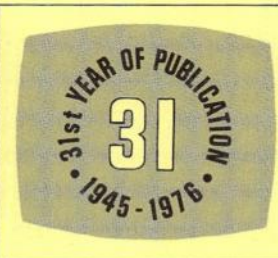


WEEKLY

Television Digest®

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OCTOBER 4, 1976

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Broadcast

EFFECT OF TV ADS on children still unknown, according to draft NSF report, but problem is termed not as bad as some critics charge. NAB study of effects of TV violence proposed. Railsback & Magnuson keep Congress active on violence. (P. 1)

COPYRIGHT SQUEAKS THROUGH as Congress adjourns, while other communications bills are left dangling: Cable & phone competition, daylight time revision, FCC fine-pole attachments, lobby regulations, House-Senate TV. (P. 2)

SPORTS ANTI-BLACKOUT BILL dies as Congress adjourns, Cowboys & Patroits spurn offers to buy blocks of tickets to permit telecasts. (P. 3)

AGENCIES & CONSUMERS: Goal of reform should be service to public, House report concludes. 'Private' deals at FCC hit; 2-year ban on industry representation sought. (P. 4)

Consumer Electronics

ITC PROBE of Sylvania's unfair import competition complaint against Japanese to be opposed by Justice & FTC at hearing. Treasury, State & Trade Negotiation Office urge investigation be dropped. (P. 7)

JAPAN COLOR EXPORT boom slowed in Aug., with shipments to U.S. up comparatively moderate 67%, but 243,200 total is 3rd highest on record. CB & monochrome also post solid gains. (P. 7)

SONY CUTS BETAMAX price 25% in Japan, tagging it \$100 under upcoming JVC deck, also reduces tape price. Magnetic disc recorders promised next year in U.S. & Europe. (P. 8)

AUDIO INDUSTRY upheaval intensifies as Superscope becomes private-label supplier. (P. 9)

GAME SHORTAGE through year's end still key to total sales, now seen by industry as 3-3.5 million units. Chip supply is big problem. (P. 9)

FCC CB TESTS show over half meeting new receiver radiation standards. Next step—analysis of why they passed—could lead to relaxation. (P. 11)

IMPORT AID REJECTED for GI & Ampex workers, approved for ex-Gibbs Mfg. employees. Labor Dept. studies impact of capacitor imports on jobs at Mepco-Electra. (P. 11)

CHRISTMAS CATALOGS offer new game names, low-ball CB combinations, bargains on color sets. More space devoted to consumer electronics. (P. 12)

TV ADS & KIDS & VIOLENCE: Not enough is now known of effects of TV ads on children to formulate federal regulatory policy, but problem is not as bad as some critics charge, group of prominent social scientists has concluded in draft report prepared for National Science Foundation (NSF). Thus NSF's \$125,000 effort to determine what is known of effects of TV ads on children has ended in outline for further research. NSF commissioned study in Aug. 1975 at suggestion of then FTC Chmn. Lewis Engman; project mgr. is Aspen Institute's Richard Adler (Vol. 15:32 p6).

Scientists said review of all available research found paucity of studies, characterized by mixed or ambiguous evidence & conclusions. Further, group noted in draft conclusions, few studies have been helpful in policymaking. For example, study recommending different policies for children at different age levels would be "impractical for a mass medium."

Draft recommends 2 types of research: (1) Small studies aimed at specific policy questions, such as "how effective are commercial food messages in communicating nutritional information to children?" (2) Major examination of TV's role in shaping child, compared with all other sources of socialization. Latter study would involve large group of children of different ages in different locations over less than 2 years' time, while former would involve small groups over brief period.

Existing studies, when taken as whole, "confirm common sense assumptions that TV advertising does affect children's knowledge, attitudes and behavior," draft states. "Indeed it would be surprising if this were not the case, given the resources devoted by sponsors and advertising agencies to the creation of persuasive commercial advertising."

However, while there are "some significant correlations" between TV ads and children's reactions—"typically measured in terms of 'heavy' vs. 'light' viewers—their magnitude is generally modest. These findings seem at variance with the strongly-held convictions of a number of critics that TV advertising is a powerful force. However, research of the scale and specificity of studies conducted to date is not sufficient to resolve this issue. A critical unresolved question is the salience of TV advertising (and of TV in general) in children's lives when compared with other influences, including the family, peers, school and community."

No matter how good the research, scientists say, there are 2 warnings: (1) Research never will be "definitive" because of enormity of task, difficulty of isolating effects of TV ads on children from all other factors which affect children. (2) Ethical, legal, economical & political forces "will also influence policies and practices," no matter what research concludes.

* * * *

At NAB, Exec. Committee has approved proposal by TV Chmn. Robert Gordon directing Research Vp John Dimling to "undertake a feasibility study" to determine if Assn. should conduct major research to determine "public's attitude regarding sex & violence on TV & radio." Dimling is to report to Board in Jan. on feasibility, methodology, cost, etc.

"I don't see it getting very far," NAB dir. said in noting that many members probably would vigorously oppose such research. But Gordon said that "no subject is of greater concern" to the industry, that "some hard data" is needed to support all the supposition. He added that it may be too costly for NAB to undertake alone.

(In another area, National Education Assn. has expressed concern to NAB that excessive TV watching is causing students to score lower on achievement tests. NEA has asked NAB to consider joint sponsorship of research.)

In Congress, Rep. Railsback (R-Ill.) introduced resolution expressing "concern of Congress" over impact of televised violence on young viewers and calling upon "those responsible for TV programming to heed indications of a relationship between violent TV programming and real-life violence." In "Dear Colleague" letter to other House members, seeking co-sponsors, he charged that family viewing hasn't decreased violence. At week end, Railsback had 20 co-sponsors. "Something must be done," he said. "I believe the quality of life in our society depends on it."

Senate Commerce Committee Chmn. Magnuson (D-Wash.) said Oct. 1 that retirement of Communications Subcommittee Chmn. Pastore (D-R.I.) "does not signal the end of senatorial interest [in] gratuitous violence on TV." Noting that Pastore played "dominant role" in focusing public attention on televised violence, he said Committee "will stay actively involved in monitoring the progress of academic research...and the self-regulatory efforts of the industry and its advertisers to correct the problem internally."

COPYRIGHT PASSES; OTHER BILLS DIE: Rushing to adjournment, Congress last week completed action on copyright bill, sent it on to White House for President's approval, but let several other communications matters fall by wayside.

Left dangling at end of session were Sen. Kennedy's (D-Mass.) "Competition Improvement Act," daylight savings time revision, sports anti-blackout extension (see p. 3), House-Senate TV coverage, pole attachment-FCC forfeiture legislation, and measure stiffening regulation of lobbyists. In addition to copyright revision, communications measures passed in 94th Congress provided long-term funding for public broadcasting, opened agency meetings to press & public, and allowed limited program originations by translators.

Congress gave final approval to copyright bill with only one day to spare before session's end Oct. 1. House-Senate conference report passed Senate 75-0, House by unanimous consent.

Bill's major provisions call for establishment of royalty tribunal; compulsory license for carriage of distant TV signals by cable; define "fair use," allow reproduction without copyright liability of TV newscasts, news interviews and on-the-spot coverage of news events for archival purposes; create national TV-radio archive under Librarian of Congress; give public broadcasters limited compulsory license; extend copyright term from 28 years plus 28-year renewal to lifetime of owner plus 50 years, with no provision for renewal.

Conference accepted House-passed version of bill almost intact, with these minor changes: (1) Mechanical record royalty set at 2-3/4¢ per recording or 0.5¢ per min. of playing time, whichever is greater. (2) Dodd (D-Conn.) amendment providing exemption for reproduction of certain performances for blind. (3) Royalty "Commission" changed back to Royalty "Tribunal," with 5 commissioners instead of 3, appointed by President and confirmed by Senate, with chmn. designated by President. Sections concerning cable and broadcasting were adopted "absolutely intact" from House-passed version, according to staff.

Sure to crop up next year, in addition to those bills killed by session's end, is Communications Act rewrite, including consideration of license renewals, cable, and common-carrier competition. House Communications Subcommittee staff will begin drafting during election recess. "Sunset Act"—providing for elimination of unnecessary regulatory agencies—as well as plethora of other regulatory reform proposals by both House and Senate Committees, also will be considered. A major unknown is identity of chairman of Senate Communications Subcommittee; Sens. Hartke (D-Ind.) & Moss (D-Utah), next-ranking Democrats behind retiring Chmn. Pastore (D-R.I.), are involved in tight re-election races. And there's possibility of challenge being mounted against House Commerce Committee Chmn. Staggers (D-W. Va.) by Investigations Chmn. Moss (D-Cal.).

Sports anti-blackout extension bill died in Congress' waning hours, but not Rep. Frey's (R-Fla.) anger at NFL for lobbying against final approval of compromise bill already signed by both House & Senate conferees. "The final gun for this Congress and this ballgame is about to be sounded and the NFL has won," he stated on House floor. Yet despite NFL Comr. Pete Rozelle's promise to abide by law's spirit, Frey charged, 2 teams already have refused to sell blocks of tickets to enable TV stations to telecast home games. He also accused Miami Dolphins of enlarging blackout area to "virtually the entire state"; before bill expired, Dolphins blacked out TV coverage only as far as Ft. Meyer. Incidents he cited: (1) Dallas Cowboys-Baltimore Colts game Sept. 26 was blacked out when Cowboys refused to allow KXAS-TV Ft. Worth to buy about 1,000 tickets after NFL mistakenly notified station that game was sold out and could be telecast, then reneged. "They told us, 'We don't take orders by phone,'" Program Dir. Robert Gould said. (2) Boston Patriots-Oakland Raiders Game Oct. 3 was blacked out when Patriots spurned Boston Globe offer to buy 500 remaining seats. Patriot representative told Globe to come to boxoffice in person, then phoned back immediately to say that there had been "a counting error," and that in fact 1,000 seats remained unsold. Globe dropped plan Oct. 1.

Oak Bcstg. Systems—joint venture of Oak Industries and Andrew Perenchio—has filed with FCC for STV operation using minimum 2,000 hours annually purchased from WXON Detroit. Firm plans to begin in Jan. minimum 3 hours daily, in prime time, of over-the-air pay TV on former Kaiser Bcstg. station KBSC-TV L.A. Programming will be predominantly first-run movies & sports.

HBO's cut back in pay-cable service, from 80 to 60 hours weekly starting Oct. 5, is attributed by spokesman to paucity of G & GP films and light viewing. He said that some affiliates have asked questions but were satisfied with explanation. Schedule will start 5:30 p.m. weekdays instead of 1:30; on week ends, start ranges between 1 & 3 p.m., depending on sports schedule. Feed now will be same as it was before satellite operations began year ago. Meanwhile: (1) Telecable, with 10 systems and 103,000 subscribers, signed up with HBO, plans to build at least 4 earth stations. Systems involved: Bloomington, Ill.; Columbus, Ga.; Auburn, Opelika & Decatur, Ala.; Racine, Wis.; Greenville & Spartanburg, S.C.; Beckley, W.Va.; Kokomo, Ind. (2) Vision Cable, with 50,000 subscribers, plans to offer HBO by end of year, via earth stations, serving Wilmington, N.C.; Florence, Marion, Darlington & Sumter, S.C.; Alexandria, Pineville & Houma, La. (3) Microband will offer HBO via MDS stations in Boston & Springfield, Mass., and Providence, R.I., using earth station in Boston and microwave.

Daniel Schorr's resignation as CBS correspondent was accepted last week, and he said he'll lecture, write book, become visiting professor of journalism at U. of Cal. Resignation followed dropping of investigation of him by House Ethics Committee (Vol. 16:39 p5). Schorr, 60, will receive salary and other benefits from CBS during remaining 2 years of his contract; salary is said to be about \$70,000. Schorr said he'd be "a source of tension" if he returned to network, was leaving "with sadness, but without rancor." CBS News Pres. Richard Salant said Schorr's 23 years with CBS were "unusually distinguished" and "you did a superb and eloquent service" in testimony before Ethics Committee.

AGENCIES & CONSUMERS: "The primary goal in the reform of federal regulation should be to make regulatory programs function more effectively on behalf of the consuming public," House Investigations Subcommittee concludes in report on 9 agencies (including FCC & FTC) scheduled for release Oct. 3. Section on FCC—scheduled to be made public Oct. 6—finds that Commission's principal handicaps are:

(1) Insufficient public representation to offset "the assiduous attention" paid by licensees. (2) Failure to anticipate or keep pace with technology. (3) "Inertial acceptance" of status quo. (4) No expertise for analysis of complex issues, resulting in failure to develop facts necessary to regulate broadcasting & common carriers.

Citing family viewing, report also criticizes alleged "private" deals between FCC chmn. and broadcasting industry. Subcommittee suggests that Congress should consider FCC reorganization such as that introduced by Rep. Macdonald (D-Mass.), which would have reduced commissioners from 7 to 5 (Vol. 15:25 p5).

Report studies in detail 3 FCC cases: (1) VHF-UHF—"The Commission has done less than its utmost to exploit technological developments that would substantially increase the uses of the spectrum [because] current holders have been reluctant to disturb the established patterns of service." (2) Failure of license renewal process, tracing history of WLBT Jackson. Report charges that before June 1976, FCC never revoked license for failure to serve public needs. (3) "Over-regulation" of cable.

Appointment of higher-quality individuals and closer Senate scrutiny is recommended for all agencies, but report is especially critical of FCC appointments. "One of our major recommendations concerns the qualifications of the commissioners... Those eventually appointed... whatever their views... find themselves assiduously courted by the regulated industries. Too many who serve on the Commission, notably the lawyers, expect that when they leave the agency they will go to work... for the industries they are sworn to regulate. Their legitimate concern for their future tends to make them, consciously or unconsciously, sympathetic to their future employers." Subcommittee recommends ban on industry employment for 2 years after leaving FCC, closer congressional oversight and exchange of professional staffers between Commission & Congress.

In section on all agencies, FTC is rated in upper 3 (with SEC & EPA), FCC in middle 4. Any reform, report concludes, must be accomplished on agency-by-agency basis rather than across-the-board. Common failing of all is "insufficient response to the public." To combat this, class action suits should be encouraged and public groups' legal fees should be paid. FCC, particularly, should establish "Office of Public Counsel," Subcommittee recommends.

NAEB convention Oct. 24-27 at Conrad Hilton Hotel, Chicago, features presentation of Distinguished Service Awards to Sen. Pastore (D-R.I.), retiring chmn. of Senate Communications Subcommittee, and Virginia Kassell, creator & producer of "The Adams Chronicle."

AT&T's "Consumer Communications Reform Act" (Vol. 16:36 p4) and role of competition in common-carrier field got airing by House Communications Subcommittee last week, with predictable testimony: AT&T Chmn. John deButts asked Congress to force FCC to keep competition out, while potential competitors want in. OTP Dir. Thomas Houser got thorough scolding by Rep. Wirth (D-Colo.) for changing OTP position on bill from "opposed" (under Acting Dir. John Eger) to "neutral." Wirth suggested that change might have stemmed from fact that Houser's former Chicago law firm (Sidley & Austin) had AT&T as client. In written statements, NCTA Pres. Robert Schmidt said bill means higher charges for cable, loss of competition in certain services. CPB Pres. Henry Loomis said bill would deprive public broadcasting of planned TV-radio satellite system. FCC Chmn. Wiley strongly defended recent Commission decisions allowing competition in some common-carrier services. Meanwhile, in additional views on recent AT&T decision, Wiley attacked Comr. Hooks' dissent (which argued against increased competition with AT&T), as a series of "departures from the facts and sound reasoning... I am at a loss to understand the basis of rationale for the dissent."

If family viewing is given chance, "we will see a steady downward trend in the level of gratuitous violence & brutality in the prime-time hours," FCC Comr. Washburn predicted last week. Speaking to Neb. Bcstrs. Assn., he called concept "historic because [it] is the first positive remedy in the 20 years since the Kefauver Crime Commission first highlighted the connection between TV and antisocial behavior." Also speaking to NBA, NAB Pres. Wasilewski said that "one of the things that worries me" about critics of broadcasting & advertising "is the contempt they seem to have for all of us consumers. They regard us as ignorant, gullible, helpless & unintelligent. They also think that we are distressingly materialistic, obsessively concerned with our wants & desires and without sufficient reverence for the higher class things in life... We know that almost all consumers very selectively pay attention to, perceive, evaluate and remember advertising and act upon it."

NBC's "Tomorrow" isn't exempt as news program under equal time law, FCC Bcst. Bureau ruled last week on complaint of Socialist Workers Party presidential candidate Peter Camejo. Communist Party candidate Gus Hall was interviewed on program, and Commission has told network to state "how it intends to meet its obligations" to afford Camejo "equal opportunities." NBC hadn't responded at week's end. Bcst. Bureau also told Socialist Party to submit more information on complaint against Mondale appearance on WNBC-TV N.Y.'s "Speaking Freely."

KMJ-TV-AM-FM Fresno licenses have been renewed by FCC over protest of Justice Dept., which objected because stations are cross-owned with Fresno Bee newspaper (Vol. 16:36 p5). Similar petition against WIBW-TV-AM-FM Topeka was denied last spring (16:21 p4); half dozen others are pending.

Role of federal govt. in pushing rural telecommunications services is subject of conference set for Nov. 15-17 in Washington by Congress' Office of Technology Assessment (OTA). Conference follows OTA staff study suggesting that combining task of providing conventional TV signals with other commercial, health and educational services would make sophisticated broadband communications systems economically feasible in sparsely-populated areas (Vol. 16:20 p5). Panel chairmen include former FCC Comr. Glen Robinson (now chmn., Aspen Institute National Communications policymaking project), Rand's Dr. Leland Johnson, former Postmaster Gen. John Gronouski (now Lyndon Baines Johnson School of Public Affairs professor). Also participating will be National Rural Center, FCC, OTP, Aspen Institute, Agriculture Dept., Commerce Dept. Conference was convened at request of Senate Agriculture Committee Chmn. Talmadge (D-Ga.), who first requested that OTA study rural telecommunications. In comments on OTA staff study, William Walker, Agriculture Dept. asst. secy. for rural development, stated that FCC Chmn. Wiley told Rural Electrification Administration officials that FCC would consider rules changes making it easier for rural telephone companies to provide broadband services for their subscribers.

Impact of cable imports on station audience size has been analyzed by NAB, sent to Rep. Van Deerlin (D-Cal.) in letter from NAB Pres. Wasilewski. Using spring 1975 Nielsen figures, NAB found cable homes in 23 three-station markets with 21.6% less local viewing than in non-cable; 34.3% less in 54 markets with one or 2 stations; 13.2% less in markets with more than 3 stations. Wasilewski said that there's "a very strong and straightforward relation between a station's revenues and its audience, and any TV station manager or sales manager can testify to the importance of a station's ratings in generating revenues." He also noted that Flagstaff station, which had increased revenues despite CATV, has lost enough audience to forfeit its right to separate-market classification, is now part of Phoenix market in Arbitron figures. Wasilewski also submitted study of Palm Springs, Cal. market, which concluded that stations would have 51.6% larger audiences if cable weren't there, producing profit instead of loss. He said that KMIR has cut staff from high of 30 to 19 and that KPLM is being operated under receivership.

"The community of Ft. Valley [Ga.] deserves something better," FCC Judge Walter Miller said last week in denying both applications for new FM there. He said principal representatives of both—Ft. Valley Mayor Paul Reehling for Rocket Radio and Charles Cobb for Apostolic Council of Churches—"have shown a willingness to be less than truthful when lying would serve their respective purposes."

KIKX(AM) Tucson would lose license under initial decision last week by FCC Judge Thomas Fitzpatrick, who ruled station had "staged & distorted news" in broadcasting kidnap hoax. Licensee also was found guilty of violating EEO rules and not maintaining control over station.

