored by IHF, Harman International's Irving Stern made motion that IHF sponsor own trade show at different time & place, pulling audio exhibitors out of CES. IHF members at show moved to another room, 12 voting to stay in CES, 12 (including proxies) to pull out, with IHF officers opposed to secession. Since there wasn't quorum of IHF's 57 members, Pres. Bernie Mitchell agreed to call special meeting later to consider matter. By show's end, Wayman offered to turn over all McCormick Inn suites to high-end audio component manufacturers next year, in effect providing separate-but-nearby audio show. There's been talk that Snitow Organization hopes to manage own audio show; it's not known whether this had any connection with Stern's proposal.

**MORE PROJECTION TV:** CES provided showcase for debut of new Advent home 3-tube projection TV system at \$2,495 (Vol. 16:23 p8) as well as 4 single-tube units, while big Gulf & Western was preparing to enter single-tube field (see p. 9).

Advent showed its new 6-ft.-diagonal 2-piece model 750 in subdued ambient light in McCormick Place meeting room. Though not as bright as original VideoBeam 1000, it appeared to satisfy viewers. It was shown with Kodak Ektalite screen, although new Advent-developed plastic screen will be ready by next month when first regional deliveries start, we were told. No large-quantity deliveries are scheduled until next year.

Electrohome, which is supplying electronics for system, will sell unit under own name in Canada, and officials of that company said its entire allotment had been sold out at distributor meeting (Canadian price is \$3,500 including excise tax). Electrohome is gearing promotion of its color line to "chassis which passes the 6-ft. screen test."

Advent's Joseph Hull told CES TV seminar sales could reach "middle tens of thousands a year in a short period of time" even at current price, but if major TV manufacturers joined in with high-performance sets ranging from under-\$1,000 to \$2,500 level, projection could represent 10-15% of TV market in few years.

In Drake Hotel suite, Advent showed its promised 6-x-8-ft. beaded flat screen conversion (\$150 plus installation) for professional Advent 1000A, with claimed brightness about equivalent to 16-mm projector. Company plans to make own flat lenticular screen for auditorium applications.

Remainder of projection TV displays were housed in tents or cocoons to shield out light. Worldwide Entertainment Systems showed Sony-powered Theater-vision with 32-x-40-in. screen. Video-1, Miami, demonstrated unit with 7-ft.-diagonal Advent-type screen at \$2,600, 32-x-40-in. units at \$2,000 & \$2,500 (20% dealer markup), claimed it was now set up to produce 2,000 monthly.

Cinema TV, produced by PM Systems Corp., Costa Mesa, Cal., demonstrated one-piece units at \$1,795 for 45"-diagonal screen, \$1,995 for 50". Video-Master, New Ulm, Minn., marked single-piece wired-remote 32-x-40-in. unit down \$100 to \$1,395 at show. First rear-screen single-tube unit, powered by Zenith 13" set, was demonstrated in single-piece package with 50"-diagonal screen by Global Video Industries, Seattle, promising accessory video games, videocassette recorder, slide & movie projectors. All single-tube units looked dim in McCormick place despite their light-proof environments because of difficulty of adjusting eyes from brightly lit exhibit floor to sudden darkness of projection TV cocoons.

**Optel filed Chapter XI** petition in N. Y. federal bankruptcy court in reaction to Chemical Bank's demand for repayment of \$3-million loan. Company said it would continue liquid-crystal & watch operations while it tries to develop debt-repayment plan.

**GTE & SYLVANIA RE-GROUP:** Major reorganization of GTE & Sylvania—far beyond that announced in May (Vol. 16:18 p14, 16:20 p11)—is being consummated, with completion scheduled Sept. 1. Initially announced plan called for worldwide Sylvania consumer electronics-components group, including former subsidiaries of GTE International. Latest version reorganizes worldwide manufacturing facilities under GTE, with only domestic operations retaining Sylvania name.

Key man in large new operation is Merle Kremer, newly-named GTE exec. vp-Products Group, also elected GTE board member, who continues at least temporarily as Sylvania pres. He succeeds William Bennett, ex-Mfg. Group vp, now staff exec. vp. Under Kremer are 4 major worldwide GTE business groups: (1) GTE Consumer Electronics Business, under George Konkol (earlier announced as "GTE Sylvania" Consumer Electronics Business pres.). (2) GTE Communications Products Business under Pres. Robert Gressons, ex-pres. of GTE Automatic Electric. (3) GTE Lighting Products Business under Pres. Paul Cameron, ex-Sylvania Lighting Products senior vp. (4) GTE Precision Materials Products Business under Pres. John Avallon, ex-Sylvania Precision Materials senior vp.

In Konkol's organization, Frank Lann heads Sylvania Entertainment Products Group as senior vp in Konkol's former post; he was Sylvania Lighting Products Group Industrial Commercial Div. vp-gen. mgr. Roger Slinkman, former operations vp of Electronic Tube Div., is promoted to senior vp, Sylvania Electronic Components Group. Daniel Schuster, Sylvania Entertainment Products engineering vp, is promoted to same post with GTE Consumer Electronics Business.

Succeeding Cameron as Sylvania Lighting Products senior vp is Alfred Viebranz, former Components Group senior vp.

**Note:** Last week we erroneously referred to John Douglas as GTE chmn.; he's new vice-chmn., under Chmn. Theodore Brophy.

**UHF-antenna rulemaking** started by FCC would require manufacturers to give UHF same treatment as VHF. If finalized, rules would specify: If VHF antenna is attached to receiver, UHF also must be. If VHF is loose in box, UHF also may be loose. Proposal is in response to petition by Council for UHF Bcstg., which complained to FCC that receivers are often shipped with no UHF antenna or with antenna unattached. Commission said proposal doesn't affect manufacturer's choice of shape, composition or efficiency of antenna. Comments are due Aug. 23, replies Sept. 13.

**Tatung showed** its Korea-made U.S. TV-stereo line (Vol. 16:17 p8) at CES, promising early-1977 delivery, featuring 13" color, 12" AC-only & AC-DC & 19" AC b&w. George Chen is mktg. vp of new Tatung Co. of America, Compton, Cal. Sanyo has discontinued leader 13" color at \$300 & \$320, now starts at \$330; leader 19" color remains \$360-\$500, 15" \$350. New b&w 12" leader is \$80, under former starter at \$100.



**MORE DIGITAL TUNERS:** Digital electronic tuning, particularly of random-access calculator-keyboard type, is going to be snowballing new trend of next couple years in color TV and probably CB, judging from number of new systems being developed and interest by attendees at IEEE Chicago Spring Conference on Consumer Electronics.

More TV manufacturers are certain to join Magnavox, RCA & Admiral with such systems before year is over. Semiconductor manufacturers displayed special chips for various versions of digital tuning at conference, and some made it clear they weren't aiming only at top-of-line.

Texas Instruments announced it would have "cost-effective" 20-channel volatile-memory remote using 3 ICs aimed at "high-volume segment of the TV market" and competitive with mechanical tuning systems. Chip prototypes are available now in limited quantities, with widespread sampling scheduled by end of July.

Nitron Div. of McDonnell Douglas showed & described 82-channel digital frequency-synthesizer chip as heart of random-access tuning system. Nitron spokesman said components would add about \$10 to cost of TV set. Demonstrated at conference was SBE CB base station with digital keyboard, capable of accommodating up to 80 channels, using similar Nitron chip. Nitron said samples are available.

National Semiconductor described "modular" digital tuning system using building-block approach around basic phase-locked loop (PLL) controller, providing various functions for low- to high-end color TVs. In hospitality suite, NS demonstrated Admiral's new digital tuner.

General Instrument showed prototype Omega digital tuner, and representative said first TV using approach would be on Canadian market in Aug., with U.S. market debut in Oct.

RCA Solid-State Div. demonstrated Control Center digital remote system and announced availability of that top-of-line RCA tuning development to OEMs.

**Petition for waiver** of comparable-tuning rules has been filed by Jerrold for wired remote TV tuner. Two new models have 12 UHF tuning positions, each of which can be tuned only to limited number of UHF channels. Rules require that each position of receiver with 12 or fewer UHF positions be adjustable to receive any UHF channel. Comments are due June 28. Petition is expected to be granted. Earlier Jerrold remote, introduced in 1974, tuned VHF only (Vol. 14:32 p11); FCC official characterized approval of that device as "mistake."

"No acceptable bids" were received by FCC to build prototype high-performance TV receiver (Vol. 16:6 p10, 16:17 p10), we were told by Chief Engineer Raymond Spence. Only couple of "crank" proposals were received for project budgeted at estimated \$200,000. He said FCC now will negotiate individually with qualified organizations.

**CB & PROFITS:** Hy-Gain showed 12-fold leap in profits in fiscal 3rd quarter, 18-fold jump for 9 months on 313% & 326% respective sales gains (see financial table). Company said it's opening 86,000-sq.-ft. CB plant in Puerto Rico, bringing space occupied there to 150,000 sq. ft., will increase employment there by 800 when plant is fully operational next spring. Firm said it now sells in 25,000 retail stores in U.S., has 732 service centers, exports to more than 100 countries.

Dynascan expects first half sales to triple \$17.8 million of same 1975 period, sees volume well over \$100 million for year, against \$48.6 million last year. Profit for half should top \$5.2 million posted for all of 1975, Pres. Carl Korn said. Company said CB provides 80% of sales, indicated distributors have been put on allocation for rest of year. While industry-wide demand currently equals supply, Korn said he expects total output of 12 million CB units this year, sale of 10 million. He said signs of price cutting have started to appear but predicted ultimate reductions would not be major.

Regency increased quarterly dividend 5¢ to 20¢... Conrac boosted quarterly payout 2-1/2¢ to 20¢, declared 10% stock dividend... APF votes 2-for-1 stock split.

**AUDIO MERGERS:** Morse's acquisition of Pilot brand rights & inventory led relatively short list of audio industry mergers that came to light at CES last week.

In others, Harman International said it purchased cartridge producer Ortofon, also acquired RCA's interest in 7-building, 44-acre complex in L.A. HI said it would construct 2 more buildings, increasing space from 250,000 to 450,000 sq. ft., transfer all JBL administrative & manufacturing operations there. Electro Audio Dynamics purchased Burwen Labs, producer of hi-fi noise reduction & equalizer systems, made Burwen a KLH div.

Morse bought Pilot package for undisclosed sum from Mitsubishi, which in turn acquired it from National Union Electric last year for \$928,000. Price included \$350,000 to settle NUE claim that stereo units made by Mitsubishi were defective & delivered late (Vol. 14:52 p 10). Morse said it would use Pilot on high-end stereo & CB lines due in 4th quarter, and that production space had been reserved at a Mitsubishi plant.

**Motor ignition** interference to land-mobile operations is covered in new FCC report (FCC/OCE RS 76-03) which concludes that considerable number of vehicles cause degradation to reception even though radiation is below SAE J 551(c) limits. For copies: Rm. 7202, 2025 M St. NW, Washington 20554.

**Ad notes:** Hitachi appoints Parker Advtg. for TV product consumer ads, replacing Dentsu, which continues to handle audio. Parker also continues as agency for all trade ads... Hy-Gain signs Indianapolis 500 winner Johnny Rutherford as spokesman for CB, will sponsor his car in major races as part of overall \$4.5 million ad budget this year.

## Trade Personals

**Richard Lovisolo** advanced at Panasonic Portable Electronics Div. from national sales mgr. to asst. gen. mgr., assuming duties of Vp-Gen. Mgr. **Richard Nakatsuka**, who returns to Japan as Matsushita Seiko International Div. gen. mgr.; **Tom Iguchi** named PED tape product mgr.; **Mich Tada** now CB & radio product mgr.; **Fred Uehara**, Technics & Audio Div., appointed Technics product mgr.; **D. Esaka** named asst. product mgr. for home entertainment systems... **Mike Bauer**, ex-Superscope, joins Akai as Audio Div. midwest sales mgr., succeeding **Mike Gritchen**, now national sales mgr.

**LeRoy Zider**, ex-Iowa Beef Processors, joins National Semiconductor as vp & Consumer Products Div. gen. mgr., post handled on interim basis by Pres. **Charles Sporck** since resignation of **Gene Landrum** last Sept. ... **John Ready** resigns as American Microsystems Consumer Products Group product development dir., plans unannounced; **Richard Konrad** quits as mktg. dir. to join Mostek Consumer & Industrial Group as national sales mgr.; AM is closing CPG. ... **Robert McHenry** advanced at Rockwell Microelectronic Device Div. from consumer product systems & customer service dir. to controller.

**Ernest Pappas**, ex-Novus & one-time Bowmar sales vp, now sales vp of Cyclops Products, newly formed marketer of CPI-brand consumer electronics... **Ian McCrae**, ex-TI calculator display operations mgr., joins International Horizons as managing dir. of new Kosmos International Div. (calculators)... **Bud Frye** resigns as Fairchild Optoelectronic Div. vp-gen. mgr. to join investment banking group.

**Carl Insel**, ex-Motorola Communications Div., joins E. F. Johnson as vp & Personnel Communications Div. gen. mgr. ... **Greg Cornehl** & **Joe Purtell** resign respective Koss posts as export sales vp & regional sales mgr., will enter rep business... **Peter Untersander**, Pickering European rep, named vp... **Bernie Mitchell**, U.S. Pioneer, elected IHF pres., succeeding **George DeRado** (TEAC), named vp; **Walter Stanton** (Pickering) treas., **Richard Ekstract** (CES Publishing) secy.

**Cathy Ciccolella**, ex-Consumer Electronics Monthly editor, appointed Dealerscope exec. editor, succeeding late **Al Bernsohn**; **Ciccolella** is succeeded by ex-Managing Editor **Lois Whitman**. ... **Ron Marlin**, former Audio Times managing editor, now on Hi-Fi Trade News staff... **Richard Taylor** advanced at Ampex Magnetic Tape Div. from ad & sales promotion mgr. to mdsg. mgr.; **Pete Cain**, ex-Clorox, joins as sales development mgr. ... **Jay Taylor**, ex-Burndy, joins GI's C. P. Clare subsidiary as business development vp, new post.

**Richard Anton**, GTE human resources vp, & **George Shertzer**, vp-gen. counsel, named senior vps... **L. Randall Brophy** advanced at Sylvania Electronic Components Group to product mgr. for ECG Semiconductors (replacements), succeeding **Gerald Quint**, resigned... **John Jackson**, ex-BASF, joins Audio Magnetics as member of global technical support group... **Edward Mackay** promoted to Buckbee-Mears domestic corp. controller.

## 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
<b>AT&amp;T</b>			
1976-year to May 31	30,600,459,000	3,387,623,000	5.46
1975-year to May 31 <sup>a</sup>	27,075,412,000	3,070,736,000	5.07
1976-qtr. to May 31	8,118,637,000	939,669,000	1.51
1975-qtr. to May 31 <sup>a</sup>	7,116,558,000	798,841,000	1.32
<b>Ampex</b>			
1976-year to May 1	257,935,000 <sup>b</sup>	8,032,000 <sup>c</sup>	.74
1975-year to May 3	244,903,000 <sup>b</sup>	10,282,000 <sup>d</sup>	.95
1976-qtr. to May 1	67,443,000 <sup>b</sup>	844,000 <sup>d</sup>	.08
1975-qtr. to May 3	64,105,000 <sup>b</sup>	(5,902,000) <sup>d</sup>	--
<b>Bowmar Instrument</b>			
1976-6 mo. to March 31 <sup>e</sup>	14,086,000	2,509,000 <sup>c</sup>	1.25
1975-6 mo. to March 31	12,167,000	(14,591,000)	--
1976-qtr. to March 31 <sup>e</sup>	6,346,000	2,004,000 <sup>c</sup>	1.00
1975-qtr. to March 31	5,807,000	(13,750,000)	--
<b>Harman International Industries</b>			
1976-9 mo. to May 31	102,382,000	6,838,000	3.12 <sub>f</sub>
1975-9 mo. to May 31	77,546,000	4,564,000	2.20
1976-qtr. to May 31	35,043,000	2,337,000	1.07 <sub>f</sub>
1975-qtr. to May 31	24,347,000	1,490,000	.70
<b>Harvey Group</b>			
1976-qtr. to May 1	8,151,000	66,000 <sup>c</sup>	.03
1975-qtr. to May 3	8,096,000	63,000 <sup>c</sup>	.02
<b>Hy-Gain Electronics</b>			
1976-9 mo. to May 29	80,963,743	18,896,921	5.83 <sub>f</sub>
1975-9 mo. to May 29 <sup>a</sup>	18,990,902	1,051,014	.34 <sub>f</sub>
1976-qtr. to May 29	36,158,276	8,218,651	2.37 <sub>f</sub>
1975-qtr. to May 29 <sup>a</sup>	8,758,207	692,840	.22
<b>Lloyd's Electronics</b>			
1976-year to March 31	100,673,000	1,580,500 <sup>c</sup>	.84
1975-year to March 31	84,801,100	(2,960,900)	--
1976-qtr. to March 31	20,135,800	(76,600)	--
1975-qtr. to March 31	13,888,200	(2,509,100)	--
<b>MPO Videotronics</b>			
1976-6 mo. to April 30	8,896,020	264,264	.51
1975-6 mo. to April 30	2,945,028	(66,425)	--
<b>Outlet Co.</b>			
1976-qtr. to May 1	30,421,672	399,793	.22
1975-qtr. to May 3	21,761,313	370,959	.20
<b>Republic</b>			
1976-9 mo. to April 30	158,043,000	2,222,000 <sup>c</sup>	.79 <sub>f</sub>
1975-9 mo. to April 30	188,303,000	10,075,000 <sup>c</sup>	3.58 <sub>f</sub>
1976-qtr. to April 30	56,178,000	749,000 <sup>c</sup>	.27 <sub>f</sub>
1975-qtr. to April 30	61,261,000	1,424,000 <sup>c</sup>	.51

Notes: <sup>a</sup>Restated. <sup>b</sup>From continuing operations. <sup>c</sup>Includes special credit. <sup>d</sup>After special charge. <sup>e</sup>Revised by company. <sup>f</sup>Adjusted.

**Sharp is expanding multi-national activities** through joint ventures. Company plans operation in Greece, with Thermo Psiktiki Technik, to produce 7,500 b&w TVs & 2,500 stereo systems monthly starting next April. In Spain, Sharp expects to turn out 1,500 b&w TVs & 10,000 audio recorders from Oct. in partnership with Lavis. Delher is partner in Mexican microwave oven venture, slated to produce 1,500 units yearly starting next spring.

## Obituary

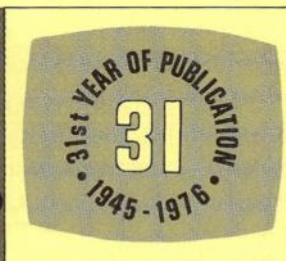
**Greggar Slettland**, 58, Zenith asst. gen. counsel, died of heart attack while boating June 13. He had been with Zenith 22 years. Wife, daughter, 3 sons survive.