President Ford, in TV Guide interview, states: (1) "TV gives to the viewer a different perception—a perhaps deeper feeling for or against the candidate and his decisions—than any other medium. If you go to any of the written press, the information is transmitted through a second source." (2) A President shouldn't commit himself to appoint to regulatory agencies only commissioners "acceptable to Ralph Nader," as Democratic candidate Jimmy Carter promised (Vol. 16:33 p1). Rather, appointees "ought to represent all of the people." Similarly, while a President has right to have opinions on TV programs, "I do not think it is the prerogative of a President to dictate the entertainment programs that are sponsored and produced by the TV industry." (3) He has "no objections whatsoever" to TV's coverage of his re-election campaign. "I think basically they've been very fair." TV news has "no discernible bias." (4) There aren't too many commercials on TV; "I get a lot more work done during the commercials." (5) Congressional proceedings should be televised. (6) Supreme Court and Congress approve of fairness doctrine, so he does, too. (7) His favorite TV shows are "Kojak," "Police Woman," "Mannix," "Cannon," "Rockford Files," "Columbo."

ABC has bought WMAL-AM-FM Washington for \$16 million, from Evening Star owner Joe Albritton. Under FCC order, he had to get rid of 3 of his Washington properties by Jan. 1979—TV, AM, FM, newspaper—so TV or newspaper must be divested by that date. Purchase brings ABC station complement to FCC ceiling: 7 AMs & FM, 5 VHF TVs; network has no UHF, but is allowed 2. In 1973, WMAL-AM-FM earned about \$2 million (FM only \$19,000), TV about \$2 million, licensee disclosed in documents filed with FCC (Vol. 15:4 p4). Newspaper lost as much as \$1 million monthly year ago, now is losing less—amount unstated. Price of AM-FM is highest to date for such combination.

Ford-Carter 2nd TV debate Oct. 6, in San Francisco's Palace of Fine Arts, is still likely to have same format as first, despite variety of criticisms generally calling for more face-to-face confrontation. Panel of reporters for next session hasn't been identified. Site for 3rd debate Oct. 22 and location of Dole-Mondale session Oct. 15 haven't been disclosed by sponsor League of Women Voters, but Dole said his is in Williamsburg, Va. Nielsen data indicates 85-90 million saw first debate; first Kennedy-Nixon debate had 77 million. Meanwhile, PBS will offer affiliates series of 11 half-hour prime-time reports on minority party presidential candidates, Oct. 8 through Oct. 27.

FCBA annual seminar—Nov. 19-22, Cerromar Beach Hotel, Puerto Rico—will have 2 main features: (1) Former FCC members discussing Commission activities during their tenures. (2) Discussion of common-carrier technology and govt. regulation, by spokesmen for AT&T, MCI, et al.

WSWB-TV Orlando (Ch. 35) went dark last week, after RCA began removing equipment. When station failed to meet payments, RCA obtained court order to repossess equipment. Original value was \$1.5 million, covering studio & transmitting gear.

Personals

Herbert Granath, TransWorld International senior vp, returns to ABC as a dir., vp-asst. to Pres. **Elton Rule**, succeeding **Martin Pompadur**, resigned (Vol. 16:38 p6); Granath had been with ABC 1960-July 1975.

James Sefert, senior vp-Chicago, elected **Peters Griffin Woodward** pres., succeeding **William Walters**, elevated to chmn.; ex-Chmn. **Lloyd Griffin** elected chmn. of exec. committee-chief exec. officer.

FCC Bcst. Bureau promotions: **Steve Crane**, chief, Policy Analysis Branch, and **Bonnie Lee**, chief, Legal Branch, Policy & Rules Div.; **William Gay**, chief, Compliance Branch, Complaints & Compliance Div.

Bruce Sawyer resigns as HBO exec. vp to "pursue personal career interests"... "Inside the Carter & Ford Campaigns" is subject of 4-A forum Oct. 14, N.Y. Biltmore Hotel, featuring **Gerald Rafshoon**, Carter ad dir., and **John Deardourff**, co-chmn. of Ford's "Campaign '76" in-house agency.

Edward Antoniollo advanced to NBC-TV station advertising, design & promotion dir... **Lucille Chazanoff** promoted to NBC accounting & financial operations dir... **Jean Rinklin** advanced to sports unit mgrs. mgr., ABC Bcst. Operations & Engineering Div.

FCC Chmn. **Richard Wiley** became pres. of Federal Bar Assn. Oct. 1, not American Bar Assn. (Vol. 16:39 p8)... **Margery Smith**, acting dir. of FTC Consumer Protection Bureau, assumes additional post of deputy dir.

Warner Cable revenues will reach about \$50 million by year's end, up 66% from 1974, according to Pres. **Gustave Hauser**. Productivity per employee has risen from \$26,000 to \$51,000 during same period, he said. Addressing cable-entertainment financial analysts in N.Y., he said 3rd-quarter earnings will pass those of 2nd and will be "significantly" higher than 3rd-quarter 1975. "The future of cable is in urban markets," he said, stating that Warner will "build selectively" in such areas. He said company will start pay cable next year in Boston, Columbus, O., Palm Springs, Cal. & Kingsport, Tenn. All 140 systems are making profit, he said and subscribers are increasing at 3% yearly rate. Subscribers will total 550,000 by year's end vs. 530,000 last year. Monthly fee for Warner subscribers averages \$7.64 vs. \$5.65 in 1973, he said. Company recently obtained franchises in Columbus suburbs of Worthington, Gahanna & Grove City.

"I'm delighted... I want to do some things that I haven't done before," **Wayne Cornils** said after being appointed NAB membership dir., effective Nov. 1. He'll be required to resign as member of NAB radio board and sell 20% interest in KFXD-AM-FM Boise, of which he is vp-gen. mgr. Cornils is ex-chmn. of NAB Small Market Radio Committee, fills post that has been vacant since **Alvin King** was fired in May (Vol. 16:21 p7).

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with
Consumer Electronics...

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National PTA anti-TV violence campaign got support from FCC Comr. **Hooks** and Chicago Mayor **Richard Daley** during week-long seminar kicking off year-long project in Chicago. Daley said TV violence has "tremendously" increased violence in Chicago, reiterated his support for PTA's effort to "convince and persuade" broadcasters to reduce violent TV programming. Daley earlier announced he'd help raise \$50,000 in private funds toward project's support (Vol. 16:34 p5). **Hooks** told project dirs. that because of govt. limitations due to First Amendment, PTA project's goal of going "directly to the source"—to broadcasters & advertisers, rather than to FCC—"is the best, if not only, intelligent route to take."

"On the spot" news coverage, under Sec. 315, "Aspen" exemptions by FCC, needn't be broadcast in entirety to qualify, in opinion of Gen. Counsel **Werner Hartenberger**. Speaking before FCBA, he said Commission hadn't ruled on that aspect yet but: "I can see no logical way to permit less than entire political conventions to be covered and yet deny exemptions to debates and press conferences not covered in their entirety." He concluded: "I publicly cast my lot with those who believe the greater overall public interest lies in unfettered speech rather than restrictive regulation."

Time sales at "typical" radio station were up 11.3%, net revenues 11.4%, in 1975, according to annual NAB survey. However, profits of typical station dropped from \$10,000 to \$8,800—on \$205,400 revenues, \$196,600 expenses.

Obituary

John Sturtevant, 74, chmn. of Forward Communications and publisher of Wausau (Wis.) Daily Record, died of cancer in Wausau. Wife, 2 daughters survive.

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Sept. 17 (37th week of 1976):

	Sept. 11-17	1975 week	% change	Sept. 4-10	1976 to date	1975 to date	% change
Total TV.	264,317	243,701	+8.5	195,192	7,981,935	7,488,210	+6.6
color	166,888	145,350	+14.8	122,540	4,738,534	4,192,293	+13.0
monochrome	97,429	98,351	-0.9	72,652	3,243,401	3,295,917	-1.6
Total radio	745,518	573,528	+30.0	578,220	26,360,167	22,745,972	+15.9
home, portable . .	437,739	368,595	+18.8	316,636	17,541,168	16,789,408	+4.5
AM-only	192,134	91,049	+111.0	139,809	4,625,123	4,699,980	-1.6
FM & FM-AM . .	245,605	277,546	-11.5	176,827	12,916,045	12,089,428	+6.8
auto	307,779	204,933	+50.2	261,584	8,818,999	5,956,564	+48.1
Port.-comp. phono.	102,336	70,728	+44.7	115,177	1,892,503	2,239,013	-15.5

Color TV 5-week moving average: 1976—157,469; 1975—140,241 (up 12.3%).

ADMINISTRATION SET FOR COLOR HEARING: At least 2 agencies, Justice Dept. & FTC, will appear at Oct. 6 International Trade Commission hearing to argue against ITC's continuation of probe into unfair-competition complaint filed against Japanese color TV producers by Sylvania.

Justice is expected to contend that charges of anti-competitive activities are not properly within ITC jurisdiction, while FTC is likely to expand views expressed in protest letter to ITC (Vol. 16:38 p7). In addition, State Dept., Office of Special Representative for Trade Negotiations and Treasury have submitted written recommendations that investigation be halted.

EIA-Japan last week downplayed significance of request for color import quotas filed with ITC by COMPACT, an industry-labor group (Vol. 16:39 p10). Exec. Dir. Toshio Takai questioned how seriously U.S. industry is being injured by imports if only 2 producers (Sylvania & Wells-Gardner), representing just 10% of output, were willing to sign quota petition. As this is first case of kind involving color TV, he said EIA-J was studying situation carefully but would withhold full explanation of position until ITC holds hearing. Agency hasn't yet formally said it would investigate COMPACT's request.

Idea that Japan might impose voluntary export controls still doesn't seem to be gathering support there, though it's generally recognized as preferable to having quotas imposed by U.S. if ITC finds action appropriate. Industry itself isn't going to set up self-policing organization, and MITI, which has power to order restrictions, feels any move it makes in that direction would lead to demands for similar restraints from Europe.

Open call for voluntary color export limits in Japan comes from Sanyo Pres. Kaoru Iue. But Sanyo's motivation is questionable. Over past year, with substantial help of orders from Sears, Sanyo's color shipments to U.S. have doubled to nearly one million. Any MITI-enforced quota is therefore likely to give Sanyo historically disproportionate large share of export pie, to which would be added—quota free—color sets Sanyo produces in Forrest City, Ark. plant it's negotiating to buy from Warwick.

JAPAN COLOR EXPORT BOOM SLOWED IN AUG: To American industry accustomed to 200% & 300% increases in Japanese monthly color exports to U.S. this year, jump of 67.1% to 243,218 reported for Aug. by Finance Ministry might seem comparatively modest, indicating

start of fall-off—but it isn't and it doesn't.

While Aug. percentage increase was mild, Aug. 1975 marked start of present boom, was 2nd highest monthly total last year, bested only in Sept., and at time was 2nd best month in Japan's color export history. Though down some 97,000 from preceding month, Aug. 1976 was still 3rd biggest monthly color total ever. Month's total TV exports of 370,500 were up 82.7%, paced by 122.4% jump to 127,300 by b&w, marking 4th consecutive 100,000-plus month of year—last time Japanese accomplished that was 1972.

In first 8 months, Japan exported 2.6 million TVs to U.S., up 159.6%, with color up 173% to 1.74 million, b&w up 136% to just under 854,000.

CB showed first signs of slowdown in Aug. with shipments of 1.29 million, up 340.7% from same month last year, but down 21% from July. Total for 8 months was up 547.3% to 9.27 million.

BETAMAX PRICE CUT, NEW DISC PLANS: Responding quickly to upcoming competition from JVC's 2-hour VHS videocassette deck, Sony last week demonstrated new Betamax model for Japan market selling at nearly 25% below current unit—\$100 less than VHS—and chopped cassette prices 11-15%. Meanwhile, Erich Rabe's record-&-play magnetic disc recorder (MDR) showed progress in new European demonstration, and U.S.-made version was scheduled for marketing here next year.

Sony said "simplification" and economics of mass production made possible new Betamax RF deck with tuner at \$786 retail in Japan, down from \$1,028 for current model. Only major difference is "one-touch" recording system—requiring user to press only one button instead of 2. Thus Betamax now underprices VHS (at \$885) and Sanyo-Toshiba V-Cord II (at \$1,120). Matsushita's VX-2000 at \$725 is still lowest-priced videocassette deck on Japanese market. U.S. version of Betamax sells here at \$1,300, including timer. Sony America officials stressed that new lower-priced unit was for Japanese market only. In Japan, it was evident that new machine would replace old one, Sony announcing initial monthly production would be 10,000 units (of current 15,000-unit capacity). New deck goes on sale Oct. 10.

Sony cut one-hour cassette price in Japan to \$13.10 from \$15.50, half-hour cassette to \$9.14 from \$10.35. Hour cassette sells here at \$15.95. In Japan, JVC 2-hour cassette will sell for \$20, V-Cord 100-min. cassette is \$23.50, VX-2000 one- or 2-hour (skip-field) cassette \$26. As for repricing of deck & cassettes on U.S. market, Sony apparently won't move while it has no competition here, but has capability of cutting if necessary. Before price cut, Betamax deck was widely discounted in Japan; its newer competitors weren't.

Meanwhile, Erich Rabe showed latest version of his record-&-play magnetic disc recorder (MDR) at VIDCOM in Cannes last week, and marketing was promised for next year in both Europe & U.S. Demonstration showed progress, with color picture termed by our correspondent at "threshold of acceptability." Recorder shown is changed in format, with grooves now cut into magnetic material rather than in vinyl toward center of disc. Playing time is still limited, but elsewhere we've learned that Rabe plans LP version which can play 2 hours. LP disc is 1/4" thick, will sell for about \$24. Recording head lays down 24 tracks in wall of deep grooves cut into magnetic material of disc. (For report on VIDCOM, see p. 10.)

U.S. licensee of Rabe disc is TV Disc Corp., Waltham, Mass., established by venture capital firm Genesis Corp. Arnold Mende, pres. of both firms, told us recorder would be on U.S. market next year at "fabulous price," declined to elaborate except to say U.S. unit would be "similar, but not the same" as European model.

Still another videodisc has been heard from. I/O Metrics optical photographic disc, first demonstrated in 1974 (Vol. 13:43 p10, 14:4 p13), will go into production next year in 2 data-storage versions, we were told by Mktg. Mgr. Al Stricklin, to be followed about Jan. 1978 by educational-industrial video unit, including microprocessor control for student interaction, at about \$1,500. Recorder will be available for \$35-\$40,000, replicating equipment capable of making 2,000 copies per hour at about same price. Consumer model? Not in near-future plans.

Published reports that Magnavox has been offering videodisc players to Cal. dealers for sale at around \$500 next spring were denied by Magnavox, and we couldn't find any dealer who

had been solicited. One dealer who was specifically quoted in one of these accounts told us Magnavox representative approached him last Nov. to get feeling of disc market and indicated player would be ready late in 1976 (date since has been changed to late 1977). He hasn't been contacted since, but now feels retail price will be \$550-\$600 instead of the \$500 mentioned to him. "I hope they do it," he said. "We're selling Betamax and it's really hot."

UPHEAVAL ON WAY IN AUDIO BUSINESS? Continuing financial problems of audio powerhouses are forcing major retail accounts to protect merchandising programs by lining up alternate suppliers, setting stage for emergence of new dominant companies.

Latest to throw hat into mass-market ring is Superscope, which last week announced plan to start private-labeling compacts, components & portable tape products. It will produce all PL items in Taiwan plant where bulk of Superscope-brand line is turned out; Gershon Thalberg has rejoined as mgr. of new PL Dept.

Entry of Superscope into private branding is expected to speed up industry's restructuring & dropout rate. Even as mid-fi stereo business shows signs of strong recovery, traditional top suppliers are reporting lower sales and operating losses, as newcomers & re-entrants, all vertically integrated, heavily capitalized and free of excessive long-term debt, are taking over business.

In addition to Superscope, companies with renewed commitment include Panasonic, Soundesign & Zenith. Starting to make waves that could swamp what's left of long-established marketers are Pioneer with Centrex line; ERC (formerly Electra Radio), backed by Kanematsu; Meriton, Sony subsidiary; Fisher, now run by Sanyo; Kings Point, outlet for Japan's Realtone; PRB (reorganized from ICP), backed by Hiraoka of Japan; Daytron, a joint venture representing Korea's Dai Woo.

Superscope plans to become strong competitor to existing PL suppliers, though initially won't go after \$99 segment of compact market. "We don't make that type of product now, but we are presently looking at it; we are in a position to go in many directions," Senior Vp Fred Tushinsky told us. He said chaotic situation in market today has created opportunity. "I've been looking closely and find a lack of good suppliers."

Initially, at least, Superscope will limit its PL involvement. "We'll provide a customized service for dealers with supply problems. We don't need huge quantities—we're not for the guy who places 100,000-lot orders." Holding Superscope back somewhat is growth of own-brand line which provided \$35-million sales last year, up 32%, increased about as much in first half this year. Totals indicate Superscope line is 4th largest in areas in which it competes, ranking behind (in order) Soundesign, Morse & Lloyd's, and could move into 3rd place this year. "We're never going to let our Superscope line suffer at the expense of the growth of private label. Only when we reach a certain level of production will we offer a product to others," Tushinsky said.

First private-brand products should be shipped in 6 months, he said, indicating Superscope hopes to work on a 4-8-month lead time, with extra time needed when extensive cosmetic changes are required. At present, only CB is excluded from PL program, and that should come later when production increases. Also possibly upcoming is firm's first radio line. "We're being asked for it by our European sales operation. We're looking at the market potential here but haven't completed our analysis." Tushinsky said radios could be made either at Taiwan plant or sourced from others, probably in Hong King. One item not in cards is stereo console. "We don't know anything about that business."

SHORTAGES STILL KEY TO '76 GAME SALES: Despite raft of new firms entering field, flurry of recent FCC approvals and strong pre-Christmas demand, total video game sales in 1976 probably won't be more than 3-3.5 million units. That's consensus of top firms in field, with chip & parts shortages and scarcity of qualified production technicians cited as primary reason market won't come close to meeting demand—felt by some to be as high as 10 million.

Projections are little better than guesses at this point in industry history, game executives point out, and estimates of average unit sale price and total dollar volume for 1976 vary widely. Consensus, however, puts unit price at \$60-\$65 and total volume at about \$190 million. Estimates

of 1977 market vary from 5-20 million, with average somewhere in 10-million range. While this year's market will be determined by supply, 1977 sales will be limited only by consumer demand, since industry expects shortages to end after Christmas. "The market will be much, much bigger at all price points in 1977," Coleco Pres. Arnold Greenberg told us, "but I couldn't even guess at the exact size."

Prime chip supplier General Instrument now says it will produce about 5 million chips by end of 1976, but Product Line Mgr. Richard Norwood thinks actual game production will be in 3-4-million range. So far, Norwood says, GI has produced roughly 2.5 million chips, sees demand "solid through the rest of the year." Though other chip suppliers, including National Semiconductor and MOS Technology, are moving into market, they aren't expected to have significant impact this year.

Chip supply isn't only problem. "It's not as easy to build a game as everyone thinks," says Atari Pres. Nolan Busnell. "There's a real shortage of technicians. Chips aren't the problem. If they were, the industry could turn out 10 million units this year if we wanted to." Another major supplier insisted his problem was chip supply, and cast doubt on GI's production figures. "We can't get what we need from them, and if they're going to make that many, it seems like we should."

Coleco, Atari & Magnavox will dominate market through rest of year, according to firms polled, with importers APF, Unisonic & Lloyd's steadily increasing shares. Problem facing importers at moment is short lead time between production & delivery, and APF & Unisonic acknowledged they're being forced to air-freight games to U.S. APF Pres. Sy Lipper said it costs \$4 per unit to fly games in.