WEEKLY

# Television Digest®

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The authoritative service for broadcasting, consumer electronics & allied fields

JUNE 28, 1976

VOL. 16, NO. 26

## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**NBC GETS 'GALA' FOR 50th:** Network fails to convince many affiliates it has made no decision on longer news. News & future presentations well received but program presentation gets low rating. Radio affiliates don't like NIS promotion. (P. 1)

**WHITE, FOGARTY TO FCC:** Nominations expected soon, though White House hasn't said who'll get 7-year term. Stevens gets CPB post. Houser hearing rescheduled. (P. 3)

**FTC AD PROGRAMS** found satisfactory in House probe, but Commission is urged to try harder. Ad trade assns. refuse to appear. (P. 4)

**COPYRIGHT REVISION BILL** continues to advance. Tribunal altered; TV archive established. Kastemeier says Railsback amendment changes are inevitable. (P. 4)

**FCC MODIFIES EEO RULES:** New requirements much as proposed, exempt stations with less than 10 full-time employees; job analysis required for licensees with more than 50. (P. 5)

**SMALL EARTH STATIONS** pushed by CATA, HBO. Wiley calls 9-meter standard 'equitable compromise'. CATA to display 4.5-meter home-built dish costing \$1,500-\$3,000. (P. 5)

**NBC GETS 'GALA' FOR 50th:** NBC pulled out all the stops last week in celebrating its 50th anniversary with 1,200 people—including many notables—from 190 TV and 125 radio affiliates. Festivities opened with huge Rockefeller Plaza "block party" and Mayor Abraham Beame declaring June 20-26 "NBC Week" in N. Y. C., closed with huge banquet and "gala" featuring 4-tiered dais. Among those paying homage to NBC at banquet were ABC Chmn. Leonard Goldenson and CBS Chmn. William Paley.

"It was everything that we had hoped our 50th anniversary observance would be," NBC Chmn. Julian Goodman told us. "From a purely business standpoint, the fact that we had such a good position in the [May sweeps] made it a happy convention for the affiliates... We hope we answered the expected questions about expanded news. We will consult fully with the affiliates before we do anything."

However, NBC failed in attempting to convince affiliates that no decisions have been made on longer news. Practically all questions at closed meeting with network officials were devoted to subject. One affiliate called NBC line "the big lie," while others expressed opinion after meeting that network has made decision, and that it's just matter of "when." Goodman said "that's just not true... that's totally wrong." NBC Pres. Herbert Schlosser, asked what NBC's reaction would be if another network moves first to expand news, replied: "We're still going to

### Consumer Electronics

**2 RECORD WEEKS** in color sales to dealers—2nd & 3rd weeks of June—indicate good reaction to new lines, could be start of anticipated upsurge. (P. 7)

**STOP-JAPAN TV** drive gains momentum as EIA Tube Div. & joint industry-labor group launch new offensive to stem feared takeover of U.S. market. (P. 7)

**COLOR EXPORT RECORD** set by Japan with May shipments to U.S. of 235,656 sets. (P. 8)

**FIRST QUARTER IMPORTS** show audio equipment joined TV in recovery from low 1975 period levels. Radios, changers, CB post strong gains. (P. 9)

**MAGNAVOX CUTS** some leader prices in color lines, increases selected 25" consoles. Fall prices from Penney, Ward. (P. 10)

**MAGNAVOX WORKERS' BID** for import impact aid rejected by Labor Dept. Report indicates Magnavox increased color & b&w market shares last year. LD turns down Sylvania workers. (P. 10)

**'NATIONAL HOME VIDEO'** previewed by our Tokyo bureau, found impressive only in price. (P. 11)

**SONY REPORTS RECORD SALES** & earnings for fiscal quarter & half, with foreign growth setting pace. Corning has record quarter. CTS expects new sales highs. (P. 11)

do our homework... We're just not going to move unless we think it's the right thing to do."

Affiliates' Chmn. Ancil Payne, King Bcstg., told reporters "I just can't take longer news now," although he agreed it'll eventually come and entail "a real sacrificial thing on both sides." He said network had promised several months ago to consult affiliates before decision is made, that network hasn't come back with proposal. He added 45-min. plan (of ABC) "won't fly worth a damn." NBC News Pres. Richard Wald told affiliates he isn't sure 60-min. news in early evening is "the best answer" but that "an expansion of the nightly news programs on the networks is going to occur—somehow, sometime." He also promised a decision "only after full consultation with the affiliates."

Group W Pres. Donald McGannon again led opposition to longer news because of alleged "encroachment" on station time. In suggesting that additional news be slotted at 9 p.m., he said "it is hard to justify a prime-time schedule that does not have any regularly-scheduled news or public affairs programming."

Business portion opened with lackluster program presentation by network officials, leading to much criticism by affiliates who already had seen nearly everything shown them last week—either pilots on air or closed-circuit. Goodman said presentation was designed to be low-key. "What they saw was not a selling job because we're trying to get away from that sort of thing," he added. "We are trying to build confidence in the competence of our executives. We have great faith in their ability."

About dozen group owners who attended all 3 affiliate conventions predicted to us that ABC would come out on top in 1976-77 prime-time season. Majority also picked NBC 2nd, said network would do well in fall with "block busters"—World Series, "Gone With The Wind," "Earthquake"—but slip sharply in Dec. "They really blew this thing," affiliate said of program presentation. Added another: "NBC's top management lacks enthusiasm... We needed an inspirational keynote and a little pizzazz."

Network Pres. Robert Howard recognized problems, said "we intend to improve our [prime-time] position and improve it significantly." Veteran NBC affiliate Irving Waugh, WSM-TV Nashville, told us he expressed unhappiness year ago with 1975-76 NBC schedule, that "I feel much better about this one. [It's] considerably more encouraging." He also expressed "surprise" that CBS didn't cancel more shows for new season.

While program presentation was lackluster, session on news and where broadcasting and economy are going in next 10 years was just opposite. It was described as "stimulating" and "it made the trip to N. Y. worthwhile." NBC used its 4 political convention floor reporters (mini-cams and all) to ask affiliates political questions. At following panel, correspondent Thomas Pettit, when asked what type Administration leading presidential candidates would have, responded: "A Carter Administration would be the most open. A Reagan Administration would be the most closed. A Ford Administration would be the most inept." He added Ford has run "the most ineffectual campaign... a miserable campaign" of any incumbent President. Of Carter, anchorman John Chancellor said "nobody really knows him... The convention story is really the Jimmy Carter story and it'll get more interesting."

At earlier lunch, Schlosser said network will host "NBC Forum" next Feb. or March in N. Y. "to address ourselves to a broad agenda of questions about our system for electing a President and how it can be improved." He expects a major question to be role of broadcasting in process. Participating will be political leaders, campaign managers, candidates, broadcasters, students and journalists. Special TV show is planned on Forum and much of material will be adapted for radio broadcast, he said.

Prior to 1980 elections, Schlosser proposed that networks (with Justice Dept. clearance) jointly set aside blocks of time for use of presidential candidates. He suggested 45 five-minute segments, 12 half-hours, with each network providing one-third. "The number could be greater or lesser, based on the expected number of candidates and their reasonable needs... But some rational, pre-planned arrangement should... serve the candidates and the public better than the confusion that now prevails," he said.



By 1985, half of network entertainment schedules will consist of long-form programs, fewer movies (but more made-for-TV), according to prediction of NBC Corp. Planning Dept. "Longer measurement periods will be necessary—otherwise some of the most important programs will go unmeasured," Dept. said. It saw 70% growth for cable next 5 years, 40% growth 1981-86—"and, importantly, a 30% penetration of all TV homes by 1985." Penetration in top 25 markets will "remain substantially below the national average." Cable won't hurt networks, but will "fragment" audiences of small-market stations causing them to "become less attractive to national advertisers."

Dept. cited 4 UHF or intermixed markets where it claimed cable already has fragmented audiences 55-71% in early fringe time. One market cited was Lubbock, and Robert McKinsey, gen. mgr. of KCBT-TV there, disputed figures: "I don't know what they're talking about when they say we're losing homes to CATV," he told us. He said all-day HUT level has gone up from 28,000 homes in 1972 to 44,000 in 1976; that prime-time viewing has increased from 47,000 homes in 1972 to 75,000 this year.

NBC predicted that pay cable will reach 6.6% penetration of TV homes by 1985, "but even this low figure can have very substantial effects" in bidding for programming rights—giving pay cable \$140 million by 1985. "This is enough to purchase the football packages of all 3 networks—plus some 50 features, including blockbusters... Such is the leverage box-office TV can exert with even a small percentage of viewers as subscribers."

There was some complaining by both TV & radio affiliates about joint convention. (Last was in Hawaii in 1966 to celebrate NBC's 40th birthday.) Radio stations thought TV was given dominant role—particularly in joint session on news & future. They also didn't like use of NBC identification on NIS stations (now 63, who aren't NBC affiliates and can't legally use network logo in promotions & ads) and network promotion of new service to tune of \$10 million.

TV affiliates adopted usual resolution praising NBC for "a half-century of dedicated service to the American people" and for "innovative & pioneering leadership," and expressing pleasure that network "has moved so quickly to correct the prime-time problems of the past season."

Sidebars: (1) Late David Sarnoff was mentioned only once during 2-day convention, and that by pianist Van Cliburn when he played Sarnoff's favorite Schumann composition at banquet. (2) Barbara Walters also was mentioned only once—by affiliate who said he hoped Cassie Mackin would be her successor.

**WHITE, FOGARTY FOR FCC:** Nominations of White House Communications Dir. Margita White and Senate Communications Counsel Joseph Fogarty to FCC will be announced soon, according to White House & congressional officials. "In my mind it's firm," White House official told us. "It'll be Fogarty & Margita." Commented aide to Communications Subcommittee Ranking Republican Baker (R-Tenn.): "The White House told us they would be sending up the nominations, but they didn't say when."

There are 2 vacancies at FCC—2 years remaining of Republican Charlotte Reid's term, full 7 years to succeed Democrat Glen Robinson—and White House hasn't said whether Republican White or Democrat Fogarty would get 7-year appointment. Fogarty's name surfaced 6 weeks ago as likely nominee (Vol. 16:19 p1), White's more recently. Swedish-born White is 39, began 2nd tenure at White House last year, coming from USIA. She previously had been Herbert Klein's asst. at White House, aide to Sen. Goldwater (R-Ariz.) and Republican National Committee. White has BA from U. of Redlands (Cal.), MA in political science from Rutgers.

Paul Stevens, pres. of Southern Baptist TV-Radio Commission, earlier was under consideration for FCC, but said he got call from White House June 21 telling him that Communications Subcommittee Chmn. Pastore (D-R.I.) was insisting on "the appointment of his man Fogarty" and that Stevens would be named to CPB board instead. Also expected to be nominated to CPB are Clyde Reed, editor of Emporia (Kan.) Gazette, and Charles Roll, Gallup Institute, Princeton, N.J.

Hearing to confirm Thomas Houser as OTP dir. was postponed last week, rescheduled for June 29. Joseph Ryan, FCC Bcst. Bureau attorney and legal asst. to ex-Comr. Houser at FCC will join new OTP dir. as special asst.

**FTC AD PROGRAMS DEFENDED:** House probe of FTC's ad regulation programs heard testimony last week finding Commission performance generally satisfactory—as far as it went—but urging Commission to take further steps to ensure that consumers get more product information from ads than advertisers are voluntarily willing to disclose. At first openly skeptical of FTC efforts, House Commerce, Consumer & Monetary Affairs Subcommittee Chmn. Rosenthal (D-N.Y.) capped commissioners' testimony by telling Chmn. Calvin Collier that agency's response was "more than substantially responsive" to Subcommittee's inquiries.

Panel of public interest representatives urged FTC to expand its role to not only guard against deception, but to require "affirmative disclosure" of relevant product information. However, Collier told Subcommittee that because "substantial difficulties have been encountered," Commission intends to limit efforts to only 2 products in immediate future. Problem with broader program, he said, is in developing valid product performance standards.

Collier said FTC is relying more on outside help: Outside experts analyze & select industries and particular ads for ad substantiation requests; Arbitron & Nielsen supply special TV audience data; "commercial service" supplies names of firms and products using local & regional ads in 10 markets in order to help Commission police non-network spots. "Do you trust the networks and the TV Code?" asked Rosenthal. "Has self-regulation worked?" Responded Collier: "It has, up to a limit, but I would not rely on self-regulation entirely... It has to be watched." Rosenthal asked whether "net effect" of having no commissioners present during most of recent FCC-FTC over-the-counter drug hearings (Vol. 16:21 p6) was "to symbolize to the ad industry the agencies' low level of concern." Collier disagreed, said such "Washington symbolism" was "unfortunate," said FTC commissioners were absent because of schedule conflicts.

Surprise absence was that of all 3 major ad trade assns. and NARB, invited to comment on FTC performance. All 4 initially agreed to appear, but canceled at last minute. NARB promised to testify at later date, but AAF, ANA & AAAA deferred indefinitely.

**Advertisers predict "ABC will be No. 1 in prime time for 1976-77,"** ABC-TV Pres. James Duffy told national TV editors in L.A. last week. "They project a 30-plus share of audience for ABC on every night of the week." This confidence translates into buying action, said Duffy: Of top 33 advertisers which buy time on all networks, 19 have given ABC "lion's share of their budgets compared to only 11 on CBS."

**Boston Globe is buying WSAI-AM-FM Cincinnati** from Combined Communications for \$6.3 million cash. Combined (which owns Cincinnati Enquirer) was required to sell stations under FCC cross-ownership rules, originally had \$6.5 million contract with Broad Street Communications which wasn't able to complete deal within time limit, according to Combined.

**COPYRIGHT ADVANCES:** Markup of copyright bill continued to advance bit by bit last week as Judiciary Subcommittee tentatively adopted section establishing royalty tribunal, but with following changes from Senate bill: (1) Tribunal would be called Copyright Royalty Commission. (2) Commission would have 3 members, rather than 7. (3) Members would be appointed by President, to avoid Supreme Court objection to congressional appointment of members of law-enforcement commission; Court found that such appointments violate Constitution's separation of powers doctrine. (4) Commission members would serve fulltime, rather than only when convened. Subcommittee also adopted amendment to establish "American TV & Radio Archives" in Library of Congress.

Chmn. Kastenmeier (D-Wis.) told members for first time of letter from Communications Subcommittee Chmn. Van Deerlin (D-Cal.) objecting to Railsback amendment (Vol. 16:24 p5), said he & Rep. Railsback (R-Ill.) will meet with Van Deerlin this week. Kastenmeier told us he's directed staff to begin drafting substitute language, commented there's "almost no possibility that it [amendment] will remain in its present form... The broadcasters probably won't be pleased, but I'm not sure we can help that." As for NAB hint that Assn. may oppose bill if Subcommittee doesn't reverse earlier vote turning down amendment which would have given radio stations standing to sue same-market cable systems which delete commercials (Vol. 16:25 p3), Kastenmeier said he remains confident legislation will pass this year, and that no single group could stop it.

**NAB has asked FCC for rulemaking to extend exclusivity protection from CATV for syndicated programs to all TV markets—not just top 50 under current rule.** NAB also asked that 55-mile zone of protection against cable imports be provided for stations in markets above top 100. When FCC deleted prohibition against leapfrogging, cable systems began importing distant signals from large markets, NAB said. "Thus, more & more 2nd-50 and hundred-plus-market stations find their best syndicated programming carried in their markets before they can broadcast it themselves."

**Libertarian Party presidential candidate Roger MacBride has complained to FCC that TV networks refused to give him reasonable access or permit purchase of time for his campaign.** He said networks told him they currently were selling time only for primary races and not for Nov. election. Libertarian Party got one electoral vote in 1972, finishing 3rd.

**CBS has reached tentative agreement with 1,300 IBEW employees in 8 cities.** Technicians have been working without contract since Sept. 30 and new 3-year agreement is retroactive to then.

**David Clanton, aide to Senate Minority Whip Griffin (R-Mich.) and one-time minority counsel to Senate Communications Subcommittee (April-Sept. 1975), is expected to be nominated to FTC.**

**Deletion of leapfrog rules remains, FCC rejecting petitions for reconsideration by INTV, ABC, AMST, station group.**



**FCC MODIFIES EEO RULES:** Over partial dissent of Comr. Hooks, FCC last week amended EEO rules for TV-radio stations which somewhat relax previous reporting standards. New requirements, much as proposed 11 months ago (Vol. 15:29 p4), are "designed to reaffirm the Commission's commitment to genuine equal employment opportunities."

Rules contain 10 elements, including sections on recruitment, training efforts, availability of women & minorities in workforce, job-structure analysis for stations with more than 50 full-time employees and report on promotions during last year. Standard for stations which must file written EEO program was increased from 5 to more than 10 full-time employees. Commission said figure still would cover 84.9% of industry employees and that it would "ill serve the public interest to require such small operations to assume the administrative burdens that are essentially inherent in the management of larger businesses."

Commission said it would continue to use reporting requirements and conditional renewals when it appeared licensee's EEO program is "passive or not achieving desired results." Also, some stations will be required to submit "goals & timetables to demonstrate the applicant's good faith intention to increase minority & female utilization." As in past, complaints received by FCC will be referred to "the appropriate federal, state or local agency for their determination." Rules are effective for stations whose licenses expire April 1, 1977.

In partial dissent, Hooks objected to lifting exempt stations from 5 to 10 full-time employees, wanted stations with 25 employees required to file job-title analysis, sought "formal" liaison with other agencies and objected to majority's use of term "qualified" for prospective minority & women employees. "It is vitally important to have the full participation of the small stations as well as the large because... smaller stations serve as a training ground," Hooks said.

**Feasibility of VHF drop-ins** in Knoxville & Evansville, Ind. will be studied by Institute for Telecommunications Sciences (arm of Commerce Dept.'s Office of Telecommunications) under \$32,000 contract with FCC. Study will include engineering analysis of existing service and interference contours for VHF (both markets have 2V's, one is ETV in Evansville), attempt to find "the best location" for any drop-in and take into account effects of directional antennas and terrain. In separate action, Technology & Economics Inc. received \$68,000 contract to study financial reporting requirements.

**FCC announced renewals** of many stations last week, dismissing petitions to deny on several and refusing to reconsider renewals on others. Among those renewed: KTSM-TV El Paso, WINK-TV-AM-FM Ft. Myers, Fla., KTTV L.A., WTTG Washington and large group of Fla. stations. Another 30 Fla. stations, facing blanket protest from NAACP, had renewals deferred so FCC could "assess continued good faith efforts" to recruit & hire minorities. Stations were ordered to submit "detailed information" on numbers & titles of persons hired, sex & race and efforts to recruit minorities & women.

**SMALL-STATION PRESSURE BUILDS:** CATA has petitioned FCC to begin rulemaking (or issue declaratory ruling) allowing use of earth stations smaller than 9 meters, while group of 20 equipment manufacturers & CATV operators—hosted by HBO—met last week in N. Y. to organize FCC support for such a ruling. Participants in latter session—including RCA Americom, NCTA & HEW—agreed to prepare technical presentations for Commission showing acceptability of small stations.

CATA petition argues that FCC limitation "deprives rural America of the only economic means it has of sharing the benefits of satellite communications," argues for "caveat emptor" approach to users and pay-TV subscribers if more stringent interference regulations later become necessary.

FCC Chmn. Wiley, responding to inquiry from House Communications Subcommittee Chmn. Van Deerlin (D-Cal.), noted that Commission standard "was intended to achieve an equitable compromise" between dish cost and minimizing required satellite orbital spacing, added that technological advances in earth station design might later make smaller dishes feasible. (On other hand, CATA petition argues that advances won't come if market is foreclosed because manufacturers won't conduct needed R&D.) Wiley added that "strong showing" that public interest won't be harmed might convince Commission to make occasional exception.