Here's projection of 1976 industry-wide unit sales (in millions) and average from 7 firms: Atari—2.5-3, \$60-\$70; APF—3.5, \$60-\$65; Coleco—2.5-3, \$60-\$70; Fairchild—2, \$70-\$75; First Dimension—5, \$59-\$79; Magnavox—3-3.5 million, no price estimate; National Semiconductor—2.5-3.5, \$69-\$79.

Other developments: FCC approved first home road-racing game, 2 versions of Universal Research Indy 500 game shown at June CES (Vol. 16:25 p13), also approved two Lloyd's games: Monteverde (E825B) & Lloyd's (E802B). Approval of Fairchild Video Entertainment System (VES), first cartridge-programmed game submitted for type approval, is expected this week. Key question is whether FCC will approve system for use only with cartridges submitted, then require re-testing as new cartridges are issued. Private-label deal between Radio Shack & Microelectronics (Vol. 16:39 p12) was canceled by mutual agreement after firms failed to agree on construction or performance specs, Radio Shack spokesman said. Though \$99 Microelectronics game is only one featured in new Radio Shack catalog, firm will offer others at \$59 & \$69 (made in Far East & Ft. Worth factory) at its retail outlets.

VIDCOM in Cannes last week claimed 3,000 attendees, but observers found attendance disappointingly low. Except for Rabe MDR videodisc system (see p. 8), little new was shown. Major videodisc proponents MCA, Philips & RCA didn't exhibit. Principal attraction was profusion of projection TV systems, including Advent, Zygm (which, at \$4,500, looked very similar to Advent), new British Speywood system with 3 in-line tubes at \$8,000. Sony demonstrated small black box developed in its Paris operation which converts output of PAL or NTSC U-Matic player to 50 or 60-field SECAM picture. More successful than VIDCOM itself was ITA's first foreign meeting, which drew representatives of 70-80 European companies in closed-circuit video field, leading to suggestion that ITA sponsor European tape & video show.

Cabinet plant Sylvania is negotiating to buy (Vol. 16:39 p13) is understood to be former Drexel facility in N. C.

CB "is not a toy, and in my judgment, not a passing fad," FCC Chmn. Wiley told Council of Better Business Bureaus meeting in New Orleans. "Instead, it is an important means by which person-to-person communications can be markedly enhanced—a fact which I believe is very much in the public interest." He said FCC is doing its best to deal with problems caused by CB boom, but that self-regulation—by dealers, manufacturers & operators—is needed to supplement govt. regulation.

Philips Canada has consolidated into new \$14-million 29-acre complex in Toronto suburb of Scarborough. New 400,000-sq.-ft. plant will make color TV and crystals. TV sets will be made for Canadian market only, but 40% of crystal production will be exported. Philips has been inactive in Canadian b&w market in recent years, but Chmn. -Pres. Rudi Bom told us it expects to re-enter field with sets produced by its Far East plants.

FCC's CB TESTS: Over half of CB units tested by FCC have passed stiff new receiver radiation test (Vols. 16:39 p11 et seq), Chief Engineer Raymond Spence told us. "Based on what we were led to believe [by CB makers], I'm surprised so many passed," Spence said, describing results as both "pleasing and a problem." (FCC erred in telling us last week that CBs had been rejected for failing to meet 5-uv standard. "We have not dismissed any CB sets solely on the basis of chassis radiation. The ones rejected also had other defects," Spence said, adding that mistake was result of misunderstanding between labs and his office.)

Analysis of why units tested met 5-uv-per-meter standard is now being conducted; if significant number are found to be so-called "laboratory queens"—specially tuned models which can't practically be mass-produced—Spence said temporary, one-year relaxation of standards will have to be considered. If standard is eased, he indicated it wouldn't be to 120-uv level requested by EIA Citizens Radio Section (Vol. 16:36 p7) but "somewhere between 5 & 100." Of 80 CBs submitted to FCC, about 50 have undergone chassis radiation tests. Latest firms to apply for 40-channel type-acceptance & certification: Commando Communications, Kyodo Communications & Electronics, Midland, Shakespeare Co., Western Auto.

Delay in expansion to 40 channels "would result in greater rather than less interference, and would continue the chaotic state of the marketplace, causing irreparable injury to citizen's radio manufacturers and ultimately to the public," EIA/CRS said in petition opposing MST plea for reconsideration of expansion ruling (Vol. 16:37 p7). International CB Radio Operators Assn. also filed against MST petition, said CB field "is in desperate need of additional frequencies."

Other developments: While major Japanese consumer electronics firms—including Matsushita—make plans to increase market shares next year, labor & parts shortages could slow exports, create tight 40-channel supply in U.S. Matsushita Electric began production of 40-channel Panasonic CBs in Sept., hopes to hit 100,000 monthly total by year's end and increase market share here from current 3-4% to around 15% in 1977. Matsushita Communication, which makes in-dash Panasonic CB combination unit, will begin monthly production of 50,000 combo units early next year, and Clarion will start making in-dash combination unit at 15,000-30,000 monthly rate in Jan.

But top OEM suppliers are now scaling down 4th-quarter projections: Leader Cybernet is quoting average monthly output of 650,000-700,000 for quarter, 70% of original plan; Chiba (Royce OEM) 110,000-120,000, down from 150,000; Uniden, sharp cutback from 300,000 originally scheduled for Sept. Other CB exporters are talking of 25-40% cutback during final months of year, and exports to U.S. in Dec. are expected to be in 1-1.5-million range, below previous expectations. Situation is expected to put squeeze on smaller exporters, particularly as Matsushita and others with own parts production facilities, supply of skilled labor & financial resources, enter field.

Note: Discounting of 23-channel CBs has begun in earnest, and these deals have shown up around country in past week: Radio Shack—\$59.95 (was \$99.95), \$99.95 (\$129.95) & 129.95 (\$159.95); Automatic Radio—\$58 (was \$120); Lafayette—\$68.44 (\$89.88) & \$139.88 (\$199.88).

IMPORT AID: Labor Dept. turned down import adjustment assistance for General Instrument & Ampex workers, approved aid for former organ parts production workers at Gibbs Mfg., opened case for Mepco-Electra employees.

In rejecting help for workers designing & building samples of auto radio tuners at GI's Engineering Dept. & Model Shop in Chicopee, Mass., LD said job loss threat comes from planned transfer of operation to Mexican border plant in Juarez, where tuners are produced, notes GI has offered other jobs to all employees not willing to move. Should transfer ultimately result in actual employment reduction, workers could reapply, LD said.

Also turned down were former employees at Redwood City, Cal. plant closed by Ampex in June 1975. LD said 90% of plant's functions were transferred to Colorado Springs, Colo., tape head parts operations shifted to Hong Kong. LD said it learned Ampex's imports of tape heads have declined over past year so it couldn't make necessary link between job losses and increased import competition.

In Gibbs case, LD said workers making electronic organ parts in Janesville, Wis. lost jobs when prime customer shifted to foreign supplier. Mepco investigation is for import-threatened workers at Hicksville, O. capacitor plant.

GE request for preferential (duty-free) treatment of Singapore-made receiving tube mounts (Vol. 16:19 p12) was rejected by Presidential Office of Special Representative for Trade Negotiations. Agency also refused National Semiconductor bid to have duty restored on pocket calculators made in developing countries—NS has said it will be forced to close U.S. calculator assembly operations if duty-free entry is continued. In other actions, preferential treatment was withdrawn for foreign-made b&w picture tubes over 16.2" (Vol. 16:36 p8) at request of IBEW and decision on petition from International Component Corp. to have duty reimposed on small permanent-magnet DC motors was withheld pending results of study by International Trade Commission.

Poland will spend estimated \$2 million to acquire color TV & component production equipment & know-how from France's Thomson-Brandt. Color plant will have 100,000 annual capacity, expandable to 500,000. Last April, Poland contracted with Corning for \$30.5 million color tube glass plant, agreed to buy color tube plant from RCA for \$71 million. All operations are slated to be on stream in 2nd-half 1979.

Sola Basic hiked dividend to 22.5¢ from 20¢, voted 3-for-2 split, declared 15¢ extra payout on post-split shares.

Trade Personals

Fred Bialek, National Semiconductor Systems Div. vp-gen. mgr., adds same post for Consumer Products Div., succeeding **Leroy Zider**, resigned... **Thomas Conley**, ex-Admiral, appointed First Dimension sales vp; **David Dalva**, ex-Bill Boal Productions, joins as ad dir. with responsibility for national ad & sales promotion... **Franklin Saa**, former GTE International vp-controller, advanced to GTE Consumer Electronics Products Business vp-Latin America area mgr.

Fred Schrantz promoted at Magnavox from financial analysis & budgeting dir. to operations controller... **William Hegyi**, ex-Capehart, named Juliette Far East purchasing dir... **Kevin Sullivan**, ex-Quasar, joins Sharp as eastern sales mgr., succeeding **Frank Huber**, advanced to national accounts mgr... **James Nichols** promoted at Radio Shack from south-central mgr. to div. mgr., responsible for south & south-central regions.

Arthur Kelly appointed Amperex Tube Div. gen. mgr., succeeding Vp **Hubert van Meurs**, named gen. mgr. of new Smithfield (R.I.) Div., formed to produce magnetrons for microwave ovens; **Thomas Devlin** advanced at Amperex/Ferroxcube from west area sales mgr. to OEM gen. sales mgr., succeeding **Kelly**... **Richard Hasselman**, ex-HEI, appointed Globe-Union Centralab Div. mktg. vp, post held on interim basis by Vp-Gen. Mgr. **James Wolfe**... **Wolfgang Herde**, former Siemens motor works gen. mgr., shifts to Siemens U.S. as engineering & mfg. vp; **Joseph Ref** appointed Components Group applications engineering mgr.

Robert Schwartz, ex-Monolithic Memories, appointed Teledyne Semiconductor Div. operations mgr.; **John Lemons**, ex-Signetics, appointed engineering dir... **Charles Von Urff**, ex-National Semiconductor, joins General Instrument Microelectronics Div. as telecommunications product line mgr., new post... **Van Lewing**, ex-Mostek, joins Fairchild Microsystems Div. as microprocessor component mktg. mgr.

Phil Love advanced at Royce to national accounts mgr. in new field sales & mktg. operation. New region mgrs.: **John Finlay**, ex-Audiovox (East), **Ed Herald**, ex-Midland (Central), **Roy Meyers**, ex-Mobile Radio Communications (West)... **Rex Isom**, retired RCA Records chief engineer, elected AES pres., succeeding **Duane Cooper**, U. of Ill.

Quiet EIA convention in L.A. last week saw little consumer electronics activity. Consumer Electronics Group tabled for study a proposal that Electronic Industries Foundation analyze impact of international trade on consumer electronics, to be funded at \$50,000 for first year, \$25,000 for continuing research. Group voted to expand PR activity by developing syndicated audio supplement similar to annual consumer electronics newspaper section.

Graham Magnetics has agreed to \$822,000 settlement of class-action suit brought by shareholders who claim their investments were prompted by misleading statements in 1971 prospectus and subsequent corporate reports.

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
Cablecom-General			
1976-9 mo. to Aug. 31	19,826,942	2,181,313 ^a	.85
1975-9 mo. to Aug. 31	17,887,402	2,073,658 ^a	.81
1976-qtr. to Aug. 31	7,709,283	805,434 ^a	.31
1975-qtr. to Aug. 31	6,975,546	1,002,561 ^a	.39
Chyron			
1976-year to June 30	3,381,892	633,398 ^a	.77
1975-year to June 30	2,779,242	207,676 ^a	.30
Curtis Mathes			
1976-qtr. to Aug. 31	10,400,553	554,562	.34 ^b
1975-qtr. to Aug. 31	8,287,129	351,480	.11 ^b
National Semiconductor			
1976-16 wk. to Sept. 19	112,077,000	3,342,000	.25
1975-16 wk. to Sept. 21	82,386,000	5,241,000	.40
Teletronics			
1976-year to June 30 ^c	9,317,000	657,000	.73
1975-year to June 30 ^c	8,582,000	594,000	.70

Notes: ^aIncludes special credit. ^bFully diluted. ^cRestated.

CHRISTMAS CATALOGS: New private-brand video games, under-\$200 CB combinations and \$15-\$100 reductions on color sets are offered in Christmas sales books of 3 major catalog houses. Catalogs generally give more space to consumer electronics than last year. Penney lists 4 TV sets (none in 1975), and both Penney & Ward offer games for first time in Christmas books.

Games: New names include Penney's "TV Fun" & Ward's Challenge II. "TV Fun," at \$59.88 only game in Penney's book, is made by APF, which markets virtually identical game under own TV Fun Games name. Challenge II (made by Mirco) & Odyssey 400 are highest-priced offered by Ward at \$100. Others include private-brand Video World of Sports, cut \$10 from fall book to \$57.88, APF's TV Fun Game, \$69.88, & Odyssey 300, \$70. Sears is sticking with Atari's line of Pong games—sold under umbrella Tele-Games name—but new book offers 4 models as opposed to one last year; 2 versions of Super Pong IV (2 handheld remote controls \$79, 4 controls \$99); Pong IV, \$65; Hockey Pong, \$70.

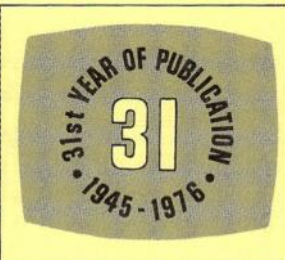
CB: Emphasis is on combination & SSB units, and low prices from all 3 obviously reflect drive to clear out 23-channel CBs by year's end. Penney sliced \$120 from "69-channel" under-dash Pinto SSB unit, dropping price to \$199, and Sears showed new \$200 in-dash CB-FM-AM, complete with car model & year installation chart. Ward dropped \$31 from combination unit to \$217.88, cut prices \$20-\$50 on Midland, Royce, private-brand 23-channel CBs.

TV: Wards offers 5 color sets, including 25" console at \$499, down \$100 from fall book, and 19" portable at \$439, down \$50. Penney cut price on 12" color portable (Matsushita) \$40 to \$260 and reduced 15" (RCA) \$50 to \$320. Sears offers 19" portable at \$350, down \$30, 13" at \$270, down \$25, and new 9" at \$320.

WEEKLY

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CBS ATTACKS 'BLACK SHEEP,' tells Code NBC episodes 'exploit violence, glorify excessive drinking and condone dubious moral standards.' NBC says it'll keep show in FV time, that audience reaction has been 80% favorable. (P. 1)

DEBATE FORMAT UNDER GOP FIRE: Panelists 'are simply getting in the way.' Burch, Nessen expect Ford to seek change for final confrontation. FCC wins Court battles. (P. 2)

McGANNON—ON TV SHORTCOMINGS: Attacks violence, reluctance to innovate, drinking in prime-time programs. Says 50-60 affiliates support petition against networks but most say 'little we can do.' (P. 4)

FCC SCHEDULE TO YEAR END: 3-month calendar includes discussion of UHF task force, CB radiation, regional concentration, minority ownership, cable definition, 1977 cable rules, network radio, small earth stations, VHF drop-ins, etc. (P. 4)

NAB CONVENTION EARNINGS show big increase, before allocation for overhead & salaries. Las Vegas leads as exhibitor site preference. Manufacturers signing up for 1977, but majors play it cozy. (P. 5)

Consumer Electronics

COLOR SALES UP 36% in final Sept. week, pulling month's total 15.6% ahead of 1975. But huge influx of 19" sets spurs price-cutting, now spreading to con-

soles. Production readjustments, layoffs. (P. 7)

CB SALES DISASTER plagues retailers, despite low 23-channel prices and conversion offers. Many feel Christmas season won't see much improvement. Some are getting out until next year. (P. 7)

TV & CB IMPORTS set new monthly records in Aug. Color imports at all-time high of 366,000, with 19" representing 2/3 of total U.S. supply. Transceivers up 159% to 2.39 million. (P. 8)

HOME VIDEO enthusiasm spurred by Betamax success. Leading videodisc systems seen on schedule. Sanyo deck priced at \$1,290 in U.S. Features of new Betamax. (P. 9)

CES MOVES TO VEGAS in 1978, with date pushed forward to 2nd week of May. Show may alternate between Vegas & Chicago. (P. 10)

SANYO TO PAY \$10.3 million for Whirlpool's share of Warwick's TV business, discount of \$700,000 from last May's price. Justice Dept. ruling still pending. (P. 10)

FCC NEARS CB DECISION, scheduled to act on receiver standards and 40-channel expansion order this week. Total of 120 CBs submitted for type acceptance & certification. (P. 11)

COMPONENT IMPORTS rose sharply in first half. TV parts, speakers, most discrete components, CB-related products posted strong gains. (P. 11)

CBS ATTACKS NBC's 'BLACK SHEEP': "It's kind of simple," CBS Bcst. Group Pres. John Schneider told us last week when asked why network had filed complaint with NAB Code Authority—under family viewing (FV) concept—against NBC's "Baa Baa Black Sheep." "I've been concerned in what I've seen this year [on TV] of possible erosion of family viewing through the industry ignoring it...If we don't self-regulate ourselves, somebody else is going to...So this is a small first step in demonstrating that we are capable of self-regulation as an industry."

CBS's "formal complaint" alleges that "Black Sheep" episodes to date "exploit violence, glorify excessive drinking and condone dubious moral standards"—all violations of FV added to TV Code in April 1975 (Vol. 15:15 p1). NBC and much of industry were nonplussed by CBS action, leading many to question network's motives and one station exec. to comment: "I'm not sure that if I was CBS and living in a glass house that I'd be throwing rocks."

NAB TV Code Board met Oct. 7-8 in Phoenix, didn't discuss CBS complaint formally. Procedure calls for NBC to respond (expected this week), then ruling by Code Dir. Stockton Helffrich.

This may be appealed, and TV Code Chmn. Robert Rich said if it reaches full board, he'd call special meeting. Rich and just about all broadcasters we queried were surprised by CBS action.

Hour-long "Black Sheep" airs at 8 p. m. —mid-point of FV. NBC official said show (opening episode was 2-hour special) was never "conceived as a family hour series and it will change and is changing." NBC-TV Pres. Robert Howard—at conference in Chicago Oct. 7 attended by about 60 affiliates—said that he viewed pilot 3 times, that it was exposed to several viewer panels and NBC received "no complaints whatsoever." He said NBC thinks show is winner, won't change it drastically or shift it to another time. Of complaint, he said "maybe they're [CBS] just having a hard time on Tuesday night."

In statement to press, NBC said it believes "Black Sheep... is appropriate programming" for FV. "Critical response to the 2-hour premiere was generally favorable throughout the country... The audience reaction... has been more than 80% favorable." Using "glass house" analogy, NBC exec. pointed out that CBS bought movie "Magnum Force," which NBC turned down as too violent to edit for TV.

"That has nothing to do with it," Schneider responded. He noted that each network bought movies turned down by others. He said "more & more pressure groups," responding to current season, "seem to be suggesting that we ought to be regulated because we are incapable of regulating ourselves." CBS's complaint to Helffrich said "Black Sheep" "is detrimental to broadcasters and the audience they serve... The complaint is filed with the hope that NBC programming in that period will swiftly be brought into accord with the standards outlined in the Code."

DEBATE FORMAT UNDER GOP FIRE: "The reporters are simply getting in the way" in 2 presidential debates already held, network official told us last week after 2nd TV "debate," and President Ford's people evidently agree; they've vowed to seek format changes for final encounter in Williamsburg Oct. 22. Ford negotiator (and ex-FCC chairman) Dean Burch said that "certainly a format change is going to be looked into [but] it depends on whether the President wants a change."

Republicans were openly concerned that Ford lost ground in Oct. 6 foreign policy debate and at same time charged that Carter refused to answer questions. "Carter doesn't even attempt to answer the questions put to him and the panel is unable or unwilling to pin him down, so maybe it would be better if the President were able to at least try," Burch said. "Fortunately, or unfortunately—depending on your point of view—President Ford does try to answer the questions."