Meanwhile, CATA Newsletter says Assn. is preparing to publish plans for "do-it-yourself" 12-foot dish costing \$1,500-\$3,000—"depending on how good a 'scrounger' you are." Newsletter says one such terminal "is now operating (can't tell you where just yet)."

**House Ethics Committee** has scheduled hearing July 19 in effort to locate source of leak of House CIA report last winter to CBS newsman Daniel Schorr. After questioning of over 400 persons, staff was unable to pinpoint leak, so Committee decided that only way it could continue probe was to "invite" Schorr and other reporters to attempt to get them to reveal sources. Schorr is expected to refuse to talk to Ethics panel—either voluntarily or under subpoena. If reporters refuse to testify under subpoena, Committee will be faced with decision of whether to go to House floor to seek contempt citations. Commented Rep. Spence (R-S.C.): "Considering the fact that so much time has passed since this happened, I don't know if a resolution like that could pass."

**Network TV attracted** \$240.3 million in April billings, up 18.7% over \$202.4 million in April 1975, according to TvB-BAR figures. Prime time showed biggest gain, up 21.5% to \$160.1 million. For Jan.-April, advertisers spent \$943.4 million on networks, increase of 17.4%. Of 4-month total, \$330.7 million went to CBS, \$317.1 million to NBC, \$295.5 million to ABC.

**Resolution asking FCC** to exert jurisdiction over pole attachment fees charged to cable systems has been introduced by N. C. Reps. Rose, Neal & Preyer, all Democrats. House Communications Subcommittee will consider matter during comprehensive cable hearing, most likely July 27.

## Personals

Elected to NBC TV Affiliates' Board: **Michael McCormick**, WTMJ-TV Milwaukee, and **Robert Krueger**, KTVB Boise, Ida.; they succeed **Wilson Wearn**, Multimedia, and **Fred Paxton**, WPSD-TV Paducah, Ky.; **Ancil Payne**, King Bcstg., re-elected affiliates' chmn.

**Brandon Stoddard** promoted to ABC Entertainment vp-motion pictures for TV & limited series; **Arnold Huberman** advanced to feature films & late-night series dir.; **Mack Perryman** promoted to east coast program administration dir.

**Gary Chapman**, KSD-TV St. Louis national sales mgr., adds duties of mktg. & research dir., KETV Omaha & KOAT-TV Albuquerque (all Pulitzer stations)... **Walter Nichol** promoted to chief engineer, KPIX San Francisco, succeeding **John Tollefson**, resigned... **Joe Barnes**, ex-KGO-TV San Francisco, appointed news mgr., WKBW-TV Buffalo.

**James McCorkle**, ex-legislative asst. at Commerce Dept., joins NCTA as assoc. dir.-govt. relations... **David Acker**, TV Microtime vp, also elected vp, parent Andersen Labs... **George Hamilton** ex-Associated Business Consultants, Beirut, joins Harris Bcst. Products Div. as international sales admin. mgr.

**Margery Smith**, special asst. to FTC Chmn. **Calvin Collier**, appointed acting dir., FTC Consumer Protection Bureau, succeeding **Joan Bernstein**, resigned (Vol. 16:15 p8)... **Bruce Sawyer**, HBO exec. vp, takes over responsibilities for business & affiliate development activities; Senior Vp **James Heyworth** heads new Operations Group; Treas. **Peter Hanson** assumes additional responsibilities as chief financial officer.

**Fraser Head**, ex-ABC, appointed asst. treas.-financial planning & administration dir., CPB, new post... **Marshall Snyder** advanced to Arbitron TV product mgr., replacing **George Corey**, assigned to direct conversion of Arbitron computerware to new system... **Elven Harvey** promoted to vp, elected a dir., Dyma Engineering.

**Arthur Gould** transfers from Blair TV Jacksonville sales staff to Detroit office; he's succeeded by **Ansil Miller**, ex-WJXT Jacksonville... **Al Onorato** advanced to head of casting, Columbia Pictures TV, succeeding **Renee Valente**, now vp-movies for TV (Vol. 16:25 p7).

**Six FCC commissioners** have taken "strong exception" to characterizations of Comr. Reid—at time of her marriage (Vol. 16:22 p5)—in May 28 Wall Street Journal. In letter to Journal, Chmn. Wiley said "the comments expressed were not only in bad taste, they were untrue... She will leave the FCC with the respect, admiration and affection of all of us."

**Gaylord Bcstg.** (subsidiary of Okla. Publishing Co.) has purchased WVUE (Ch. 8 ABC affiliate) New Orleans from Columbia Pictures for about \$13 million; Howard Stark was broker. In another transaction, FCC Bcst. Bureau waived 3-year rule and granted sale of WFCB-TV (Ch. 45) Miami by Christian Bcstg. to Lester Sumrall Evangelistic Assn.

## CATV & STATION COVERAGE ATLAS

Several new features are included in latest edition of Television Digest's "CATV & Station Coverage Atlas," one of most valuable reference tools of cable & broadcasting industries, which is now off presses and available immediately. Atlas includes station coverage maps indispensable for applying FCC cable rules.

Publication is industry's only reference work showing relationship between TV station contours and locations of all cable systems. Grade B contours of all TV stations are displayed on state maps, along with identification of each community with a cable system.

Among new features of Atlas: (1) 55-mile zone maps (also includes 35-mile zones) showing communities with CATV systems underscored in color. (2) Color-coded gatefold map showing locations of MDS licensees & CPs (along with MDS directory) and satellite earth stations & CPs. (3) Agreement on copyright legislation between NCTA & MPAA. (4) Expanded microwave section to include list of CARS & business service microwaves, along with map of common-carrier microwaves serving cable systems. Other Atlas features: (1) Updated directory of all translator stations. (2) Directories of NCTA, regional and state associations. (3) Directory of FCC Cable Bureau. (4) Directory of equipment manufacturers. (5) Up-to-date quick reference directory of all TV stations.

Copies are available from Television Digest, 1836 Jefferson Pl. NW, Washington, D.C. 20036. Use enclosed order card for prompt delivery.

**Pay cable developments:** (1) HBO & Columbia Pictures Industries announced non-exclusive licensing agreement for 20 CPI feature films; HBO parent Time Inc. also announced it will make "multi-million dollar investment" in CPI motion pictures for theatrical release. (2) HBO announced agreement in principle to acquire assets of Telemation Program Services; subject to board & stockholder approval, unit would function independently as HBO div., with Robert Weisberg continuing as pres. Telemation's 180,000 pay subscribers in 40 systems will give HBO total of 630,000. (3) Storer Cable will introduce own pay programming in Thousand Oaks & portions of L.A. & Ventura Counties, Cal. (16,000 subscribers), HBO programming in Venice, Sarasota & Englewood, Fla. systems (32,000 subscribers), plans expansion to several other systems this year. (4) Cinemerica Premium Network will provide pay-cable programming to systems in Irvine, Newport Beach & Tustin, Cal. (11,000 subscribers) under agreement with Community Cablevision, beginning July 4.

**ABA bar against** advertising by attorneys was attacked by Justice Dept. suit charging that restriction constitutes conspiracy to restrain trade in violation of Sherman Act.



# Consumer Electronics®

A Section of Television Digest with Consumer Electronics

MANUFACTURING & SALES • TV • AUDIO • TAPE PRODUCTS • VIDEOPLAYERS • COMPONENTS • NEW PRODUCTS • FINANCE

## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended June 11 (23rd week of 1976):

	June 5-11	1975 week	% change	May 29- June 4	1976 to date	1975 to date	% change
Total TV. . . . .	206,781	179,304	+15.3	172,693	4,644,509	4,319,280	+7.5
color . . . . .	121,351	103,220	+17.6	102,003	2,726,987	2,424,121	+12.5
monochrome . . . .	85,430	76,084	+12.3	70,690	1,917,522	1,895,159	+1.2
Total radio . . . . .	690,476	631,486	+9.3	372,457	13,572,228	11,348,852	+19.6
home, portable . .	446,637	472,194	-5.4	153,109	8,134,222	7,690,648	+5.8
AM-only . . . . .	70,169	103,399	-32.1	36,595	1,878,154	2,493,270	-24.7
FM & FM-AM . .	376,468	368,795	+2.1	116,604	6,256,068	5,197,378	+20.4
auto . . . . .	243,839	159,292	+53.1	219,348	5,438,006	3,658,204	+48.7
Port.-comp. phono.	46,966	49,602	-5.3	28,745	955,630	1,282,475	-25.5

**Color TV 5-week moving average:** 1976-119,053; 1975-109,876 (up 8.4%).

**2 RECORD COLOR WEEKS BACK-TO-BACK:** Is this really it? Too early to tell, but first returns indicate good dealer reception to new color lines and heavy buying—record buying, in fact, for 2nd & 3rd weeks of June.

EIA sales-to-dealers figures for 2nd June week, ended June 11, showed sales of 121,351 sets (see State of the Industry), up 17.6% from the 103,220 of same 1975 week—which happened to be previous record for that week. EIA figures to be released this week will show sales of 137,174 in 3rd June week to June 18, up 12.5% from last year and once again record for week (previous record for 3rd week of June was 133,146 in 1974). Taken together, sales for those 2 weeks work out to annualized rate of nearly 10 million sets.

There are no particularly unusual circumstances which would tend to inflate sales-to-dealer figures this year. And June's dealer buying surge comes on top of unusually good May (Vol. 16:24 p10). Although June retail sales reports don't generally inspire enthusiasm so far, it seems likely that dealers now feel their inventories are too low and are beginning to buy. One TV manufacturer told us: "We never thought the 2nd quarter would come in this good. We were looking at something around 1.4 million sets for the industry—now it's going to be over 1.5 million for sure." Last record week in color was in June 1974, just before the big bust.