Presidential News Secy. Ron Nessen, immediately after San Francisco confrontation, said he'd probably recommend format change so Carter will be "required to talk about the question... which he did not do tonight." Republicans were incensed that Carter ignored opening question by N.Y. Times' Max Frankel to discuss several foreign policy issues and that Frankel didn't follow up. Later in debate, Carter referred to "my opening statement"—banned under rules laid down by sponsoring League of Women Voters.

(Carter's people were saying very little publicly about format after last week's debate and his Washington office didn't return our calls.)

Ex-NBC News Pres. Reuven Frank hit League for letting candidates have say in selection of panelists—Pauline Frederick (moderator); Henry Trewitt, Baltimore Sun; NBC's Richard Valeriani, in addition to Frankel. Writing in New Leader magazine, Frank said such action betrays purpose of TV journalism: "If you control the questioners, you control the questions."

Based on N.Y., Chicago & L.A. overnights, CBS estimated 83 million watched last week's debate—vs. 85 million for Sept. 23 debate. Pool producer CBS installed 3 complete audio systems to guard against recurrence of audio loss in Philadelphia debate (Vol. 16:39 p1); 2 were installed on-stage, another outside in remote truck. Network used 8 cameras, switched lighting from "cobalt blue" to "natural beige" after consulting with candidates. Carter, incidentally, insisted on standard pad for note-taking because legal size "looks too big" to viewers. Media in San Francisco were upset when they were locked out during coin toss to determine which candidate would get first question (Carter won).

A CBS official kept track of "reaction" shots, noted that there was one more of Carter than

Ford. "It wasn't planned that way," he added. Only hitch occurred when Frederick forgot for few seconds to call on Carter to respond to Ford answer—leading to slight consternation by audio technicians who wondered briefly if it had happened again.

In Oct. 18 issue of National Journal, Carter discusses his philosophy on regulatory appointments: (1) "I intend to obtain pledges from my appointees that they will remain in office until we have accomplished the goals upon which we agree." (2) "My appointees will understand that they will be held personally accountable for failures in the management of government programs under their responsibility. Those who cannot manage will not remain in office."

* * * *

In other political developments: (1) NBC told FCC it would give Socialist Workers Party candidate Peter Camejo time on "Tomorrow" in response to appearance by Communist Party candidate Gus Hall. However, NBC said, it wasn't abandoning right to seek reconsideration of earlier Bcst. Bureau ruling (Vol. 16:40 p4) that network had violated "equal opportunities" provision of Sec. 315.

(2) Sen. Buckley (R-N.Y.) won fight with educational WNET N.Y. to "buy" 5-min. spots on station—over strong protests of WNET officials—later accepted compromise offer of free 15 min. Buckley had convinced station—which operates on commercial Ch. 13—it was required to sell him time under "reasonable access." WNET had planned to charge him \$1,000 for 5 min., based on transmission costs of \$200 per min.

(3) FCC ruled Oct. 12 that presidential candidates McCarthy & Maddox weren't entitled to time because of Ford-Carter debates; D.C. Appeals Court affirmed FCC Oct. 13, just hours before 2nd debate. However, Court agreed to expedite review of McCarthy's complaint that Commission action violates Sec. 315; FCC was ordered to file brief by Oct. 19.

In dissent to McCarthy-Maddox decision, Comr. Hooks said League of Women Voters "has had to engage in all manner of subterfuge & charade to make it appear that the current presidential polemics are autonomous news events rather than the premediated media extravaganza they clearly are. . . The complainants here are most assuredly correct in asserting that the bona fides of these debates as self-operative news events is patently suspect." He also hit networks for "all-white correspondent panels of the first 2 debates." (Note: Networks didn't pick panelists; League did, after consultation with candidates.)

(4) United Church of Christ asked D.C. Appeals Court to overturn FCC ruling that debates could be taped for re-broadcast within 24 hours.

"Stringent policy against use of live, unclad models in undergarment advertising" will be retained, NAB TV Code Board decreed at meeting in Phoenix last week. Relaxation of ban had been sought by brassiere makers. Board also approved use of "ingredient information" for douche ads, disallowed "certain descriptive copy" for douche not yet on market. Ban on fireworks commercials was continued and board directed Code Authority to develop guidelines for various categories of personal product advertising. Only 1/3 of 210 organizations polled on acceptability of contraceptive ads have responded; Authority was instructed to seek additional input on whether public will accept such commercials.

Canadian officials moved toward "accommodations" on CATV commercial-substitution issue in meetings with U.S. officials at State Dept. last week, according to participants. Several solutions were discussed, none definitely approved. U.S. opened session with discussion of new law which prohibits Canadian companies from taking tax deduction for ads in U.S. media; Canadians said subject wasn't negotiable.

Sony will test broadcaster reaction to proposed low-cost frame-storage device at SMPTE technical conference Oct. 17-22 in N.Y. Developmental "Electronic Slide Projector" is broadcast version of Mavica (magnetic video card) recorder, demonstrated in 1974 as potential home video recorder (Vol. 14:19 p7). Broadcast version is expected to sell for \$7,000-\$10,000 capable of storing up to 100 still pictures on small magnetic card, priced as low as \$1 each. Other video storage techniques will be described & demonstrated Oct. 15 at ITA seminar in N.Y.'s Time-Life Bldg.—Goldmark's Rapid Transmission & Storage (RTS) system, Arvin/Echo Discassette.

Identification of cablecast programs remains without specific FCC rules, as Commission concluded proceeding started in 1971 by saying rules aren't needed. However, FCC said it "would strongly advise" against using call letters for such programs and it "expects system operators to adopt whatever measures are appropriate to assure that confusion between broadcast & cablecast programming does not occur, and to act promptly to remedy such problems if they do occur."

McGANNON—ON TV SHORTCOMINGS: Attack on TV violence and industry reluctance to innovate were principal themes of address to IRTS last week by Donald McGannon, chmn.-pres. of Westinghouse Bcstg.

Despite some reduction in violence this season, he said, there's "excess of crime & violence" after 9 p. m., when 60% of children 2-5-year-olds and 80% of those 6-11 are in audience during a week. He also said that 8 of 10 prime-time programs "make drinking booze a commonplace, social fact—a new escapism—the substitute for drug culture," and "alcoholism is at record levels among youth."

Harking back to Edward Murrow, McGannon stated: "I am convinced that the giants have not left the medium. I'm convinced our Cronkites, Chancellors, Reasoners, MacLeishes, Mudds and many more have the potential for equal greatness if we recognize the public hunger and if we give them the opportunity, the challenge, the prime-time period and the support."

Asked about prospects for 4th network, McGannon said they're "unrealistic" because of VHF-UHF intermixture, insufficient affiliate facilities.

McGannon told us he has received 50-60 letters, calls, etc. from affiliates, reacting to his petition asking FCC to investigate networks' "undue power" over affiliates (Vol. 16:36 p1). Of these, he said, only one voiced "slightly negative comment" and at least 3 said they'll file in support of petition. Many, he added, agreed with him but said "there's very little we can do."

"The child as a consumer" is theme of Nov. 21-23 symposium on children & TV at Harvard U. sponsored by ACT. Among participants: FCC Chmn. Wiley, FTC Chmn. Collier, WGA-W Pres. David Rintels, National Black Media Coalition Chmn. Pluria Marshall, economist Alan Pearce of House Communications Subcommittee, Robert Choate, dir. of Council on Children, and several broadcast program & standards execs, NAB's Brenda Fox will debate attorney Ellen Agress on whether "self-regulation is effective" in childrens' advertising. Also participating: NAB Code Authority Asst. Dir. Jerome Lansner and Consumers Union Exec. Dir. Warren Braren, former NAB exec. now critical of Code. Registration is \$150 from ACT, 46 Austin St., Newtonville, Mass. 02160.

Cable forfeiture—pole attachment bill didn't come up in House adjournment rush "simply because we just didn't have time to reach it," according to retiring Speaker Albert (D-Okla.). "It'll come up early next year." He denied that Communications Subcommittee Chmn. Van Deerlin (D-Cal.), chief sponsor of legislation, was told that Van Deerlin wouldn't be recognized on floor to bring bill up or that Okla. politics and/or CATA members were instrumental in failure of House to act (Vol. 16:39 p5).

TvB added 39 TV station members in 1976 for all-time high, plans to expand services next year. Pres. Roger Rice announced.

FCC SCHEDULE TO YEAR END: Highlights of FCC's 3-month calendar, excluding regular agenda meetings, released last week:

Oct.: 12—monthly en banc meeting; 13—UHF Task Force formation, CB radiation petitions; 14—regional concentration, minority ownership conference planning; 18—cable definition; 21—petitions to deny; 26—future of Review Board; 27—1977 cable rules.

Nov.: 2—cable syndicated exclusivity rules; 4—CB licensing; 10—broadcaster ownership reporting; 15—en banc meeting; 16—network radio; 17—broadcast comparative hearings policy; 18—cable access rules; 24—cable radio carriage.

Dec.: 1-2—transatlantic communications policy conference; 6—broadcast oral argument; 7—small earth station policy; 8—captioning for deaf, signal carriage contours; 13—broadcast oral argument; 14—VHF translator unattended operation; 15—VHF drop-ins; 16—petitions to deny; 20—en banc meeting; 21—automated transmitters; 23—"clean up" (last regular meeting of year).

NBC has no intention of expanding evening news, will give affiliates year notice if network changes mind, News Pres. Richard Wald told about 60 affiliates at Oct. 7 meeting in Chicago. However, he said, if another network moves first, ground rules are changed and NBC will have to follow. NBC-TV Pres. Robert Howard said that expansion wouldn't be automatic even in that case, that affiliates—through their board—would be consulted first. If news is expanded, Howard said, network wanted to talk in terms of "inventory," rather than "compensation," offered affiliates 2 new 72-sec. breaks, plus one 60 sec., in hour news (no compensation). Network would retain 3-1/2 min. per half hour. Group W Pres. Donald McGannon—loudest critic of expanded network news (Vol. 16:36 p1)—said affiliates would be out \$45 million per year "at current rate of business" if all 3 networks follow same course. ABC-TV now is considered network most likely to be first to expand news to hour; decision may be announced at ABC affiliates' board meeting starting Oct. 24 in Hawaii.

Separate TV-radio associations "are not feasible in today's regulatory climate," according to NAB Exec. Vp-Gen. Mgr. John Summers. In separate speeches to Mass. & N.C. broadcasters, he said many Washington issues can't be separated into "neat little labels entitled radio or TV." Citing copyright, Summers said that NAB never considered legislation as "TV" or "radio," that threat of commercial substitution by cable systems "was perhaps the most significant issue" faced by NAB in 9 years he's been there.

At recent luncheon with NBC Chmn. Julian Goodman, Pres. Herbert Schlosser and div. heads, new RCA Pres. Edgar Griffiths assured them that NBC is "on the right track." He said he knows very little about broadcasting, expects to learn, that his mode of management isn't to "come down and run" companies reporting to him. NBC official concluded Griffiths' endorsement means "next to no changes at all for the near term."

NAB CONVENTION EARNINGS: NAB showed major increase in revenues from 1976 convention, would have shown similar increase in net—except that overhead & salaries were subtracted this year. Gross was \$990,602 vs. \$673,626 last year, and net was \$559,507 vs. \$379,205 in 1975, but allocation of \$228,000 in overhead & salaries cut net to \$331,509.

Exhibit space this year brought \$662,055 vs. \$469,020 in 1975, while registrations & miscellaneous income produced \$328,547 vs. \$204,606. Paid registrations in 1976 totaled 4,402 vs. 4,179 last year.

Survey of exhibitors produced top 10 site preferences as follows: Las Vegas (preferred by 47), New Orleans (23), Dallas (19), Atlanta (13), San Francisco (13), Kansas City (10), Houston (9), L. A. (9), Miami (7), Anaheim (5). Chicago & D. C. had 4.

About 70 firms have indicated space requirements for 1977 convention in Washington (no change in \$7 sq. ft. rate), but many majors haven't responded yet—including Ampex, Harris, Philips, RCA.

"Effects of TV violence," examined from viewpoint of social scientists John Abel & Martin Block (both Mich. State U.), highlights Oct. 15-17 AWRP conference in Dearborn, Mich. FCC Comr. Quello appears on panel discussing ascertainment, license renewals & community relations. WJBK-TV Detroit Mgr. Robert McBride is keynoter; ABC Dir. of Equal Opportunities Caroline Harmon speaks at banquet.

Over-the-counter (OTC) drug hearing by FTC starting Jan. 10, NAB states, covers proposed rules "which would unjustly impair advertising on radio & TV." NAB will participate in proceeding, asserting that proposed rules would give Food & Drug Administration "control over terminology to be used in advertising over which they have no regulatory authority or expertise."

TV commercial viewing by 3,000 diary-keeping women will be analyzed by new TEC Measures, formed by ad research firm Eric Marder & Assoc. Marder said clients signed to date, paying \$24,000-\$60,000 yearly, are Scott Paper, General Mills, Clairol, Carter Products.

Latest "re-regulation" rules changes adopted by FCC deal with definition of "major changes" in FM, modulation monitors, instrument calibration, proofs of performance, experimental operation, employment of operators at FMs over 25 kw and under 10 watts.

Gannett Co. gets about 40% of KTHV Little Rock and all of KWKH(AM) & KROK(FM) Shreveport in cash purchase (price undisclosed) of 3 La. newspapers (Shreveport Times, Monroe Sunday World & evening News-Star).

Sports anti-blackout law has expired, but Sens. Magnuson (D-Wash.) & Pastore (D-R.I.) asked FCC to continue monitoring pro sports practices, report to Commerce Committee by April 15.

Arvin/CATV Div. has completed move from Dayton to new 36,000-sq.-ft. plant in Lancaster, O., under Jack Cauldwell, new gen. mgr., ex-HTV Craftsman.

Interview with Jimmy Carter in Oct. 9 issue of TV Guide quotes candidate saying he: (1) Would never attempt to "censor" media but wouldn't hesitate to "deplore excessive violence in programming." (2) Favors longer TV-radio licenses. (3) Rejects tax on TV sets to support public TV, favors use of general govt. revenues for purpose, wants to "strengthen the autonomy of public TV." "I watch public TV a great deal" and "I have to be frank and tell you that the last 2 years it has been a rare occasion when I watched TV." Staff tapes news programs and he watches them on week ends. (4) Finds too much "sweetheart" arrangement between govt. agencies and industries they regulate. (5) Considers that TV has covered him fairly. (6) Would hold news conferences every 2 weeks, "fireside chats" on TV and/or radio "maybe once a month." (7) Would make Cabinet members available for cross-examination by Congress, with live coverage. (8) Believes live coverage of Congress probably isn't feasible "except on special occasions," but deliberations should be recorded for later broadcast. (9) Believes it might be good idea if networks rotate gavel-to-gavel coverage of conventions. (10) Thinks fairness doctrine should be eased somewhat, but it shouldn't be "unlimited" in light of stations' "exclusivity" on their channels.

FCC holds phone-in session Oct. 18 on KRLD radio Dallas, day before regional meeting for public & broadcasters in Houston. Oct. 27, it does same at KMOX radio St. Louis, before Oct. 28 regional in Kansas City. Participants in first are Comrs. Wiley, Hooks & Fogarty, staffers Wallace Johnson, Richard Shiben & William Ray. All except Fogarty participate in 2nd.

KGUN-TV Tucson News Dir. Pat Stevens, first woman elected to RTNDA board, also becomes first woman to seek presidency. She's running against Ernie Schultz, KTVY Oklahoma City, for pres.-elect. Balloting will be at Dec. RTNDA convention in Miami Beach, where Pres.-Elect Wayne Vriesman, KWGN-TV Denver, will succeed John Salisbury, KXL(AM) Portland, Ore.

Kansas State Network "corporate profile" as of Sept. is 12-page history & analysis of financial performance since 1968, including breakdown among broadcasting, CATV, refrigerated services & manufacturing. For copy: 905 N. Main St., Wichita, Kan. 67201.

Communications Act is "out of date," Rep. Van Deerlin (D-Cal.) asserts, issuing statement confirming plans to revamp whole Act next session of Congress. He was joined in announcement by Rep. Frey (R-Fla.), who said "band-aid" amendments of Act are inadequate.

Earth satellite station license: Muscoy, Cal., Teleprompter; CP, Newport News, Va., Hampton Roads Cablevision; application, Racine, Wis., Racine TeleCable.

Directory of 114 consultants employed by NARUC members is available from NARUC at \$4: Box 684, Washington, D. C. 20044.

Personals

Joseph Fogarty makes first speech as FCC commissioner at Nov. 15-18 NARUC convention in Honolulu, substituting for **Chmn. Wiley**; among other NARUC speakers: House Communications Subcommittee **Chmn. Van Deerlin** (D-Cal.), **OTP Dir. Houser**.

B. Jay Baraff, **James A. Koerner** & **Robert L. Olender**, all ex-Stamler & Shrinsky, form law firm Baraff, Koerner & Olender, 2033 M St. NW, Washington, D.C. 20036, 202-452-8200... Named assocs. in Verner, Liipfert, Bernhard, McPherson & Alexander, Washington law firm: **Ex-OTP Gen. Counsel Thomas Keller**, **Jeffrey Komarow**, **Lynda Mounts**, **Jeffrey Rosen**.

Roger Seltzer, ex-FCC Cable Bureau, becomes gen. counsel, Liberty Communications, with hq in Eugene, Ore... **Anthony Cavender**, ex-Cable Bureau, joins Pennzoil legal dept., Houston... **Robert Wood**, ex-Arnold & Porter, named associate in Washington law firm Fleischman & Walsh.

Leena Johnson, ex-House Communications Subcommittee, named technical information specialist, FCC Common Carrier Bureau... **Robert Reich**, ex-Justice Dept. asst. to Solicitor Gen., named FTC asst. dir. for evaluation; **Gerard Iannelli**, ex-Foote, Cone & Belding International exec. vp & international operations dir., returns to FTC as special asst. for education, new post.

Pamela Hott promoted to CBS News vp-religious & cultural programs... **Helen Jackson** advanced at WITN-TV Washington, N.C. from exec. secy. to chmn.; **W.R. Roberson** named sales service dir... **Herbert M. Cleaves**, retired General Foods senior vp, elected Council of Better Business Bureaus chmn.; **Barton A. Cummings**, Compton Advertising, Exec. Committee chmn.

Richard Kelly, NBC talent dept. who worked on 50th anniversary last spring (Vol. 16:26 p1), promoted to dir. of special projects, succeeding **Michael Laurence**, resigned; **Nancy Herbert** advanced to administrator of special projects, new post; **Barbara Morgan** advanced to mgr., sales development & presentations, NBC-TV Central Sales, Chicago.

Lawrence Lorenzo promoted to sales development mgr., CBS-TV, Chicago... **Joseph Cohen**, ex-NARM research consultant, joins ABC as assoc. corp. planning dir... **Marjorie Marks** appointed RAB vp-retail marketing.

Adam Young resumes presidency of rep firm bearing his name, succeeding **Frank Martin**... **William Breda** promoted to sales mgr., N.Y. CBS Sales Team, Blair TV; **Leon Seurrys** to Chicago sales mgr., NBC Sales Team; **Frank Centola**, Ex-Avco TV Rep. Div., joins Blair TV as research dir. for NBC group... **John Werkmeister** advanced to sales mgr., PGW Philadelphia.

Robert Stengel, NCTA public affairs vp, resigns Oct. 25 to engage in communications & editorial consulting, including work for PBS on national affairs... **Michael Fuchs**, ex-William Morris, named HBO

special programming dir... **John Mankin**, ex-United Cable, appointed Cablevision district mgr. for central Tex., in charge of 6 systems... **Robert Clasen** promoted to southern mgr., Continental Cablevision of Ohio... **Ben Doherty III**, broadcast-cable insurance specialist, forms Doherty & Co., 10300 N. Central Expressway, Dallas, Tex. 75231, 214-692-9431.

James Hobson, FCC Cable Bureau chief, speaks during N.Y. State Cable TV Assn. meeting Oct. 25-26, Concord Hotel, Kiamesha Lake, N.Y... **James Roach** advanced to service mgr., Suffolk Cable, Shelter Island, N.Y... **Frederick Caton** promoted to IVC corp. credit dir. & asst. treas.

Edward Montanus promoted to MGM-TV exec. vp, new post... **Robert Mandell** promoted to creative services dir., new post, ITC Entertainment... **Ethel Winant**, ex-CBS vp, promoted to vp-program development & talent, Children's TV Workshop, which she joined in summer 1975... **Steve Bookstein** advanced to Latin American sales dir., Columbia Pictures TV.

Mark Sanders & **Arnold Taylor** advanced to senior product mgrs. in partial restructuring of Ampex Audio-Video Systems Div. product mktg... **Dan Newton** promoted to TRW RF Semiconductors CATV-Micro-wave Group mgr.; **Jim Humphrey** advanced to mfg. mgr... **Mike Skelton** advanced to Memorex Video Div. U.S. videotape product mgr... **Ron Taylor** promoted to mktg. services dir., Conrac Turner Div.; **Jim Lehr**, ex-Amana Refrigeration, named ad mgr.

A. William Trueman, ex-CCA Electronics, appointed marketing dir., Blonder-Tongue Labs... **Jack Ross** promoted to western mgr., Anixter-Pruzan.

OTP shouldn't contact Justice Dept. (JD) about latter's AT&T antitrust litigation because "further statements on your part might be interpreted as an attempt by the White House to influence the litigation." So stated Rep. Wirth (D-Colo.) in letter to **OTP Dir. Thomas Houser** last week. In addition, Wirth said, Houser shouldn't get involved personally, because law firm he left, **Sidley & Austin**, handles AT&T work. Houser responded that he severed connections with law firm, doesn't intend to return; that he hasn't attempted to influence JD in case, can't visualize doing so, has no intention of contacting JD about it. Furthermore, he said, if JD comes to OTP on case, he won't discuss it. Houser concluded: "You must appreciate, however, that both this office and the Justice Dept., as part of the Executive Branch of govt., have complementary interests & responsibilities in formulating telecommunications policy and that normal liaison and contact between them must be continued accordingly. I know that you agree with this and do not intend...to intimate that the normal communications process...should be hindered."

Sports offerings, in addition to movies, are being considered for pay cable by Viacom, according to Viacom Communications Pres. **Douglas Dittick**. Speaking at AWRT northeast conference, he also predicted that pay cable ultimately will go to per-program basis.

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Sept. 24 (38th week of 1976):

	Sept. 18-24	1975 week	% change	Sept. 11-17	1976 to date	1975 to date	% change
Total TV.	299,576	297,405	+0.7	264,317	8,281,511	7,785,615	+6.4
color	178,313	165,703	+7.6	166,888	4,916,847	4,357,996	+12.8
monochrome . . .	121,263	131,702	-7.9	97,429	3,364,664	3,427,619	-1.8
Total radio	1,754,253	1,218,114	+44.0	745,518	28,114,420	23,964,086	+17.3
home, portable .	1,518,933	1,003,980	+51.3	437,739	19,060,101	17,793,388	+7.1
AM-only	567,207	237,099	+139.2	192,134	5,192,330	4,937,079	+5.2
FM & FM-AM .	951,726	766,881	+24.1	245,605	13,867,771	12,856,309	+7.9
auto	235,320	214,134	+9.9	307,779	9,054,319	6,170,698	+46.7
Port.-comp. phono.	100,654	134,604	-25.2	102,336	1,993,157	2,373,617	-16.0

Color TV 5-week moving average: 1976—166,719; 1975—149,796 (up 11.3%).

COLOR SALES UP 36% IN 39TH WEEK: Final week of Sept., traditionally year's best, saw sales to dealers of about 237,400 sets, increase of nearly 36% over 174,884 of same 1975 week. With massive influx of 19" sets, price dam has broken and sharp cuts could strongly stimulate 4th-quarter buying.

Sept. sales totaled about 861,000 color sets, up some 15.6% from last year, according to preliminary information. Thus, industry seems to be headed for sales of 7.4-7.5 million sets this year.

Mounting inventories have prompted extreme caution in industry. Latest adjustment is by Sylvania, furloughing 215 workers in Batavia, representing about 1/4 of production staff there. No layoffs have been reported at Sylvania's Smithfield plant.

"We're moving very carefully," says RCA Consumer Electronics Vp-Gen. Mgr. Roy Pollack. "We've been riding the brakes all year. We've had some minor adjustments, but we're seeing pretty good action at retail. We're optimistic that we're going to do well in the 4th quarter." GE, Magnavox & Quasar all report no dislocations. GE says its console sales are up 21.1% for year so far and it's back-ordered on VIR sets. Magnavox also says some models are back-ordered and company is hiring, mainly for increased Odyssey production. Quasar is "building as many as we can," troubled by parts & materials shortages.

Promotional pricing of color sets is hottest in years, with extra allowances spreading from portables to consoles. Extra allowances on some imported 19" portables have in effect reduced dealer costs \$15-\$20, with some domestic manufacturers sweetening 25" console pot by \$25-\$40. In some areas, domestic brand 19" sets are being offered at well under \$300.

RETAIL CB SALES A DISASTER: As FCC moves toward decision this week on problems facing 40-channel market (see p. 11), 23-channel sales remain in slump, with dump prices and variety of 23-to-40 conversion programs having little apparent effect. Disastrous situation has led some retailers to drop CB for remainder of 1976, is causing others to consider possibility of getting out.

"Sales stink," owner of 8-store midwest hard goods chain told us—opinion unanimously shared by retailers we talked to throughout country. "You can give them away, and they still won't sell," Northern Cal. CB buyer said, adding that Christmas market probably won't be much better. "If the consumer isn't buying now, why should he buy at Christmas?"

Some are getting out of 23-channel. Leading midwest appliance-TV dealer said his chain quietly dropped CB, will re-examine market after 40-channel sets come out next year. "I don't want anyone to know I'm out," he said in asking us not to use his name. "I have one or 2 units on the shelf, but I don't have any inventory and I'm really not in the business right now." Others told us they're studying situation; an electronics buyer for 100-plus store chain in south said he'll reach decision on whether to get out of 23-channel in next 2 weeks.

No one we talked to is sure of exact reasons for slump, but 2 major factors cited were FCC handling of 40-channel expansion decision (they've even got me confused," said one) and scare over sunspot activity. "My customers are convinced of 2 things—that 23-channel is now obsolete, and that sunspots will wipe out everything in a couple of years anyway," New England retailer said.

Retail inventories are being kept at lowest possible levels, dealers speculating that even lower 23-channel prices are on way as distributors & suppliers try to empty swollen warehouses. "I've never seen anything like this," southern retailer said. "It's scary. I talk to a supplier one day and he wants \$80 a unit. Next day, it's \$70, then \$60, then \$50. We cut back right after the FCC announced 40 channels and at the time, I thought we did the right thing. Now I know we did."

Christmas market isn't seen as much better and retailers were unanimous on this. "You want me to give other dealers advice?" owner of large Southern Cal. electronic specialty chain asked. "'Don't spend a lot of money at Christmas.'" General feeling is that if consumer is now confused over future of 23-channel and worried about sunspots, his attitude won't change significantly between now and Dec. Most said they'd channel open-to-buy Christmas money into other areas, including TV & video games.

Though majority of stores said they expect to become heavily involved in 40-channel market, several voiced reservations. "If I had to say yes or no right now about getting into 40-channel, I'd have to say no," dealer who dropped 23-channel told us, and midwest retailer said he's convinced substantial supply of 40-channel CBs won't be available Jan. 1, legal sales date set by FCC.

Sales slump also is evident in import CB activity. Wholesale price on some off-brand units is now down to \$40-\$43, \$5-\$10 below landed cost, and CBs are being offered in dump quantities in Japan as low as \$30. Meanwhile, CB imports to this country show no signs of slowing down (see below).

Domestic suppliers also are hurting. Dynascan Pres. Carl Korn says 2nd-half earnings may be only slightly ahead of last year, due to confusion surrounding FCC expansion order. Regency says though financial position remains strong, stock recently has dropped because Wall St. classifies it as CB-only producer. While firm is "more diversified" than other CB suppliers, Regency said, excessive CB inventories and FCC decision have produced an unprecedented marketing dilemma. Merrill, Lynch research report on E. F. Johnson rates company as speculative for near-term investment due to uncertainties in CB, feels company will be in strong position when market shakes down. Sharp is trying to boost 23-channel sales by offering 30-day dealer & distributor price-protection plan on all CBs purchased Sept. 1-Dec. 31. If prices drop within 30 days of shipment, firm will credit dealer or distributor for difference on units remaining in inventory.

TV & CB IMPORTS AT RECORDS IN AUG.: Both TV & transceiver imports soared to new records in Aug.—former causing rising concern among U. S. color producers because of intense competition (see p. 7), latter disturbing entire CB industry which faces excess inventory, sinking profits (see p. 7).

Total TV imports in month jumped 93% to historic high 843,400, color setting new monthly record of 366,900, up 169.6% from Aug. 1975, while b&w rose 58.3% to 476,500, Commerce figures show. Totals for 8 months put over-all TV imports at 4.34 million, up 71.4% from same month last year and some 15,000 higher than in all of 1975. Color was up 159.7% to 1.66 million, well in excess of record 1.4 million imported in calendar 1973, and b&w was up 41.5% to 2.68 million.

Results by country for month show total TV from Japan up 90.9% to 490,200, color up 160.1% to 334,300, b&w up 21.6% to 155,800. Over-all imports from Taiwan were up 88.7% to

285,400, color up 294% to 25,300, b&w up 79.6% to 260,100. Korea's 66,000 total was up 86.4%, with color up 570.5% to 6,100, b&w up 117.7% to 59,900. Results for 8 months: Japan total 2.35 million (up 161.9%), color 1.5 million (up 185.3%), b&w 838,800 (up 128.3%); Taiwan total 1.7 million (up 17.3%), color 122,500 (up 30.6%), b&w 1.58 million (up 16.4%); Korea total 277,900 (up 68.8%), color 23,800 (up 79.9%), b&w 254,100 (up 67.8%).

It isn't just huge increase in quantity of imports that has domestic producers up wall, but fact that overseas producers, primarily Japanese, have shifted emphasis to 19" models. Commerce figures show imports of 19" color have skyrocketed 243.5% to more than 900,000, unit leap of 638,600, which accounts for 62% of million-unit color import gain. Comparison of Commerce & EIA data indicates that in Aug. imports captured nearly half of U.S. market at new-supply level, accounted for some 60% of all portable-table models including 2/3 of 19" models.

On transceiver front, month's imports hit 2.39 million, up 158.6% from same month last year, for 8-month total of 13.2 million, up 194%. Automotive CB models rose 422.7% to 1.08 million, non-CB auto at 119,200 up 444.2%, hand-held models up 60.5% to 839,400, other types 73.9% to 274,200. Eight-month results: CB-auto 7.6 million (up 665.1%), non-CB auto 1.15 million (up 271.1%), hand-held 2.7 million (up 18.1%), other 1.77 million (up 98.5%).

HOME VIDEO GRADUALLY BECOMING REALITY: Successful launch of Sony Betamax on Japan & U.S. markets is encouraging others to come in as quickly as they can. And while tape is obviously going to get good headstart over videodisc, we can see no signs of discouragement or slackening by disc proponents, despite all rumors to contrary. These are latest developments:

Videodiscs—Both Philips-MCA & RCA appear to be sticking fairly close to schedules (despite RCA's lack of official commitment, it still seems to be aiming at same late-1977 start as Magnavox-Philips-MCA). In recent weeks, there have been strong positive moves within Magnavox indicating definite intentions to go ahead.

Thomas McDermott's resignation as RCA SelectaVision Videodisc Programming vp shouldn't be interpreted as lack of commitment or resolve on RCA's part. McDermott was appointed in 1970 under Sarnoff regime, now plans to return to TV production. He had 30-year career in broadcasting, was Benton & Bowles senior vp for broadcasting, was a partner & pres. of 4 Star International. He says he's still "extremely high" on videodisc's growth potential, believes market is so large that "a number" of home video systems can "co-exist profitably." He told us he has put together SelectaVision program library of "several thousand" titles, strong enough for product introduction.

McDermott "will be replaced—we're considering several candidates," we were told by Lee Berberian, RCA staff vp, SelectaVision videodisc mktg. & programming. Key to RCA's videodisc commitment may well be reinstatement of 5-million share public offering, which was postponed upon sudden resignation of former Pres. Anthony Conrad (Vol. 16:38 p7). Substantial amount of revenue from offering would be used to underwrite start-up of videodisc program. "Watch for a renewal of that offering," said one observer close to RCA. "If it comes out any time within the next 90 days, the [videodisc] program won't be delayed."

RCA held first European demonstration of videodisc system last week at its London hq, under sponsorship of company's patent-licensing operation.

Sanyo's VTR plans—Salesmen's samples of V-Cord II will be available end of this month, with "sizeable quantities" starting to arrive in Nov. for regional market introductions (Vol. 16:18 p8), according to Mktg. Vp William Byron. Consumer model will retail for \$1,290, with precise 2-hour digital timer \$70 extra (Betamax is \$1,300 including timer). Sanyo's institutional video operation also will offer 2 other versions nationwide—recorder without tuner at \$1,160, play-only model at \$1,095.

New Sony Betamax—Lower-priced unit introduced in Japan (Vol. 16:40 p8) differs from previous deck in that it features single button for recording, automatic switching from broadcast TV to VTR when playback key is pressed, contains camera input, with automatic switching for camera and microphone inputs. Pause & audio dub features have been omitted from new model.

CES TO VEGAS: In one of those Consumer Electronics Show-biz twists which have become so familiar, EIA Consumer Electronics Group board voted to hold 1978 CES 2nd week of May at Las Vegas Convention Center, which will have been expanded to 700,000 sq. ft. of exhibit space. Compromise between April date proposed by some audio exhibitors and traditional mid-June timing struck responsive chord in survey of exhibitors, EIA/CEG Senior Staff Vp Jack Wayman told us.

Change of venue to Las Vegas, probably May 9-12, puts show one week after Newcom, May 2-4, move which was applauded by Newcom in press release. Since Las Vegas in May often is scene for major TV manufacturers' new-line unveilings, CES could attract some who attend those showings. New date & site obviously is intended to wipe out Snitow Organization's Audex audio show, which has first edition scheduled for April 1977 in Las Vegas. Snitow said plans for 1978 show "will depend to a large extent on how successful the 1977 show is."

CES in 1979 will be held in Chicago in May or early June, could alternate between there & Vegas annually if 1978 event is successful. Harman International's Irving Stern, who had been pressing for separate audio-only show, endorsed new CES concept. Wayman said Winter CES would "continue as long as it's viable." Apparently it will be quite viable next Jan., with 317 exhibitors signed up.

Meanwhile, CEG is campaigning to increase membership of its Audio & Video Divs. Non-members Hitachi & Curtis Mathes were represented at recent L.A. EIA convention. Other companies ruled eligible to join Video Div. (bylaws provide members must have U.S. manufacturing facilities) are Toshiba & Sanyo (latter's Fisher subsidiary already is EIA member). With BSR's John Hollands as new chmn., Audio Div. is expected to seek broad expansion in both component & mass-market manufacturer membership.

"Talking Machine" is latest Sony product, brain-child of Honorary Chmn. & founder Masaru Ibuka, who made detailed study and wrote book on pre-school foreign-language training. Machine is battery-powered device into which child inserts colorful illustrated card, which moves from right to left, providing 6 sec. of audio—such as pronunciation of word in English and its use in sentence. Machine is priced about \$50, magnetic-striped cards about 30¢ each currently but scheduled to go down. System will be used in Iranian education program. Sony plans to give away technical knowhow to developing countries, permitting them to set up Talking Machine factories as part of electronics vocational training. In tests of 2 Japanese pre-school groups, each of which was taught 18 English words over 2-week period, teacher-trained group scored 32%, machine-taught group more than 70%. Ironically, Ibuka found the "English" word most widely recognized by Japanese children was "Quintrix"—trade-name for Matsushita's color tube—thanks to TV commercials.

ITA will publish French edition of its News Digest for European professionals & consumers.

WARWICK TAKEOVER TERMS: Definitive terms for Sanyo of Japan's purchase of Warwick's TV business, announced last week, provide for reduction of some \$700,000 to \$10.3 million for Whirlpool's 57% interest in operation, compared with \$11 million Sanyo was to pay under preliminary agreement revealed last April (Vol. 16:18 p8).

As now planned, Warwick will assign TV business, consisting mainly of Forrest City, Ark. plant, to new subsidiary called Sanyo Mfg. Corp. SMC stock will be spun off to present Warwick holders. Sanyo has agreed to buy Whirlpool's holdings at \$4.16 per share, make public holders offer of \$4.43 per share. Originally, Sanyo was to pay \$4.43 for all shares. Unchanged is intention of Sears, Warwick's major TV customer, to retain its 25% interest in operation. Warwick will continue in organ business. If all public shares are tendered, package will cost Sanyo \$13.8 million. Full price is \$18.3-\$18.6 million, depending on value assigned to Sears holdings.

As part of arrangement, Warwick will be forgiven \$10-million short-term debt by Whirlpool and \$6 million of \$15-million loan from Sears. That \$16 million will be treated as addition to capital, offsetting Warwick's present (through first half) \$12.3 million negative net worth. SMC will assume responsibility for remaining \$9 million of debt to Sears, as well as obligation for development bonds on Forrest City plant. Warwick holders & Justice Dept. still must approve deal. Depending on speed of latter, transaction could be completed by year end.

IMPORT IMPACT AID: Import adjustment assistance is being sought from Labor Dept. (LD) for some 300 who lost jobs when Admiral closed Shelbyville, Ind. TV-stereo cabinet plant Oct. 1 (Vol. 16:36 p9), as well as for ex-employees at National Beryllia's silicon wafer facility in Plumsteadville, Pa., agency said.

LD also announced it approved help for former workers at Indiana General's Oglesby, Ill. DC motor plant, rejected assistance for those who lost jobs at Burndy's Toledo printed-circuit board plant. In IG case, LD said that following 8-week strike in 1974 company began transferring DC motor operation to new Mexican border plant, completing shift and closing Oglesby last Aug. LD said all IG motor orders are now filled from Mexico. In Burndy turn-down, LD said it found company consolidated circuit-board production in Milford, Conn. because of business lost to domestic competitors and that imports were not significant factor in market here.

Game Plans: Warner Communications completed purchase of Atari (Vol. 16:37 p11), acquiring 100% of common and preferred stock for cash & debt worth approximately \$28 million... **Lafayette** offers Atari & Unisonic games (both \$80), plans to add APF unit later... **Taiwan** will emerge as world leader in games within next few years, according to Jerry Coan, Far East sales dir. of GI Hong Kong. Coan says world-wide production in 1976 will hit 4 million units, with 3 million produced in Orient.

FCC NEARS CB DECISION: FCC is scheduled to act this week on petitions asking relaxation of new 40-channel receiver radiation standard and urging delay in entire 40-channel plan. Staff recommendations from Chief Engineer's Office and Safety & Special Radio Services Bureau were sent to commissioners late last week, and both issues are on Commission's Oct. 13 agenda. Spokesman for Chmn. Wiley said both are considered "critical," that decision should come by Oct. 14 at latest. There's remote possibility of delay, he said, but "every reason to believe we will have a decision by the 13th."

Tight security has been clamped on recommendations ("millions of dollars are involved in this decision," staffer in Chief Engineer's Office said.), and one source at FCC refused even to say whether they could be considered controversial. "If I answer that, you might get a clue." Recommendation from MST (Assn. of Maximum Telecasters) petition for reconsideration of expansion order (Vol. 16:37 p7) was put together by Safety & Special, with advice from Chief Engineer, and receiver radiation recommendation was formulated by Chief Engineer. "Both bureaus are in complete agreement on both recommendations," spokesman said.