**PRESSURE MOUNTS FOR CURB ON JAPAN COLOR:** 337, 603, 201, 301. Those numbers aren't CB lingo or police calls—they represent weapons of U.S. TV & parts manufacturers & unions now combining to launch most massive attack ever to block what they feel is pending Japanese takeover of color market here.

Japanese already are under heavy assault. International Trade Commission is probing Tariff Act Sec. 337 (unfair import competition) complaint from Sylvania and using wide investigative powers it has under Sec. 603 to take broad look at Japanese business practices. In addition, Japanese are being forced to defend selves in \$900-million antitrust damage suit filed by Zenith & NUE in Philadelphia and Justice Dept. is investigating history & anti-competitive aspects of Sanyo's pending acquisition of Warwick's TV business.

But toughest drive may be yet to come. It could be 2-pronged attack—one led by EIA Tube Div., returning to anti-import wars after 4-year hiatus, other by group of manufacturers & unions which have hired Washington's top protectionist legal firm to show them way. Growing stop-

Japan movement, spurred by that nation's record color exports to U.S. this year (see below), has Japanese deeply concerned, particularly because of its election-year timing.

Tube Div., which won empty victory in successful dumping action against Japanese TV in 1971, is re-entering fray with formation of task force to determine what action it should take and how much industry support it can expect. Sylvania's Roger Slinkman, Div. chmn., said first job will be to sound out other EIA divs. to see if association can take unified position. Slinkman admitted, however, that increasing number of foreign-owned & import-dependent members in EIA make possibility remote—Consumer Electronics Group, for example, includes Japan-owned Panasonic, Quasar, JVC & Sony as well as Dutch Philips' subsidiary Magnavox.

Div. took action at Chicago convention "after quite a lengthy discussion" led to conclusion "that the tube industry in the U.S. is in severe jeopardy" because of color TV imports. After efforts to block Japan with dumping & countervailing-duty actions failed "we all got discouraged," but new conditions in 1974 Trade Act "which we're just catching up with" make for brighter prospects. "We are going to have to take a higher profile" with govt., Slinkman told us, noting that motion to form task force passed without negative vote, though there were some abstentions. Members Amperex (Philips subsidiary) & RCA are understood to have been among those not voting.

Signed on to lead anti-import drive is Collier, Shannon, Reel & Edwards, legal firm that pressed first successful escape-clause (Sec. 201) action, winning import relief for specialty steel industry. European & Japanese producers have agreed to limit exports rather than face imposition of higher tariffs or import quotas, last-resort remedies specified as help for import-injured industries.

Understood to have support of 5 manufacturers and such unions as IUE, IBEW, Machinists & Glass Workers, law firm has sent questionnaire to all domestic TV manufacturers seeking data on sales, profits, employment and history of dealing with import competition. Cover letter asks response by end of June to Stanley Nehmer of economic consultants Wolf & Co., organization used in past by many companies seeking to develop economic rationale for import relief.

Attorney at CSR&E said study is first of kind on U.S. electronics to be privately undertaken, and unlike similar ones by govt. agencies, results could be made public, used for lobbying purposes. He called survey "preliminary study to determine the relative health of the industry and where the problems lie." He indicated there was strong industry & union support for Sec. 201 action, but acceptable alternative might be Sec. 301 filing to force Japan to open home market to competition from U.S.

In all, some 15 manufacturers & unions reportedly are behind CSR&E and up to 15 more are immediate prospects to join. Firm also could provide focal point for Tube Div. effort. While supporting group is loose now, there's likelihood it will form into organization similar to Electronic Industry Committee for Fair International Trade, launched in 1972 under leadership of Corning, Magnavox, Stackpole, Sylvania & Zenith. Started as ad hoc home for industry protectionists and to end divisiveness over foreign-trade issue that nearly tore EIA apart, EICFIT succeeded in pressuring Treasury to open probes into and clean up backlog of dumping & countervailing-duty complaints industry members had filed against Japan. It disbanded in 1973.

**JAPAN COLOR EXPORTS ZOOMED IN MAY:** Japan's year-long color TV export-to-U.S. drive succeeded through May as shipments topped 200,000 mark for 2nd consecutive month and set new unit record for any month, Finance Ministry totals show.

Japan's total May TV exports to U.S. were up 141.7% to 346,600, a 54-month high, and just 20,000 short of 366,500 May record set in 1971. Color exports were at all-time monthly high of 235,656, triple same month last year and up 6.4% from previous record of 221,500 set in April. B&w exports also were strong, jumping 71.3% to 110,988, a 37-month high.

In 1976's first 5 months, Japan exported 1.3 million TVs to U.S., up 197.4% from last year, with color up 199% to 863,959, b&w up 194.3% to 438,958. Japan's record color export percentage increases should start slowing down in 3rd quarter, which last year marked start of current boom.

Japan's export explosion isn't limited to TV or to U.S. market, and nation's worldwide



success with broad range of products is starting to draw complaints from impacted industries (see p. 7) and requests from major trading nations that Japan ease up. Rapid increase in Japan's foreign trade surplus has created strong pressure for upward valuation of yen, which worries U.S. importers who are operating on tight margins now and fear it would force them to increase prices, cost them market position.

**MARCH IMPORTS:** Import recovery for TV in first quarter (Vol. 16:18 p10) carried over into audio as well, according to Commerce Dept., which shows most major product classifications improving over same 1975 period.

As expected, star of recovery was transceiver, with imports up 288.2% to just over 3.7 million, led by tenfold jump for auto CB. In radios, total imports of 7.85 million were up 53%, as car radios jumped 105.9% to 1.2 million, home radios 46.1%

to 6.6 million, increase paced by 64.7% gain for battery FM & multiband models to 2.8 million.

Total phonos were down 5.2% to 90,000, as 46.7% increase for phono-only units to 35,100 was offset by 22.7% decline to 54,900 by radio-phonos. But general strengthening of market for U.S.-assembled phono systems is indicated by 70.5% increase to 1.61 million record changers & automatic turntables. Details:

### U.S. IMPORTS

	1st Quarter 1976		1st Quarter 1975			1st Quarter 1976		1st Quarter 1975	
	Units	Value(\$)	Units	Value(\$)		Units	Value(\$)	Units	Value(\$)
Color, 19" & over. .	240,256	44,396,350	52,819	10,910,543	Japan . . . . .	107,044	5,901,971	30,734	1,816,066
Japan . . . . .	218,450	40,458,120	47,218	9,820,482	Taiwan . . . . .	375,668	21,717,706	334,447	19,267,998
Taiwan . . . . .	20,468	3,661,453	3,517	724,210	S. Korea . . . . .	47,185	2,520,059	42,590	2,264,934
S. Korea . . . . .	1,000	153,390	—	—	B&w, 10" & under. .	235,490	15,143,439	119,686	7,543,256
Color, 18" . . . . .	327	81,096	9,240	1,723,564	Japan . . . . .	80,432	5,471,337	22,937	1,792,231
Japan . . . . .	308	77,150	1,040	231,300	Taiwan . . . . .	128,279	7,893,163	81,092	4,681,192
Taiwan . . . . .	18	3,467	8,200	1,492,264	S. Korea . . . . .	26,500	1,708,261	15,326	997,353
Color, 16-17" . . . .	10,627	1,746,317	7,167	1,450,852	Auto radio, AM . . .	610,958	11,697,323	329,801	9,758,402
Japan . . . . .	8,965	1,358,087	5,295	1,116,468	Auto radio, FM . . .	604,961	17,600,371	260,825	4,401,703
Taiwan . . . . .	1,308	234,914	1,484	254,802	Ck. radio, dig., AM. .	42,290	451,605	21,549	138,864
S. Korea . . . . .	350	151,900	375	71,143	Ck. radio, dig., FM. .	936,762	13,167,089	1,081,594	16,988,496
Color, 14-15" . . . .	35,485	6,352,096	12,361	2,381,346	Ck. radio, other, AM .	41,184	293,658	111,329	912,512
Japan . . . . .	35,156	6,291,050	8,658	1,757,490	Ck. radio, other, FM .	237,482	2,863,292	171,001	2,608,282
Taiwan . . . . .	295	49,817	3,615	606,835	Tr. radio, AM, AC . .	147,788	560,271	153,842	678,909
Color, 13" . . . . .	54,832	8,650,366	25,094	3,988,424	Tr. radio, FM stereo, AC, w/o spkrs.*. .	256,711	24,740,283	—	—
Japan . . . . .	49,179	7,730,700	12,864	2,268,773	Tr. radio, AC, w/o spkrs. other*. .	97,590	2,605,178	—	—
Taiwan . . . . .	5,623	912,466	12,014	1,677,403	Tr. radio, FM stereo, AC*. . . . .	22,064	1,709,359	—	—
Color, 11-12" . . . .	59,466	9,854,349	41,601	6,170,548	Tr. radio, AC, other .	188,032	3,601,244	366,053	10,466,144
Japan . . . . .	50,750	8,573,009	30,703	5,390,381	Tr. radio, AM, batt. .	1,811,657	4,561,787	903,696	2,921,644
Taiwan . . . . .	507	83,868	10,846	770,868	Tr. radio, FM, batt. .	1,860,804	26,274,093	1,124,653	17,699,766
S. Korea . . . . .	8,200	1,195,189	—	—	Tr. radio, multiband .	991,834	14,768,216	607,413	9,872,419
Color, 10" & under. .	25,077	4,012,746	9,006	1,300,507	Trcvrs., auto, CB. . .	2,077,899	106,977,553	177,986	9,566,466
Japan . . . . .	19,984	3,270,946	7,216	1,171,843	Trcvrs., auto, other .	443,115	19,947,831	174,987	8,117,970
Taiwan . . . . .	4,948	726,325	162	10,654	Trcvrs., hand-held . .	622,609	6,458,308	367,245	3,228,640
S. Korea . . . . .	—	—	1,596	105,336	Trcvrs., other . . . .	578,660	36,702,164	238,590	12,582,924
B&w, 19" & over . .	71,478	5,569,369	68,625	5,505,152	Rad.-phono, console .	11,697	272,357	36,750	857,422
Japan . . . . .	24,086	2,102,116	1,141	127,038	Rad.-phono, other . .	43,218	1,750,806	34,265	1,415,701
Taiwan . . . . .	42,202	3,031,715	65,254	4,942,487	Phono, mono. . . . .	7,928	205,032	4,472	172,628
S. Korea . . . . .	4,904	352,634	1,660	118,068	Phono, stereo. . . . .	27,158	1,636,858	19,410	1,182,185
B&w, 18" . . . . .	23,994	884,916	23,616	955,692	Record changers. . . .	1,565,565	22,613,015	942,999	16,082,922
Japan . . . . .	790	44,372	2	644	United Kingdom . . .	1,523,668	20,438,693	821,382	10,381,589
Taiwan . . . . .	23,204	840,544	23,610	952,363	West Germany. . . .	36,156	1,845,203	82,055	4,304,095
B&w, 13-17" . . . .	57,162	3,964,045	63,020	4,267,300	Automatic turntables* .	42,485	1,866,046	—	—
Japan . . . . .	34,840	2,377,273	7,011	501,534					
Taiwan . . . . .	20,413	1,348,935	55,622	3,608,347					
S. Korea . . . . .	1,306	71,892	—	—					
B&w, 11-12" . . . .	530,009	30,192,459	408,046	23,389,273					