Receiver radiation test was conducted on 102 CBs submitted for type-acceptance and certification, and FCC labs had received total of 120 new 40-channel CBs by week's end. Other tests conducted on 102 CBs included transmitter harmonic radiation test (60 dB) and receiver antenna RF output test (2 nanowatts).

First Dimension is dropping plan to market \$40 game, which would have been lowest in industry, and hopes to introduce 6-game, 4-player color microprocessor unit at \$100 by year's end, Mktg. Exec. Vp Barry O'Connell said at briefing in N. Y. It's been learned firm has trimmed marketing staff in economy move. Company declined to give details, but John Hooker, Tenn. politician & financial promoter, has joined firm as chmn. Also new at FD is Exec. Vp Gene Dibble, best known for association with Muhammed Ali Enterprises. O'Connell said FD should tie with Coleco for 3rd place this year, trailing first-place Magnavox & Atari.

CB Scene: RCA expands 23-channel line, adds 2 PLL units under CB Co-Pilot brand at \$175 & \$180 (shown at CES in prototype form) and 3 accessories: 28" mobile antenna (\$20), 3 1/2" external speaker (\$7.50), 5" PA hailing speaker (\$13)... **Fannon/Courier** offers 3-option plan to purchasers of 23-channel rigs—40-channel with list price of at least \$130 for \$69 additional, no trade-in required; 2nd 23-channel unit priced at \$155 for \$50; 40-channel conversion on selected 23-channel PLL models... **Midland** switches ad account from Travis/Walz/Lane to Brewer Ad div. of Y&R.

Poland's bill for color TV production equipment & technology from France's Thomson-Brandt will be about \$20 million, not \$2 million as indicated here last week (Vol. 16:40 p11).

COMPONENT IMPORTS: Imports of electronic components & accessories posted strong gains in first half 1976, reflecting industry's production increases from year earlier, Commerce Dept. totals show. Total value of selected component imports was \$739.7 million, up 30.9%, including 53.9% jump to \$170.6 million for TV parts and 78.2% increase to \$11.6 million for picture tube parts, neither shown in table below.

Increases for TV-related components included 40.4% for value of deflection parts, 247.5% for antennas, 359.1% for picture tubes, 75.7% for tuners—7.7-million total was enough to provide 2 for every set made in U.S.

Total speaker imports of 29.9 million were up 129.3%, as all 3 classifications at least doubled—ICs rose 26%, transistors 47.3%, capacitors at 1.1 billion & resistors at 2 billion both were up more than 100%. Lone loser was receiving tubes, down 5.4%.

In accessories, radio antennas soared 401%, microphones 152.7%, with both gains likely related to CB boom. Amplifier imports were up 82.3%. Here are details:

U. S. COMPONENT IMPORTS

	First Half 1976		First Half 1975	
	Units	Value(\$)	Units	Value(\$)
Pic. tubes, color	68,298	4,252,040	22,560	1,526,446
Pic. tubes, b&w	169,833	1,365,668	29,304	515,096
TV tuners	7,695,971	43,704,387	4,377,691	27,110,952
TV antennas	3,539,020	3,080,319	1,018,452	1,620,888
TV deflection parts	—	25,563,458	—	18,213,731
TV cameras, color	3,829	9,391,174	4,558	9,189,330
TV cameras, b&w	22,837	4,298,865	23,922	6,372,184
Radio antennas	6,569,811	19,542,558	1,311,172	2,116,234
Microphones	3,733,871	8,912,017	1,477,400	4,585,273
Audio amplifiers	771,735	15,088,825	423,366	12,410,047
Spkrs., unenclosed 17,281,483		21,804,617	7,839,361	9,276,676
Spkrs., lone, encl. 10,432,900		23,422,951	3,320,864	8,124,045
Spkrs., mult., encl. 2,166,255		10,555,776	1,870,295	6,616,910
Receiving tubes	24,146,722	12,098,841	25,537,333	11,839,347
ICs*	561,021	369,942	445,211	261,480
Transistors*	634,892	64,447	430,989	63,967
Fixed capacitors*	1,039,588	57,102	508,052	34,004
Variable capacitors*	77,176	5,289	45,082	3,628
Fixed resistors*	1,904,057	15,887	903,996	9,425
Variable resistors*	104,751	11,007	75,100	6,988

*Units & value in 1,000s.

"Home TV Programmer" is name chosen by RCA for first video game. It has applied to FCC for type approval, will submit model later this month. Plans call for limited production beginning in Dec. at RCA facilities, introduction on regional basis during Jan. and national distribution later in 1977. Game will use 1802 COSMAC microprocessor, supplied by RCA Solid State Div., along with single-chip input-output circuit which will be made available at \$8-\$10 to other producers in Jan.

Consumer plans to buy color TV in next 6 months rose in July-Aug. to 6% from 5.3% in May-June, but were down slightly from 6.2% year earlier, according to Conference Board. Plans to buy b&w dropped to 1.5% from 2% in May-June, 2.1% year earlier. Buying Plans Index & Consumer Confidence Index were 106 & 86.8, both unchanged from May-June.

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with
Consumer Electronics...

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Trade Personals

John Messerschmitt (N. American Philips), elected EIA chmn., succeeding Glen Solomon (IBM); William Weiss (Motorola), replaces Messerschmitt as vice-chmn. . . Edward Troutt advanced at Zenith Sales Co. to special markets (hotel-institutional) sales mgr.; Louis Motko, ex-RCA Service Co., joins as special mkts. field sales mgr., succeeding Troutt. . . Robert Brown appointed Admiral vp-controller. . . Harold Tullman, ex-Panasonic & Yamaha, joins Sharp calculator operation as vp; Gene Jadwin, ex-Panasonic, joins as gen. mgr. of new Customer Relations & Service Dept.

Reese Haggott resigns as Hy-Gain national sales mgr. to open San Francisco rep firm. . . Craig Reitan, ex-Litton Microwave Cooking Div., joins E. F. Johnson Personal Communications Div. as mktg. vp. . . Ray Blaiklock, ex-Victor Comptometer, appointed Conrac Turner Div. sound products mgr. . . Frank Conte promoted from Radio Shack dist. mgr. to Ft. Worth region mgr.

Philip Wolf promoted from Sylvania Tube Div. controller to Electronic Components Group vp-controller, succeeding George Shahian, now in same post with Lighting Products Group; Henry Kindig advanced at Tube Div. from mfg. vp to operations vp, new post. . . H. Tasaki, Omron (Japan) exec. vp, shifts to Omron (U.S.) as chief operating officer. . . Art Fury, Siliconix mktg. mgr., named vp. . . Phillips Peter advanced at GE from Business Div. vp-staff exec. to D.C. office vp.

William Campbell promoted to Magnavox Great Plains Div. gen. mgr.; Eddy Vance advanced from Houston region sales mgr. to Great Lakes Div. sales mgr., succeeding Campbell. . . Terry Hogan, ex-Toshiba, joins Major Electronics' Emerson Radio

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
Craig			
1976-qtr. to Sept. 30	35,290,000	3,193,000	1.03
1975-qtr. to Sept. 30	23,553,000	1,381,000	.45
Filmways			
1976-6 mo. to Aug. 31	57,857,000	1,187,000	.51
1975-6 mo. to Aug. 31	48,058,000	870,000	.38 ^a
1976-qtr. to Aug. 31	30,735,000	762,000	.33 ^a
1975-qtr. to Aug. 31	26,024,000	650,000	.29 ^a
GE			
1976-9 mo. to Sept. 30	10,452,600,000	501,000,000	2.71
1975-9 mo. to Sept. 30	9,631,700,000	360,100,000	1.97
1976-qtr. to Sept. 30	3,543,300,000	184,800,000	1.00
1975-qtr. to Sept. 30	3,282,600,000	156,100,000	.85
Raytheon			
1976-9 mo. to Sept. 26	1,775,365,000	64,001,000	4.20
1975-9 mo. to Sept. 28	1,650,249,000	54,164,000	3.59
1976-qtr. to Sept. 26	604,198,000	23,093,000	1.51
1975-qtr. to Sept. 28	548,272,000	19,292,000	1.27
Republic			
1976-year to July 31	208,107,000	3,874,000 ^b	1.38
1975-year to July 31 ^c	238,446,000	12,268,000 ^b	4.36
1976-qtr. to July 31	56,474,000	1,652,000 ^b	.59
1975-qtr. to July 31 ^c	56,687,000	2,193,000 ^b	.78
United Cable TV			
1976-qtr. to Aug. 31	3,914,000	(125,000)	--
1975-qtr. to Aug. 31	3,622,000	(530,000)	--
Wometco Enterprises			
1976-36 wk. to Sept. 11	140,177,000	10,093,000	1.17
1975-36 wk. to Sept. 6	121,594,000	7,658,000	.89 ^a
1976-12 wk. to Sept. 11	49,987,000	3,333,000	.39 ^a
1975-12 wk. to Sept. 6	45,049,000	2,876,000	.34 ^a

Notes: ^aAdjusted. ^bIncludes special credit. ^cRestated.

Div. as asst. plant production mgr.; Norman Ber-
man, ex-Morse, appointed national service mgr. . .
Gary Schwartz advanced at Columbia Magnetics from
east region mgr. to consumer national sales dir.,
succeeding Ted Cohen resigned. . . Philip Kennedy,
ex-Wurlitzer, joins Electro Music Leslie speaker
operation (CBS) as district mgr., succeeding George
McGarvey, retired.

Sheldon Silver, ex-Zenith, named asst. dir.,
Tatham-Laird & Kudner PR Div. . . Gerry Stephens,
ex-Projects Unlimited, appointed Valor Enterprises
chief engineer.

John Webb, ex-Varian Assoc. & Texas Instru-
ments, appointed National Semiconductor Legal Dept.
dir. . . James Murphy advanced at GTE from asst.
treas. to asst. vp-treas., new post.

Gillette digital watches appeared at retail last
week. Company is offering 14-model men-only LED
watches, \$40 to \$75, in 13 major markets. TV ads
start Oct. 16.

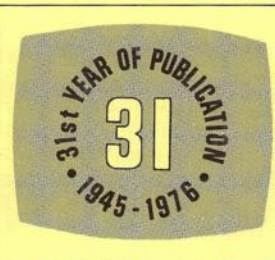
Obituary

Frank Hayer Sr., 84, chmn.-pres. of F.C.
Hayer Co., Minneapolis RCA distributor since 1941,
died Oct. 3. He is survived by a daughter.

WEEKLY

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

BACKE REPLACES TAYLOR AT CBS: Paley says he'll relinquish chief exec. post in April, dismisses Taylor as pres., replaces him with Backe. Taylor reportedly 'stunned.' (P. 1)

'FCC MOCKS LAW': Van Deerlin charges that decision exempting presidential news conference from equal-time requirements gave Ford advantage over Carter & Reagan. Supreme Court upholds FCC. (P. 2)

TV 'A NATIONAL DISGRACE,' Rep. Wirth charges in seeking FCC investigation of network program practices, dominance over affiliates. Rep. Murphy also hits 'monopolistic influence' of networks. (P. 3)

NBC DEFENDS 'BLACK SHEEP,' says series is appropriate for FV. CBS won't push for formal ruling by Code Authority. (P. 4)

TV NETWORK LEADS CBS SURGE as sales & earnings for 9 months are records; 3rd-quarter income up 40%. (P. 4)

MEDIA COVERAGE OF CRIME 'stimulates' criminal behavior, according to 7-year study of skyjackers by Aberrant Behavior Center; data aren't adequate to prove causality. (P. 5)

NCTA WANTS CABLE RULES relaxed after copy-right; NAB says no. (P. 5)

TAYLOR 'STUNNED'; BACKE IS PALEY'S 'HEIR': Arthur Taylor was "stunned"—he was "blind sided," CBS exec. said—when informed Oct. 13 by CBS Chmn. William Paley that he was being replaced as CBS president by John Backe, head of CBS Publishing Group. Taylor got the word just hour before board meeting at which Paley, who's 75, also announced that he would give up chief exec. officer title, remain chmn., after stockholders' meeting next spring.

Paley's move came as absolute shock to most CBS dirs. and execs.; all were chary about commenting for record, and nobody professed to know when Paley made up his mind. CBS "flatly refused" to let reporters interview 3 principals—although N.Y. Times reached Backe by accident when latter picked up phone to call wife at exact time reporter was calling in.

Everybody who would comment attributed Taylor's ouster to continuous & growing personality conflict with Paley. All vehemently denied any connection with CBS's poor start in prime-time ratings this season. Many also were incredulous because of CBS's rapid gains financially (it announced record 3rd-quarter and 9-months sales & earnings same day Taylor was dismissed, seep. 12) and in other areas during Taylor's tenure of 4 years & 2 months.

"It just boiled down to the fact that Paley couldn't swallow Taylor taking over his 'candy store,'" CBS dir. told us. Added another: "Some of us rather anticipated it. It had nothing to

Consumer Electronics

FCC STICKS TO CB rulings, eases receiver radiation rule slightly with '5-8-15' plan. Petition asking delay in expansion turned down in tentative decision. Formal vote set for today. (P. 7)

STATE DEPT. STUDY features Japanese explanations for success in U.S. color market, keyed to private-label business. EIA critical of EIA-Japan's comments on health of U.S. color industry. (P. 8)

COLOR PRICE WAR sparked by heavy imports, with inventories seen too high despite domestic cutbacks. Sept. color sales up 15.6% from 1975, and 4th quarter starts out strong. (P. 8)

SEGA STARTS PROMOTING projection TV system to dealers under own name. Muntz increases production but, barred by injunction from using own name, becomes 'Madman Electronics.' (P. 10)

KLOSS QUITS ADVENT, founder saying 'my work is done' with projection TV now strong commercial product. 'No plans' for future. (P. 10)

RCA, WARWICK, N.A. PHILIPS, Corning show improved 3rd-quarter results. (P. 11)

5 DOWN, 3 TO GO, in RCA drive to eliminate factory-branch distributors, as Atlanta branch is sold to new group headed by former branch mgr. (P. 11)

do with ratings or with financial performance of the company. It was a difference of style and, I guess, of philosophy. I guess Paley just decided he couldn't be happy turning the company over to Taylor."

Asked if Taylor was "arrogant & abrasive" as many charged, one who knows him well told us: "I guess some of those adjectives would apply." Added another: "He was a tad insecure, which is why he was arrogant... This is why he didn't like to be disagreed with in public."

On other hand, Paley was called "a jealous old man" by exec. who said action was "unreal" in light of Taylor's success in running CBS. Others said Taylor is "misunderstood," "a good man," "very well intentioned," "he did get family viewing approved... and look where the industry would be if we didn't have family viewing."

Taylor, 42, had dinner with CBS Bcst. Group Pres. John Schneider & TV Pres. Robert Wussler night before Paley moved, and none of 3 had inkling of what would happen. Ousted CBS pres. didn't have contract and we're told settlement still is being worked out. According to proxy statement, he was paid \$400,692 in salary & bonuses last year. Taylor's associates at CBS expect him to make rapid comeback, wouldn't be surprised to see him in high govt. post, whoever wins presidential election. While CBS pres., he made unpublicized trips to Washington almost weekly, was very active in congressional contacts.

CBS memorandum to "The Organization" from Paley gave Taylor short shrift. Memorandum said board adopted plan for "the future development of the Corporation's top management organization," noted that Paley would drop chief exec. officer title in April and that directors elected Backe to succeed Taylor, "who has resigned." Memo & press release quoted Paley: "Arthur Taylor brought high ability & dedication to his post at CBS. We understand & appreciate his decision to make other plans for his future. We wish him the very best."

Backe is 3rd non-broadcaster picked as CBS pres. by Paley since Frank Stanton retired in 1971; Charles Ireland, who died of heart attack after 8 months on job, preceded Taylor. "Maybe you don't have to be a broadcaster to succeed at CBS but it sure as hell would help," veteran network exec. said. Backe, 44, joined CBS in early 1973 as corp. vp and head of Publishing Group, is also member of board. He helped negotiate CBS's \$60 million cash purchase of Fawcett Publications. Before joining CBS, he was pres. of General Learning Corp.

Several told us that Paley clearly has settled on Backe as his successor. "I don't think Paley could go out of the company again unless he was forced to," a dir. told us. "Backe is the heir apparent, no doubt about it," according to corp. vp.

'FCC MOCKS LAW'-VAN DEERLIN: Stepping up his attack on recent FCC decisions liberalizing equal-time requirements for broadcasters, House Communications Subcommittee Chmn. Van Deerlin (D-Cal.) charged that President Ford's televised attack on Jimmy Carter during presidential press conference Oct. 14 made "a mockery" of federal law. Van Deerlin earlier had criticized FCC decision to exempt political debates from equal-time requirement when staged by 3rd party (Vol. 16:39 p1); last week, he hit decision exempting presidential press conferences. At same time, however, Supreme Court affirmed FCC equal-time rulings by declining to review Appeals Court decisions upholding Commission.

Following announcement by Watergate special prosecutor exonerating Ford from alleged campaign funding abuses, President called press conference, during which he accused Carter of "slandering the good name of the United States." Before FCC exempted presidential press conferences (Vol. 15:39 p1), Carter presumably could have requested equal time from networks. Last week, however, all he could do was comment: "Apparently [Ford] thought he'd have a debate without my being there. I don't know how well I did in the first 2 debates, but I think I did pretty well in the press conference."

Nonetheless, Van Deerlin said Ford's remark proved that FCC decisions gave Ford "a decidedly unfair advantage" over both Carter and Republican challenger Ronald Reagan. He branded this advantage "exactly the opposite of what was intended by legislators who drafted these rules... The noble concept of equal time becomes a fiction and a fraud when an incumbent President commanding the constant attention of the media is able to use the equal-time rule as

a shield for gratuitous blasts at his political opponent." Van Deerlin promised that equal time and fairness doctrine would be "critically examined" during Subcommittee's rewrite of Communications Act beginning next session.

Supreme Court decision came in brief order without comment. Of 9 justices, only Byron White voted to hear argument on matter. Effect of order was to let stand 2 Appeals Court decisions affirming FCC on equal-time changes. Challengers were Democratic National Committee, Rep. Chisholm (D-N. Y.), NOW & United Church of Christ and Socialist Workers Party. Challenge now pending before Appeals Court by independent candidate Eugene McCarthy (Vol. 16:41 p3) wasn't affected by Supreme Court's action.

Meanwhile, no change in format for Oct. 22 debate had been announced at week end, despite continual jabs traded by both candidates throughout week that their opponent was able to avoid answering panelists' questions because of shortcomings in present format. Ford aides said last week they'd push for change "to force Carter" to answer panel's questions (Vol. 16:41 p2). During press conference, Ford declined to say whether he felt format was "effective," commenting only that debates "have been very constructive and very wholesome... I really believe that they ought to be a permanent institution."

Debate Dir. James Karayn told Washington Star: "I do feel there should be some direct exchange. We had proposed this to the candidates from the very beginning of the negotiations, and in public they have said they would like to do it. They have never agreed to do it, though." He said that final debate could nonetheless be "quite sensational."

Vice-presidential debate, scheduled for Oct. 15 from Houston, varied in several ways from format of presidential debates: 75 min., rather than 90; 2-min. opening statements, as well as longer (3-min.) closing statements by each; each candidate with 2-1/2 min. to answer question, followed by 2-1/2 min. for opponent response, followed by one min. rebuttal by original answerer; follow-up questions by reporters were dropped.

TV PROGRAMMING—'A NATIONAL DISGRACE': Increased dominance by TV networks, to detriment of local stations' programming, was charged last week by Rep. Wirth (D-Colo.), who called "network programs, loaded with violence, crime and sex, a national disgrace." He asked FCC to launch "broad inquiry" into network-affiliate relationships and programming practices.

In separate letter to FCC Chmn. Wiley, Rep. Murphy (D-N. Y.) also hit "the monopolistic influence" of networks and charged Commission with "inability to develop effective policies" in several areas. He again attacked "pornographic programming" on Manhattan Cable (Vol. 16:36 p5), said major task of next Congress "should be a reform of the FCC so that its performance may match the expectations of the American public."

Wirth, member of Communications Subcommittee, said network programming is "disturbing" because sex & violence is inserted "not for artistic or literary reasons, but as a deliberate measure to obtain better ratings." He said "a complete and thorough investigation of the networks is long overdue." He made no mention of plea by Group W that FCC investigate network dominance over programming (Vol. 16:36 p1). Commission, at ABC's request, has extended deadline for comments on Group W petition to Oct. 27.

House Communications Subcommittee Chmn. Van Deerlin (D-Cal.) said from San Diego that he hadn't seen Wirth letter, couldn't comment. Wiley was in Chicago, couldn't be reached; other commissioners said they hadn't seen it.

* * * *

NBC Pres. Herbert Schlosser and ABC-TV Pres. James Duffy defended networks on violence in separate forums last week. Schlosser told ANA in Colorado Springs that issue "has been clouded by misunderstanding & misinformation and it has been distorted by a tendency to make TV an easy scapegoat for persistent & historic social ills."

Duffy told Ohio Ad Federation that violence issue is "overblown" by minority groups whose protests "threaten... free speech & free thought." He said ABC protest mail has dropped 50% this year and that analysis of violence complaints "shows that they do not reflect the consensus of... the general public."

NBC DEFENDS 'BLACK SHEEP': Opening 2-hour episode of "Baa Baa Black Sheep" was "not typical of the series as a whole," and program is appropriate for family viewing, according to NBC Corp. Affairs Vp Robert Kasmire. Responding to complaint to TV Code by CBS Program Practices Vp Van Gordon Sauter (Vol. 16:41 p1), Kasmire disputed CBS's contention that programs aired before Sept. 30 "exploit violence, glorify excessive drinking and condone dubious moral standards."

NBC said that future episodes would incorporate "a reduction in the physical action and use of alcohol," that pilot was made without "reference to eventual scheduling in any time period." "Black Sheep" airs at 8 p.m. Tues.; Kasmire said there are no plans to shift it.

"If they, as they say, are indeed reducing alcohol & violence in 'Black Sheep,' then we are hoping those changes will bring the series into alignment with the Code," Sauter told us. He said CBS doesn't plan to push for formal ruling by Code Dir. Stockton Helffrich.

CPB board voted in closed session last month to give raises to officers, disclosed them last week in response to reporter's inquiry. Raises are as follows (previous salary in parentheses): Pres. Henry Loomis \$70,000 (\$65,000); Exec. Vp Scott Miller \$61,500 (\$57,500); Senior Vp Donald Quayle \$61,500 (\$57,000); Vp-Finance Ben Posner \$53,000 (\$50,000); Vp-Gen. Counsel & Secy. Thomas Gherardi \$53,000 (\$50,000). CPB noted in releasing figures that last raise was in Sept. 1975 and that in 1970 then-Pres. John Macy was paid \$65,000.

Four congressional staffers plan new Washington law firm specializing in "public policy formulation": Senate Commerce Committee Gen. Counsel Lynn Sutcliffe, Senate Permanent Investigations Subcommittee Chief Counsel Howard Feldman, Senate Interior Committee Chief Counsel William Van Ness and House Commerce Committee Chief Counsel Charles Curtis.

KTXL Sacramento "must suffer the ultimate sanction of denial" of license renewal because its principals "showed a complete lack of candor," FCC Judge Reuben Lozner decreed in initial decision. He found KTXL guilty of fraudulent filings in station's opposition to facilities change by KMUV-TV Sacramento.

CBS has shifted Nov. 15-20 TV affiliates' board meeting from Hawaii to La Quinta (Palm Springs), Cal. ABC affiliates' board meets Oct. 24-29 in Hawaii, NBC same week as CBS in Barbados. Longer network news is expected to be issue at all 3, particularly ABC.

Most of NCTA staff, about 25, go on tour and conduct planning sessions Nov. 15-16, observe cable systems in Reading & Allentown, receive briefing on Kutztown State College cable medical network.

AAF & Federal Bar Assn. are among sponsors of Oct. 27 seminar on "Advertising Law—Problems and Trends," Hyatt Regency Hotel, Washington.

TV NETWORK LEADS CBS SURGE: "Outstanding results of the CBS Bcstg. Group, and particularly the CBS TV Network," were cited by Chmn. William Paley last week in reporting record 3rd-quarter & 9-month sales & earnings. Net income for 3rd quarter (including non-recurring \$1.3 million gain in settlement of patent infringement lawsuit) of \$40.8 million (\$1.43 per share) was up 40% from \$29.1 million in 1975. Sales for quarter of \$524.9 million were up 14% over last year's \$460.8 million.

For Jan.-Sept. 1976, estimated income was \$116.1 million (\$4.07) on sales of \$1.57 billion; comparable 1975 figures were \$87.2 million income, \$1.36 billion sales.

"Truly national" network news in next 10 years was predicted by NBC Pres. Herbert Schlosser at ANA meeting in Colo. Springs. Based on impact of ENG and microprocessors, he predicted: (1) News more national in coverage as well as in origination, with shift of news centers from East to South, Southwest & West. (2) More talk, interview & magazine formats, along with more programs combining news & entertainment. (3) Longer news programs. (4) More live coverage, flexibility & speed. In entertainment, he predicted longer shows, more made-for-TV movies, more originations from cities other than N.Y. & L.A.

"CATV 77: The Choice of 11,000,000 Families" is theme of NCTA convention in Chicago's Conrad Hotel April 17-20. Theme may be changed to "...12,000,000 Families," since number is over 11.5 million now, will be well over 12 million by April. Convention chairman is Marc Nathanson, Falcon Communications pres. Innovations include International Cable Session April 19, in cooperation with International Broadcast Institute, plus April 16 tennis tournament.

U.S. TV revenues will grow at 9.5% annually for next few years, while total advertising will increase at about 8%, ABC Owned TV Stations & International TV Pres. Richard O'Leary said in remarks prepared for recent Radio & TV society seminar in Brazil. He saw network advertising growing about 8% a year for next decade, local TV advertising increasing by 12% annually.

"The Golden Years of Broadcasting," covering NBC's 50 years, is book to be issued by Charles Scribner's Sons Oct. 18. Author is Robert Campbell, ex-Life magazine writer, composer, film-maker. On Nov. 21, NBC's "The Big Event" will cover "The First 50 Years."

Western Cable Convention, Dec. 1-3, Anaheim, Cal., includes speakers: FCC Chmn. Wiley, Cal. Democratic Reps. Van Deerlin, Moss, Danielson & Waxman; Cal. Republican Wiggins, Reps. Rhodes (R-Ariz.), Frey (R-Fla.), Wirth (D-Colo.).

First origination of "Mike Douglas Show" on cable is scheduled Nov. 1, ATC buying rights from Group W for cablecasts on systems in Birmingham, Shreveport & Jackson, Miss. ATC said program isn't otherwise available in areas involved.

TV NEWS 'STIMULATES' SKYJACKERS: "Psychiatric study" of skyjackers by Aberrant Behavior Center, Dallas, "strongly supports the common-sense contention" that media news coverage stimulates criminal behavior, according to Center Dir. Dr. David Hubbard. Writing in AMA's American Medical News, Sept. 20, Hubbard stated that though data aren't adequate to show causal relationship between violent TV entertainment programs and criminal acts, "frequent connections are observed."

Seven-year study found that skyjackers "are stimulated toward action by news coverage, are educated toward successful crimes by it, and are provided the guaranteed publicity such criminals require before they will act," according to Hubbard. He said interviews with skyjackers "clearly demonstrated" that: (1) TV shows "often crystallized the decision" to perform crime. (2) Live radio newscasts about other criminals "were often interpreted by psychotics to be 'instructions from God to go and do likewise.'" (3) Criminals often amassed scrapbooks of newspaper clippings about other skyjackings to serve as "prompters to their inadequate minds about 'how to' perform the crime." (4) Criminals "gave clear evidence" they intended to capture media's attention and use it for personal and political gain.

Hubbard said newsmen "are flatly ignorant" of news media's power, called for "intelligent self-restraint" by news media—based on scientific findings rather than reporters' "self-knowledge of the media"—to decrease danger to public while preserving press freedom. He said studies continue on how to "draw a clear line between pandering and meeting the public need-to-know."

Competition to cable may come from 2 sources, Joseph Ryan, asst. to OTP Dir. Houser, told Ky. Cable Assn.: Satellite-to-home telecasting and satellite-to-earth-stations-to-translators. Said Ryan: "The former is probably some years away due simply to the cost of installation of the earth station equipment in the home. The satellite-to-translator-earth-station can be real competition in the near future because the cost can be borne by the translator system. I'm not urging or favoring any position [on either]. I believe the marketplace should and will be the deciding factor."

Agenda highlights for TvB's 22nd convention, Nov. 9-11, Shoreham Hotel, Washington: FCC Chmn. Wiley looks at commercial TV "in the next 10 years"; network newscasters discuss Nov. 2 presidential election; syndicated programming; security analysts on "Wall Street Looks at TV"; use of minicams in making commercials.

First annual "Rubber Duckey" award has been presented by WHP-TV Harrisburg, Pa. to FCC Comr. Lee for "his continued outstanding contribution to the national TV industry, particularly his efforts in UHF."

Citing a "consistent decline in profitability and a substantial loss in 1975," FCC reduced fine of WJLL(AM) Niagara Falls from \$2,000 to \$500. Station was fined in April for improper sponsorship identification of "Hollywood Report."

FCC en banc meeting Oct. 12 featured 3 presentations: (1) By Burt Harris, NCTA chmn., urging removal of syndicated exclusivity restrictions, now that copyright bill has been passed. NAB quickly responded with letter stating that Congress didn't intend that result. (2) Pluria Marshall, speaking for NBMC, said that negotiations with a network are proceeding, looking toward more programs on blacks in U.S. & Africa; that FCC discriminates against blacks in advisory committees (8 out of 1,321 members on 21 committees); that cable EEO record is poor; that public groups should get reimbursed for FCC appearances; that Washington Star went back on its word by selling WMAL-AM-FM to ABC instead of negotiating for transfer to minorities. (3) PBS gave demonstration of TV captioning for deaf, Pres. Lawrence Grossman urging FCC to override network & EIA objections to use of line 21 for purpose.

Public broadcasting's proposed satellite plan is opposed by RCA Americom & RCA Alascom in petitions filed with FCC. RCA fears that access by both commercial and non-commercial groups to spare channels of WU satellite via govt.-financed PTV earth stations will constitute unfair competition with RCA satellite. Americom asks that FCC approve basic system but defer or deny use of system by others, while Alascom opposes approval of Alaskan earth stations altogether. Alascom position was criticized by Alaska PTV stations and state's Public Bcstg. Commission. CPB plan makes clear that access to system by other than PTV stations should be considered by Commission as totally separate from and only after approval of, basic plan for PTV use.

It's "obvious" that Ch. 27 Roanoke has been "effectively abandoned," FCC said, revoking license and canceling WRLU-TV call. Commission noted that station's equipment has been sold by creditor and that WRLU-TV wouldn't be able to resume operations "within the foreseeable future." Station started March 1966, went dark Feb. 1975, received FCC permission to remain silent until Dec. 19, 1975.

"CBS is clearly infringing on our freedom of speech and we shall protest it," AFL-CIO Secy.-Treas. Lane Kirkland said after radio network refused to accept paid, non-partisan "get out the vote" plea by Union Pres. George Meany. CBS Radio first accepted spot, later reversed decision because Meany has endorsed Jimmy Carter. NBC Radio & Mutual will air Meany spot.

Impact of distant signal importation on local TV stations will be researched for NAB by Wharton Econometric Forecasting Assoc., Philadelphia. Results are due in 6 months, will concentrate heavily on audience fractionalization. Up to \$100,000—though contract is less—was authorized by NAB board last June (Vol. 16:25 p2).

CATV doesn't delete commercials from signals carried, won't do so, according to resolution adopted by Pa. Cable TV Assn. Resolution also notes that deletion is illegal.

One hundred congressional candidates have received contributions averaging \$650 each—from NAB's political action committee, TARPAC.

Personals

C. Wrede Petersmeyer, chmn. of Corinthian Bcstg., resigns Jan. 31 "to channel his energies in a new direction." With company and its predecessors (J.H. Whitney & Co.) since 1947, Petersmeyer is 57, said he may continue in broadcasting, govt. or education. Successor wasn't announced.

Michael Mallardi, ABC vp & chief financial officer, elected a dir.; **Patrick Pleven** promoted to east coast prime time program development mgr., ABC Entertainment... **Ted O'Connell** appointed vp, program services, affiliate relations, CBS-TV; **Donn O'Brien** named vp-program practices, N.Y... **William Robbins**, Fetzer TV comptroller, named secy.-treas., succeeding **Robert Van Horn**, retired... **W. Frank Harden**, pres. of State Telecasting, Columbia, S.C., elected to board of parent State-Record Co.

Paul Bergquist, ex-RCA, appointed pres., Philips Bcst. Equipment, wholly-owned subsidiary of N. America Philips... **Perry Vartanian**, ex-Melabs exec. vp, named IVC vp-research & engineering... **David Reynolds** promoted to RCA broadcast systems product administration mgr., new post... **John Donnelly** named Ikegami Electronics mktg. services mgr.

James Graf, ex-Senate Communications Subcommittee counsel, returns to FCC as legal asst. to Comr. **Joseph Fogarty**, as expected (Vol. 16:38 p3)... **Eric Kravetz**, ex-FCC Hearing Div., and **Irving Gastfreund**, ex-Complaints & Compliance Div., join Washington law firm Fly, Shuebruk, Blume, Gaguine, Boros & Schulkind.

Kenneth Cox, counsel to Haley, Bader & Potts, Washington law firm, and ex-FCC comr., named chmn., National Advertising Review Board, succeeding **James Parton**, now Asst. Librarian of Congress.

Lennart Ringquist, WNEW-TV N.Y. program dir., named pres., Metromedia Producers Corp., succeeding **A. Frank Reel**, retired, also assumes responsibility for worldwide syndication sales from Exec. Vp **Kenneth Joseph**, resigned; **Harvey Reinsteins**, ex-Metromedia Producers, joins MGM-TV as eastern div. sales mgr... **Bill Theis** advanced to Viacom international sales service dir.; **Eric Veale** to domestic sales service dir... **Thomas Will** advanced to PGW midwest sales mgr.

CBS News Pres. **Richard Salant** and AIM Chmn. **Reed Irvine** debate fairness in news before Public Relations Society of America N.Y. luncheon Oct. 20, Waldorf-Astoria Hotel... **Gerald Zuckerman** promoted to chief, FCC Safety & Special Services Bureau Advisory & Enforcement Div.

Steven Slinn, UA-Columbia Cablevision eastern operations dir., elected vp... **Marvin Goldman**, co-owner of Washington-area KB theater chain, elected NATO pres. at San Francisco convention... **Walter Kaufman**, Columbia Pictures TV International vp-legal & business affairs, named vp-administration & business affairs, newly-formed Columbia Pictures TV Worldwide Distribution Div.

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George Wesley advanced to community relations dir., KTVY Oklahoma City... **Bruce Fleming**, ex-Kaiser Bcstg. Spot Sales, L.A., named gen. mgr., WEYI-TV Saginaw, succeeding **Allen Feuer**, resigned to join Ed Libov & Assoc., Chicago... **Ronald Porter**, ex-Boise-Cascade, appointed personnel dir., WHIC-TV Pittsburgh.

Kenneth Schanzer, ex-NAB, joins NBC Washington corporate office as govt. relations dir... **Lee Hanson**, 26-year broadcast veteran most recently vp-gen. mgr. of WKBD-TV Detroit, joins AMST in Washington as asst. exec. dir. in staff expansion... **Arthur B. Culvahouse**, ex-legislative aide to Sen. Baker (R-Tenn.), joins Washington office of Cal.-based law firm O'Melveny & Meyers, 1800 M St. NW, 202-457-5300.

George Barco, Meadville, Pa. veteran cable operator, onetime chairman of NCTA, resigns from association, stating dissatisfaction with handling of several issues, particularly copyright... **Christopher Conley** advanced to Teleprompter Manhattan CATV gen. mgr... **Lydia Neumann** leaves NCTA as cable-casting coordinator to join Planned Parenthood Federation, N.Y., in early Nov.

CPI sells cable systems serving some 7,000 in 6 Tex. communities for \$2,080,000 to Landmark Cablevision Assoc., Tex. limited partnership (William Ingram, partner). Systems serve Eastland, Ranger, Cisco, Colorado City, Loraine, Coleman.

ABC will affiliate with WISN-TV Milwaukee when CBS shifts affiliation there to Storer's WITI-TV (Vol. 16:39 p4).

Earth station grant: Overland Park, Kan., Tele-cable. Application: Tyler, Tex., Tyler Cable. (For details, see CATV Addenda.)

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Oct. 1 (39th week of 1976):

	Sept. 25- Oct. 1	1975 week	% change	Sept. 18-24	9 months 1976	9 months 1975	% change
Total TV.	372,556	289,253	+28.8	299,576	8,654,067	8,074,868	+7.2
color	237,488	174,884	+35.8	178,313	5,154,335	4,532,880	+13.7
monochrome . . .	135,068	114,369	+18.1	121,263	3,499,732	3,541,988	-1.2
Total radio	969,197	477,441	+103.0	1,754,253	29,083,617	24,441,527	+19.0
home, portable .	732,815	259,760	+182.1	1,518,933	19,792,916	18,053,148	+9.6
AM-only	329,864	56,610	+482.7	567,207	5,522,194	4,993,689	+10.6
FM & FM-AM .	402,951	203,150	+98.4	951,726	14,270,722	13,059,459	+9.3
auto	236,382	217,681	+8.6	235,320	9,290,701	6,388,379	+45.4
Port.-comp. phono.	116,012	53,082	+118.6	100,654	2,109,169	2,426,699	-13.1

Color TV 5-week moving average: 1976—172,213; 1975—149,024 (up 15.6%).

FCC STICKING WITH CB RULINGS: CB industry will get some relief from controversial new receiver standard (Vol. 16:36 et seq.), but FCC has decided to turn down pleas for formal relaxation of 5-microvolt (uv)-per-meter radiation limit and delay in 40-channel expansion order. By Oct. 15, decision was described as "tentative"; vote by full FCC is Oct. 18.

Radiation standard will be eased slightly by adherence to so-called 5-8-15 plan developed by Chief Engineer's Office—formal standard will remain at 5 uv but testing tolerance of 8 uv and production tolerance of 15 uv will be observed. "If a CB comes in for certification at 5 or below, good," staffer said, "but if it's 7 or 7-1/2—anything up to 8—it'll pass. The same is true when we sample actual production models. If they measure at anything up to 15, they'll be acceptable." He said 95% of individual firm's production volume must fall within 15-uv limit.

FCC also will turn down Maximum Service Telecasters (MST) petition asking stay of 40-channel decision, go ahead with expansion Jan. 1. Expansion order will retain disputed 60-dB transmitter harmonic suppression limit, although staffer indicated new rulemaking—or continuation of portion dealing with suppression in current docket—could be near-future prospect. Chief Engineer reportedly was instructed by Commission during discussion of expansion to develop tighter standard "relatively soon." It's thought that recommendation will be in 90-db range.

Radiation decision won't please CB makers. Even though 5-8-15-uv policy is better than rigid 5-uv plan, it's far cry from limit requested by industry. EIA Citizens Radio Section did scale down 120-uv request (Vol. 16:37 p7) in 11th-hour petition filed last week—but only to 50-uv. "Five-microvolt standard is simply too stringent," EIA/CRS petition said, adding that there's no precedent for production quality control of sophisticated electronic equipment at 5-uv level. Petition said industry tests indicated that 50-uv is attainable. There were reports that several producers—particularly those who didn't meet 5-uv level—would appeal in court.