\*Not reported separately in 1975.

**RCA has discontinued** factory branches in Kansas City & San Antonio as part of drive to get out of distribution business (Vol. 16:15 p9). Independent RCA distributors from other areas have been appointed—Frank Lyon Co., Little Rock, becomes Kansas City distributor; Interstate Electric, Dallas, takes over in San Antonio. Fred Darby, vp-gen. mgr. of Kansas City branch and onetime RCA Sales Corp. national accounts sales vp, becomes Kansas City vp-gen. mgr. of Frank Lyon; Alan Doane, RCA San Antonio vp-gen. mgr., takes similar position at Interstate. RCA now has 5 factory branches (Atlanta, Chicago, Detroit, L.A., San Francisco).

**Ad notes:** Masco appoints Gardner Adv., St. Louis, for Royce CB consumer campaign; Barrett-Yehle, Kansas City, continues on trade side. . . . **National Semiconductor** budgets estimated \$3 million for introduction of "National Semiconductor" brand watch, calculator & TV game lines, bulk of outlay earmarked for TV spots during football games on ABC & NBC.

**Strike has closed** Pemcor's Detroit ceramic magnet plant which produces parts for its Rola & Jensen Div. speakers. Company said strike won't have immediate effect on speaker output.

**MAGNAVOX TV PRICES:** Latest Magnavox price sheet shows \$10-\$70 reductions in some leader prices, selected price cuts on 19" color portable & table models, along with \$30-\$70 hikes in 25" console line. New 13" leader price is \$340, down \$10 from Sept. 1975, step-up (\$350) & top-of-line (\$370) are new, replace \$360 & \$370 sets dropped. Only 15" set is unchanged at \$390; hybrid \$370 leader is gone from 19" portable line; new solid-state leader is \$400, down \$50; top-of-line 19" is \$650, up \$70; 19" table models leader & step-up are unchanged at \$550, top-of-line same at \$800; 19" STAR-tuner leader (\$750) & step-up (\$800) unchanged, top-of-line \$1,000 set dropped.

In non-STAR 25" console line, \$600 leader is dropped, with new leader at \$630; 3 models are up \$30, 2 up \$70, one up \$50. Nine new Touch-Tune models compatible with optional remote system are priced \$750-\$950 (remote kit is \$40); new STAR console leader is \$830, down \$70; top-of-line is \$1,395, up \$100; non-STAR home entertainment center leader is up \$100 to \$995; STAR leader and step-up \$300, both to \$1,995. New armoire-styled top-of-line model is \$2,695, up \$400.

Two 12" b&w sets are \$100 & \$110, both down \$10; two 16" models were dropped; new 19" leader (\$160) and top-of-line set (\$180) are down \$20. Prices, from N.Y. Div., are roughly comparable to 9 other regional divs. with scattered variations.

**Penney** jumped leader price on 19" color line \$10 to \$360 in fall-winter book, compared with spring catalog, dropped price on step-up \$10 to \$390 (store spokesman said chain is offering 19" set at \$300, and 17" at \$410, not shown in new book); 15" & 13" same at \$370 & \$320; new 12" is \$300; new 9" is \$245; 10" at \$220 is dropped. Catalog says 19" at \$480 features automatic "tracking" circuitry, "thinks in color." Two b&w 19" sets are up \$5 to \$145 & \$165; lone 16" is down \$5 to \$135; two 12" are up \$5 to \$105 & \$115, 2 others up \$10 to \$155 & \$175; 9" is down \$3 to \$92.

**Montgomery Ward** dropped modernistic swivel-based 25" color console from new book, added new top-of-line with LED channel readout at same \$690 price; 25" leader is up \$25 to \$520; new 19" console is \$440; 19" portable leader is up \$22 to \$320; 17" at \$368 was dropped; new 15" is \$370; 13" is down \$8 to \$340. B&w 12" set at \$78 was dropped, leader is now \$110, step-up \$130; 16" is up \$2 to \$140; leader 19" up \$12 to \$130.

Video games get bigger play in chain catalogs. Ward features Odyssey 200 at \$100, TV Tennis by Executive Games at \$70. Penney is offering Odyssey 200 (\$100) & 100 (\$80). Store spokesman said own-brand \$70 game will be sold once Odysseys are closed out.

**Distribution notes:** Sony broke ground for 200,000-sq.-ft. distribution & testing center in Kansas City. Facility is Sony's 4th, with others in N.Y., Chicago & L.A. Valor appoints Inland Export for overseas sales of CB accessory line.

"Program Production Guide for Philips & MCA Videodisc System" is available from MCA Disco-Vision, Universal City, Cal. 91608.

**IMPORT IMPACT AID:** Labor Dept. rejected import adjustment assistance bid by group of Magnavox workers, stating layoffs in firm's Engineering Dept. at Ft. Wayne plant last year stemmed from general market decline rather than import competition. LD said staff used in design & development of consumer electronics was cut 9% in 1974, additional 10% in 1975. Labor added that while Magnavox consumer electronics sales rose 2.5% in value last year, only 2 product lines posted unit gains, with color TV up 2.5% and Odyssey games rising 16%. As for other products, LD said Magnavox sales of radio-phono combinations dropped 48.3%, radios fell 34.2% and b&w TV slipped 13%. Comparison of Magnavox performance with EIA distributor sales figures indicates company increased both color & b&w TV market shares, lost ground in phonos & radios.

Dept. followed similar reasoning in turning down aid for workers producing automated equipment & picture tube yokes at Sylvania's Emporium, Pa. plant. Job losses were blamed on economic conditions which, LD said, resulted in Sylvania picture tube sales decline of 18.4% in 1974, 36.3% last year.

New import adjustment assistance investigations were opened for workers at: (1) Zenith's now-closed Lansdale, Pa. color tube plant. (2) Gibbs Mfg. & Research electronic organ & component plant at Janesville, Wis. (3) General Instrument Chicopee, Mass. facility, but limited to workers who were producing push-button channel selector for GE radios.

**TV safety standard** is of questionable economic sense, according to cost-vs.-benefit study conducted for UL's TV standard development committee by consultant J.H. Engel. Study concludes that cost of having b&w TV conform to mandatory federal safety standard would exceed probable value of damage and repair costs of sets involved in fire, shock, implosion or mechanical accident incidents. For color, Engel said, standard might pay if all such incidents could be eliminated. Standard restricted to preventing TV fires would be most cost-effective course because 83% of reported incidents involved fire, and 66% of production cost increases stem from fire-prevention section of proposed standard. UL's proposal for mandatory standard, along with committee recommendation that no such standard be adopted, is slated to be delivered to Consumer Product Safety Commission July 6.

**Philco of Mexico** was sold earlier this year by Ford to Grupo Industria Alfa S.A., Mexican conglomerate, for undisclosed cash sum. Previously unannounced transaction includes 3 buildings in Mexico City, all equipment for manufacture of color & b&w TV and stereo systems, new Philco brand rights. It's understood company had sales of about \$50 million last year, employed 2,000, operated at profit. Ford still has Philco operations in Brazil & Argentina. Dorman Israel, retired Emerson exec. vp, will help GIA modernize facilities.

**FCC approved** Executive Games' Face-Off, 2-player \$70 hockey game last week; approved games now total 16.



**PREVIEWING 'NATIONAL' VTR:** One of first production models of Matsushita's National Home Video VX-2000 videocassette recorder decks has been tested by Television Digest's Tokyo bureau with unimpressive results. This is unit which presumably will be offered by Quasar around Jan. 1 at "under \$1,000" (Vol. 16:24 p7).

Preliminary tests of VX-2000, correspondent Hideo Eguchi writes, indicate that price (\$700 in Japan) may be only attraction. This VTR, he said, "simply cannot be compared with Sony Betamax or any other videotape deck such as V-Cord II [being introduced in U.S. by Sanyo], mainly for technical reasons." Eguchi adds:

"In terms of size & design, both the VX-2000 and its blank cassettes have been found wanting. From beginning to end of 100-min. recording, there is constant horizontal waving of the upper part of the image [presumably flagging from time-base error]... Cassette is grotesque in design, bulky in size & weight, and there appears to be too much play [in fitting cassette into receptacle], thereby causing poor contact or mechanical drag of tape on head... The quality of the picture is not constant [and] dropouts are frequent. Though VX-2000 is larger than Betamax or V-Cord, piano-key controls & control knobs are certainly not the type for constant use by grownups. Long horizontal slide control must be used to set tape in correct loading position following initial step of loading cassette into recorder and closing the lid. Apart from bulky lid, top plate of VX-2000 is flimsy."

"The VTR's in my office right now and it's working fine," countered a Quasar engineering vp, contacted by phone. He said time-base & vertical problems could be encountered using any consumer video deck on receiver without proper time constant, and said jumper wire had been cut in Quasar receiver, eliminating all time-base problems. As to size & design: "What we have here is a good practical consumer product, designed to expand the market." Deck is about 1/3 size of 16" color set, he said, and cassettes are size of small book. Unique feature of system is that tape is not withdrawn from cassette for playing. He said escutcheon, knobs & piano keys resemble those on "good-quality audio cassette system, not an industrial VTR." He added there were no discernible dropouts in deck Quasar is testing. Deck weighs 42.2 lb., including tuner; time will be optional extra.

**Digital techniques** in next 10 years will permit TV receiver to "recreate a picture with the same quality as in the studio," RCA Exec. Vp. James Hillier told NBC affiliates meeting in N. Y. last week (see p. 1). His other forecasts: Videodisc is "practically here" and will become form of video publishing. Electronic games have potential as "important instrument for instruction as well as pleasure." Technology is now available for home information center, awaiting economic feasibility. Hillier said these developments won't come in next 10 years: (1) Cost breakthrough making picture-on-wall TV practical. (2) Three-dimensional TV, although technology now exists. (3) Direct satellite broadcasting to U.S. homes—cost of several hundred dollars for antenna & converter outweighs benefits.

**SONY RECORDS:** Sony's 18.3% revenue gain & 112% net-profit jump in fiscal 2nd quarter resulted in new sales & earnings records for both that period & first half (see financial table). Overseas sales contributed most of gain, with 24% increases to \$193.6 million in quarter & \$410.3 million in half, while domestic market improvement was limited to respective 12.3% & 4.2% rises. For quarter, Sony said TV sales rose 16% to \$109.5 million, audio recorders & radios were up 4.3% to \$89 million, stereo & VTR volume rose 39% to \$87.2 million, other products up 20% to \$68.8 million.

**Corning earnings** in 2nd quarter leaped 331%, setting record for any quarter in company history... CTS indicated it expects record \$14-million net this year, up from \$8.3 million in 1975, with sales rising to \$157 million from \$121 million... **Dynascan**, which has been paying 5% annual dividend, approved 3% semi-annual dividend plan.

**Fairchild hopes** consumer products (watches, clocks, calculators, TV games) will account for 20% or more of firm's sales in near future, Pres. Wilfred Corrigan told security analysts. He noted that by 1980, "35% of the consumer market will be captive," so firms not in end products will lose component business... **National Semiconductor** Pres. Charles Sporck told analysts sales in year to May 31 topped \$320 million, up from \$235.5 million last year, said 1977 would show largest dollar sales increase ever. Final quarter profits were hindered by poor performance of Consumer Products Div. and expansion costs of Semiconductor Div., Sporck said.

**Mergers & acquisitions:** **Intersil** has agreed in principle to acquisition by Advanced Memory Systems in stock swap valued at about \$22 million. Intersil will be name of new firm. Last year, companies had combined sales of \$57.5 million... **Solitron** completed acquisition of N. American Crystal, producer of crystals for CB & other communications equipment, for undisclosed cash sum. Solitron will move present NAC operation from Sterling, N.J. to Tappan, N.Y., set up duplicate production facility in Hong Kong.

**Fairchild forecasts** watch market: From worldwide industry sales of 3.5 million digital watches in 1975, it sees 15 million this year, 30 million in 1977, 50 million in 1978, 70 million in 1979, 90 million in 1980, with U.S. retaining lead in manufacture, producing 50% of world's units in 1980 (vs. 75% in 1974). Average retail price will fall from \$100 in 1975 to \$50 in 1976 and \$20 by 1980, watch market growing from today's \$350-million business to \$1.8 billion in 1980.

**Trade fairs** are planned by Japan & Taiwan to help celebrate U.S. Bicentennial. Biggest will be Taiwan's at N. Y. Coliseum Sept. 11-15, expected to draw 500 manufacturers. About 100 exhibitors should be on hand at Japan's display July 1-18 at Chicago's Navy Pier.

**First microwave oven** from N. American Philips is Norelco Electronic Rapid Range, available in Aug., backed by 6-week spot TV campaign. List is \$470.

# WEEKLY Television Digest

with  
**Consumer Electronics...**

**PUBLISHED BY TELEVISION DIGEST, INC.**

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Also publishers of annual *Television Factbook* and weekly *TV, AM-FM & CATV Addenda*, *CATV Atlas* and other special publications

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## 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
Corning Glass Works			
1976-24 wk. to June 13	475,824,000	41,472,000	2.35
1975-24 wk. to June 15	448,867,000	8,785,000	.50
1976-12 wk. to June 13	236,739,000	22,456,000	1.27
1975-12 wk. to June 15	226,349,000	5,215,000	.30
A.C. Nielsen			
1976-9 mo. to May 31	170,979,000	12,322,000	1.16
1975-9 mo. to May 31	147,387,000	8,905,000	.84
1976-qtr. to May 31	59,603,000	4,279,000	.40
1975-qtr. to May 31	52,844,000	3,228,000	.30
Rust Craft Greeting Cards			
1976-qtr. to May 30	19,439,000	349,000	.15
1975-qtr. to June 1	17,371,000	190,000	.08
Sony <sup>a</sup>			
1976-6 mo. to April 30 <sup>b</sup>	736,700,000	49,100,000	.23
1975-6 mo. to April 30 <sup>b</sup>	643,900,000	32,000,000	.15 <sup>c</sup>
1976-qtr. to April 30 <sup>b</sup>	354,400,000	25,300,000	.12 <sup>c</sup>
1975-qtr. to April 30 <sup>b</sup>	299,700,000	11,900,000	.06 <sup>c</sup>

Notes: <sup>a</sup>At yen's current rate. <sup>b</sup>Restated. <sup>c</sup>Adjusted.

## Trade Personals

**Hirokichi Yoshiyama**, Hitachi pres., elected EIA-Japan chmn., succeeding Toshiba Chmn. **Keizo Tamaki**, recently named chmn. of Japan Electrical Mfrs. Assn. New EIA-J deputy chairmen: **Masaharu Matsushita** (Matsushita), **Sadakazu Shindo** (Mitsubishi), **Koji Kobayashi** (NEC), **Akio Morita** (Sony & Tamaki)... **Kozo Hirayama**, Nippon Electric Co. overseas operations vp, named NEC America pres., post he held in 1969-71, succeeding late **Saburo Oyama**... **Robert Moore**, former head of defunct TV importer Broadmoor, founds Opal Ltd., Des Plaines, Ill. consumer electronics importer.

**Thomas Brandt** advanced at Fairchild Optoelectronics Div. from operations mgr. to gen. mgr., succeeding **Bud Frye**, resigned to take out-of-industry post... **Norman Miller** resigns as Signetics Logic Products Div. gen. mgr., reportedly to join ITT as pres. of U.S. Semiconductor Div... **John Ekiss**, ex-Motorola Semiconductor, joins RCA Solid State Div. as MOS mfg. operations dir., succeeding **Richard Hall**, now MOS operations, planning & admin. mgr... **Richard Rubenstein**, ex-GI, joins American Microsystems as product-technology planning coordinator.

**Gilbert Durkee**, ex-Bowmar, named Utah Electronics vp-gen. mgr... **Gene Lyman**, ex-Sheldahl, joins Buckbee-Mears subsidiary BH Electronics as sales & mktg. mgr... **Pat Cominsky**, ex-Bell & Howell, joins Admiral as mgr. of new Philadelphia sales office... **William L. Fowler**, ex-Globe Union Centralab mktg. vp, joins Altec as International Div. vp-gen. mgr.

**Sega Enterprises**, Gulf & Western subsidiary which purchased assets of Muntz Home Theatre projection TV business (Vol. 16:25 p9), has named Harry Kane, onetime Olympic pres., as pres. & chief exec.

of Sega of America, U.S. manufacturing-distribution operation. Kane is vp of Sega Enterprises and was chief operating officer of firm in Japan. Kane told us Sega believes projection TV has "enormous potential," but it "must be founded on logic—we want to find the right way to sell it and to improve it beyond the present state of the art." There must be changes in the product, he added—projection now "isn't a respected member of the TV industry." He said Sega currently doesn't plan to enter any other consumer electronic product areas, although company may eventually develop home versions of its coin-op video games. Succeeding Kane as exec. vp of Japan operation is Duane Blough, ex-General Instrument. Sega of America Mfg. Mgr. Edward Amormino adds post of mfg. vp for Sega Enterprises, and Robert Norwalt becomes Sega of America R&D dir.

"Alphamax" combination videocassette recorder & 25" color TV will be offered by Markoff Theatervision, N.Y. Pres. Allen Markoff, who also heads Worldwide Entertainment Systems (projection TV), told us rosewood & chrome console will contain JVC U-Matic recorder, VTR tuner & timer, probably RCA 25" color chassis, wireless remote, stereophonic sound, video inputs & outputs. When offered in next few months, price will be \$2,495, Markoff said, \$200 more than Sony 19" Betamax combination, which apparently inspired name of new unit.

**Largest projection-TV order?** Worldwide Entertainment Systems Pres. Allan Markoff announced \$2.5-million order by Hersh-Kinne Entertainment Systems, L.A., "representing more than 10% of all [projection] TV sets expected to be manufactured in the U.S. this year." Contract covers 12-month period, provides for H-K to distribute sets in 6 states. H-K plans to open showrooms in western states, add VTRs electronic games, other accessories.