Commission deliberations on issue were described variously as "heated" and "robust" by staffers, but source close to situation told us there's little chance it will change mind by time vote is taken. "It's solid," he said. "It may not be unanimous, but it's solid."

Decision to stick with 5-uv was based on completion of lab tests of about 100 CB units submitted for type acceptance & certification. Staffer said "slightly more than half" met 5-uv standard, vast majority were under 50-uv and "only one or 2" exceeded 120-uv.

STATE DEPT.'S PR FOR JAPANESE TV: Already on record in opposition to International Trade Commission probe into business practices of Japanese color producers because of possible interference with important foreign policy programs, State Dept. now is circulating report in Washington featuring Japanese explanations for success in U.S. color market.

Tentative result of generally inconclusive study is that private-label orders are key to Japan's growing color market penetration here. State had Tokyo Embassy conduct study after receiving numerous complaints from Japanese that they were being harassed by U.S. protectionists. Study was made before State wrote letter urging ITC to drop investigation into unfair import competition complaint filed by Sylvania (Vol. 16:40 p7).

In interviews, Japanese attributed market success here to high quality, concentration on portables (while U.S. producers stressed big-screen models), demand from mass merchandisers, State Dept. said. In support of latter, State said its sources indicate that 40-60% of all Japanese color exports to U.S. were private-label, noted that Sears now relies on Japan for 80% of color units, vs. 20% year or 2 ago.

Running down major contracts, report lists Sanyo & Toshiba as prime suppliers to Sears, Hitachi to Montgomery Ward; Matsushita & Toshiba to J.C. Penney; Nippon Electric to Curtis Mathes & Magnavox. Lower prices paid by private-label merchants are justified because title to sets is taken in Japan and manufacturers aren't responsible for shipping, warranty or promotion costs, Japanese told State. Agency said it tried to verify quality-superiority claims, but best it could come up with was old Consumer Reports ratings that didn't prove anything one way or other.

No meaningful relief for U.S. industry would come from restricting their color exports, according to Japanese. State says they believe such limitation would only lead to increased output by Japanese-owned factories in U.S. and open door to increased exports to U.S. from color plants in other countries.

Breaking with policy of keeping out of controversial foreign-trade issues, EIA last week issued statement chastising EIA-Japan for questioning how seriously imports are injuring U.S. color makers (Vol. 16:40 p7). Statement cleared by all EIA divisions says it regards EIA-J comments as "self-serving" and "without merit." Issue will be decided by U.S. govt. after thorough investigation, and such decision "cannot be preempted by spokesmen representing parties of interest from the very foreign private sector which is making rapid inroads into the U.S. TV set market," EIA said.

ITC, meanwhile, has yet to accept formally for investigation COMPACT's Sept. 22 request for imposition of quotas on color imports (Vol. 16:39 p10). ITC spokesman indicated there was no question probe would be launched, indicated there were some procedural problems which should be cleared up this week.

HEAVY IMPORTS BRING COLOR PRICE WAR: Color TV business isn't all that bad. It isn't all that good either, when you consider high inventories as result of surge of imports at time when domestic manufacturers are carefully riding the brakes, holding production to rate far lower than sales.

Price cuts & promotional-allowance gyrations by both domestic & import brands are so complex as to be almost incomprehensible, but glance at newspaper ads for color TV is sufficient to confirm that one of roughest price wars in recent years is in progress. Cutbacks in domestic production, of course, have been insufficient to counterbalance increase in imports, which seems to be disproportionate to what market can accommodate. Sylvania announced last week it was reducing production schedules at Seneca Falls picture tube plant "due to lower expected demand caused by the increased importation of Japanese sets," requiring layoff of 80 more workers in addition to 160 furloughed last month (Vol. 16:36 p8).

Inventory supply at factory plus distributor levels at end of Sept. was more than 13 weeks—enough to last through year's end at current sales rate. Production-plus-imports in Sept. totaled only about 491,000, down 37.5% from Sept. 1975. Of 1976 figure, about 40% were imports, so it's obvious domestic plants have slowed output to rock bottom. Sept. production plus imports,

in fact, were only 57% of the 861,063 sales to dealers for month, holding end-of-month inventories to just about same level as start of month—but at period when stocks should be declining. Factory-plus-distributor inventories at end of month totaled about 2,635,000, up 18.9% from year earlier, with factory inventories up 34.6%, distributor stocks down 3.3%—indicating distributors are trying to work off inventories before placing more orders.

Sept. color sales were respectable 15.6% ahead of last year, at annual rate of about 7.2 million (down from 7.5 in Aug., 7.65 in July, 7.9 in June, 8.1 in May). Good final Sept. week—237,488 sets sold—could be harbinger of strong 4th quarter, and if past rule of thumb concerning that key week holds good, it could mean total sales this year of 7.4-7.5 million. Third-quarter sales of 1,960,675 were at annualized rate of 7.4 million, as were 9-month sales of 5,154,335. Nine-month production plus imports totaled 5,931,000, about 15% ahead of sales and 32% over 1975 figure.

Fourth quarter got off to exceptionally good start, with sales of 192,300 color sets to dealers in first Oct. week—year's 3rd-best week total and 27.7% above same 1975 week. B&W shared in sales burst, registering 142,100 sales, up 21.2%, for best single sales week since Nov. 1974.

"The current inventory level would be okay for an 11-million-set year," comments security analyst James Magid, who specializes in TV industry, "but a healthy figure for an 8-million set year would be 1.7 million—so there are 600,000 sets over-inventoried, and that represents most of the [million-set] increase in imports over last year." He indicates that imports are moving through pipelines—"and Japan is making the market survival of 2nd-line American companies very problematical."

But if you're looking for good omens, there's one in EIA's table of Sept. sales to dealers below. For first time in nearly 4 years (since Nov. 1972), sales of all products are above year-earlier figures.

Product	Sept. 1976	Sept. 1975	% change	Sept. 1974
Total TV	1,389,916	1,262,749	+10.1	1,570,104
color	861,063	745,119	+15.6	885,861
monochrome	528,853	517,630	+2.2	684,243
Total radio	4,837,132	3,262,760	+48.3	6,549,702
home, portable	3,487,868	2,235,435	+56.0	5,271,288
AM-only	1,462,353	535,272	+173.2	1,937,078
FM & FM-AM	2,025,515	1,700,163	+19.1	3,334,210
auto	1,349,264	1,027,325	+31.3	1,278,414
Port.-comp. phono	487,929	356,405	+36.9	828,970

Ford's 14-year, multi-million dollar fling in U.S. electronics-appliance marketing came to halt Oct. 1 when Aeronutronic Ford (formerly Philco-Ford) ended refrigerator production. About 200 will lose jobs at Connersville, Ind., where Ford also makes auto air conditioners; unknown number in mktg. & service posts at Blue Bell, Pa. hq also will be trimmed. Ford started lopping off segments of Philco in 1973 with sale of Lansdale, Pa. color tube plant to Zenith. It sold Philco brand rights & inventory to Sylvania in 1974, Watsonstown, Pa. cabinet plant to Zenith and Taiwan TV plant to Sylvania in 1975, Philco Mexico to local interests early this year. Ford continues to own Philco consumer products operations in Brazil & Argentina.

Japanese competition in domestic & export markets is blamed by Thorne for closing a U. K. hi-fi plant. Company said total output would be reduced by about 15%.

Panasonic has introduced first color sets made for it by Quasar. Sets mark Panasonic's return to 25" market after dropping program making them in Puerto Rico facility last year, also mark first Panasonic-brand production by affiliate Quasar since Quasar was acquired by Matsushita from Motorola in 1974. Suggested retail on table model is \$600, consoles are \$650, \$670 & \$700.

Taiwan exports of electronic & electrical products this year are expected to top \$1.1 billion, more than double 1975 level. Industry sources see b&w shipments at 3 million, color TV 300,000, radios 6 million, watches 1.5 million. Exports of components are seen growing about 65%.

Weather-alert radio stations are being increased by 19 this fall to 129. Operating on FM at 162.40-162.55 MHz, stations are run by National Oceanic & Atmospheric Admin. National Weather Service. Total of 335 stations is planned.

SEGA & MADMAN: Sega Enterprises has dropped the tradename Muntz and the Madman is mad because Sega won't let him use his "own name."

Sega, the Gulf & Western subsidiary which purchased assets of Muntz Home Theatre (Vol. 16:15 p9), has redesigned product, renamed it Segavision and is actively seeking distributors & dealers. Its first full-page trade ad is aimed at TV dealers, calling projection "next logical step in the evolution of TV" for replacement market, promises "high-ticket profit margins, co-op advertising, prompt delivery and an equitable 2-step distribution plan."

Sega has 2 separate lines, Pres. Harry Kane told us last week—4 model consumer line and 2-model commercial line for bars, taverns & industry. Consumer models start with two 44"-diagonal units—2-piece at \$995 and self-contained unit at \$1,495, both using 15" Toshiba as picture source. High-end 50" models, both self-contained, are \$1,895 and tambour-door unit at \$2,395, using 15" Sony with Sega-designed on-screen time & channel indicator.

Kane said 50% of sales currently are commercial, but foresaw steadily increasing percentage of consumer sales as distribution becomes nationwide. He said he would seek to confine dealerships to those which could properly display & demonstrate projection TV. Sega is developing display booth which reproduces ideal home viewing conditions. He sees projection TV as "non-revolutionary" and expresses apprehension that low-quality units could hurt entire projection concept.

Meanwhile, Earl (Madman) Muntz is turning legal dispute with Sega into asset. Although his firm's name is Muntz Electronics, he says injunction by Sega prevents him from advertising it, so his plant-showroom in Van Nuys, Cal. has sign reading "Madman Electronics" and he has coined new slogan: "I wanna use my last name but they won't let me" (reminiscent of "I want to give them away but my wife won't let me" in his early TV manufacturing days).

Muntz is now making 3 models—portable 2-piece unit, using 13" Sharp TV, at \$795, and self-contained 15" Sony remote units at \$1,395 & \$1,595, latter with tambour doors. All have 44" screens. He told us he's manufacturing 20-25 consoles per day and will soon increase to 50, is scheduling portables at 200 monthly. He said his distribution largely comprises same personnel who were affiliated with his earlier enterprise, that he's selling everything he can make and is doing as much business now as his former firm did a year ago.

Regency Electronics' annual report shows CB was company's fastest-growing product in year to June 30, providing \$19.4 million in sales, up from year-earlier \$3.4 million. Largest volume was provided by scanners, weather radios & specialty monitors, at \$22.7 million, up from \$19.1 million. Sales of FM transceivers rose to \$6.8 million from \$4.9 million, while test equipment accounted for \$4.6 million, up from \$3.2 million. Electronic components & accessory sales rose to \$3.6 million from \$3.2 million.

KLOSS QUILTS ADVENT: Henry Kloss, founder & engineering genius behind Advent—as well as principal stockholder—resigned last week. "My work is done," he told us. Projection TV system "is well on its way. They no longer need what I do." Resignation obviously was sudden, and he told us he had "no plans," hadn't even thought about his future activities.

Kloss remains on Advent board, owns more than 1/3 of its stock. He founded Advent in 1967 as audio firm, but with projection TV in mind. Company produced industry's first consumer Dolby adaptor, first Dolbyized cassette recorder, started work on projection TV in 1969, sold first production units in summer 1973. In year to March 29, 1975, company suffered loss of nearly \$3 million, and despite widespread praise of VideoBeam projection system, seemed headed for disaster.

Peter Sprague, chmn. of National Semiconductor, took over chairmanship in mid-1975 (Vol. 15:27 p9), made arrangements for deferred payment on loans. In March 1976, Pierre Lamond, onetime National Semiconductor official, took over presidency from Kloss, who became R&D dir. Company sold 440,000 common shares to public last summer, posted net profit of \$719,000 in 6 months to Sept. 25 (see p. 11).

Kloss was a founder of AR & KLH, both innovative audio companies, and he left both firms when challenge became financial rather than technical. In formally announcing Kloss's resignation, Advent said he would continue to consult with company and that his position wouldn't be filled, R&D Vp Frank Federman taking over his duties.

Sanyo V-Cord II got first major U.S. exposure last week at Video Expo in N.Y., with demonstrations of 3 models by company's institutional video operation (Vol. 16:41 p9). Play-only & non-tuner record-play units have carrying handles for portability. Although Sony had large display, it didn't show Betamax; industrial models are due in Jan.-Feb. Only Betamax at show was in booth of Bell & Howell, which also displayed V-Cord II. Among other products displayed: (1) Conversion of U-type 3/4" VTRs to adapt one-hour cassettes for 2-hour playing time by skip-field process, offered by Composite Video, Oklahoma City, for \$395. (2) Variety of TV projectors, including first showing of 2-piece Super Screen TV (101 Park Ave., N.Y.C.) at \$2,295 for 50" picture, \$3,395 for up to 90", claimed to use modified 15" Sony monitor as picture source.

Ad notes: **Sylvania Canada** appoints Doyle Dane Bernbach, Toronto, replacing in-house shop... **Handic U.S.A.** shifts \$1.7-million CB account from Traube/Volante to Evans/Ciccarone... **Scott** promotes hi-fi line theme "the name to listen to" in full-page men's magazine ads.

Major Electronics will change name to Emerson Radio Corp. if approved by National Union Electric, from which Major purchased rights to Emerson brand (Capehart bought rights to DuMont name from NUE). Major says Emerson line accounts for 93% of its sales.

RCA, WARWICK RESULTS: TV business recovery is reflected in improved sales & earnings reported last week by RCA, Warwick, North American Philips & Corning.

RCA said 3rd-quarter operating earnings—before \$20-million reserve for disposal of U.K. food subsidiaries—set high for period, as sales rose 9% to record (see financial table). Company said earnings from color TV were up some 40% for 3 months. Improvement also was shown in picture tube & semiconductor operations, while RCA Records set sales & earnings records. NBC had record sales for period, but costs of national political coverage held net down to 1975 level.

Warwick returned to profitability in 3rd quarter, after 27 months of belt-tightening & restructuring, posting \$1.9-million net on 16.3% sales gain. Ironically, achievement comes virtually on eve of pending transfer of firm's TV business to Japan's Sanyo (Vol. 16:41 p10). Warwick remained in red for full 9 months.

Improvement was attributed by Pres. Robert Guntz to "production during the quarter of a substantial quantity of a new line of console models [for Sears] and a reduction of fixed expenses & operating costs." Production rate isn't expected to be maintained through 4th quarter, he cautioned. Profit, he noted, reduced Warwick's net worth deficiency to \$10.3 million.

North American Philips reported "significant increases" in sales & profits from consumer & electrical-electronic product areas.

Corning said TV bulb sales worldwide exceeded expectations, but "full recovery has been hampered in the U.S. by increasing penetration of foreign imports."

Advent posted operating profits of \$165,000 & \$374,000 in fiscal quarter & half to Sept. 25, on respective sales gains of 10.5% & 17.5%. Tax credits boosted net income for both periods.

Sanyo said consolidated sales in half to May 31 rose 24% to \$835 million, paced by 46.5% gain for electronics to \$487.7 million. Export sales were up 67.7% to \$442 million, while domestic volume slipped 4% to \$392 million. Company said transceiver sales jumped fivefold to 621,000, color TV 54.2% to 677,000.

New low price points are hit in 2 color sets introduced at Sylvania's Sell-a-Thon II, one-day telephone sales drive: 19" at \$380 (down \$40 from previous low), promotional 25" table model with GT-Matic II at \$530 (down \$60 from regular-line starting point). Also introduced was 12" b&w at \$105. Conducted from Smithfield, N.C. plant, phone effort resulted in sales 80% over quota.

SEC suspended trading in Radio Shack parent Tandy Corp. last week pending investigation into possible higher insider purchases of options to buy Tandy shares at \$35 when stock was trading for about \$30. Option buys were made just before Tandy announced offer to swap debentures for stock at \$40 per share.

5 DOWN, 3 TO GO: With last week's sale of its Atlanta branch to newly-formed Southco Sales Corp., RCA has passed halfway point in drive to eliminate all factory-branch distributorships, disclosed for first time in these pages last April (Vol. 16:15 p9). Only remaining distributorships owned by RCA Distributing Corp. are in Detroit, L.A. & San Francisco, and preliminary discussions are under way for sale of these. No sale is said to be imminent, but L.A. transfer is believed to be closest of the 3.

New Atlanta distributor is headed by Pres. William Blamire, ex-vp-gen. mgr. of RCA branch there, and Vp Morris Horesch, former San Francisco branch operations mgr., and will absorb ex-factory branch personnel.

RCA has substituted independents for 4 branches this year, one last year. Most spectacular deal was recent sale of Chicago branch to new R&A Distributing Corp., headed by Admiral founder Ross D. Siragusa Sr. and industry veteran Alfred A. Medica (Vol. 16:39 p9). Last June, RCA extended territories of 2 existing top-flight distributors to encompass field formerly served by company branches: Frank Lyon Co., Little Rock, took over Kansas City distributorship and Interstate Electric, Dallas, got San Antonio. In 1975, RCA closed Buffalo branch and divided territory between Morris Distributing, Syracuse, and Hamburg Bros., Pittsburgh (Vol. 15:20 p11).

Litigation arising from another RCA distributor change has been settled and dismissed by federal court "with prejudice"—meaning parties can't come back to court on same matter. Last Aug., RCA disfranchised Main Line Inc., Cleveland, dividing its territory between 2 existing independents, Hamburg Bros., Pittsburgh, and Associated Distributors, Indianapolis. Following change, RCA sued Main Line for money allegedly due. Main Line countersued, charging antitrust violations. Terms of settlement haven't been disclosed.

Watch watch: National Semiconductor has started phaseout of Exelar brand on low-end (\$25-\$70) watches, will use National Semiconductor name instead, retain, for time being at least, Novus name for high-end watches. Earlier this year, company started switch from Novus to National Semiconductor as brand for calculators... Texas Instruments plans ladies watch line for 1977, to be priced about \$10 above comparable full-sized models... Taiwan watch producer, W.S. Electronics, is acquiring LED display production rights and technology from Bowmar Canada. W.S. expects to turn out about 15% of 1.5 million electronic watches to be made in Taiwan this year, has been producing LED watches selling (at factory) at about \$20. Company plans to offer liquid crystal models later this year.

Superscope got kickbacks of \$130,910 from ocean freight carriers June 1972-Aug. 1976, company told SEC. Superscope said Senior Vp Nathan Tushinsky & Superscope Europe Vp Bernard Brawerman, both board members, knew of rebates, but weren't aware acceptance of such payments was illegal. Superscope is 4th company to make such disclosure this year.

Trade Personals

William Anderson, one-time RCA Consumer Electronics mktg. chief, leaves as Sharp exec. vp to become full-time consultant to Sharp on long range mkt. planning & business development; Mktg. Exec. Vp **Masamitsu Akamatsu** replaces Anderson as Consumer Electronics Div. chief... **Terrence Ravenscraft**, ex-Magnavox, joins Zenith as accounting dir.; **Allen McKee** named Zenith Hearing Instrument Corp. gen. mgr.

Ed Orth appointed Admiral sales dir., **James Gilroy** appointed national accounts dir., assuming duties of **Paul Davis**, now with Dynascan; **Ralph DeCicco** appointed electronics mktg. dir... **Douglas Federman** advanced at JVC America to asst. product mgr.; **Stu Wein** named asst. east coast region sales mgr... **John Kelley** retires as exec. vp of Raymond Rosen & Co., Philadelphia RCA distributor, will continue as consultant through 1977... **John Birmingham**, ex-Panasonic Technics line midwest sales mgr., joins Sharp as national sales & mdsg. mgr. for new Optonica audio line.

Robert Schieber, onetime RCA Consumer Electronics operations vp and more recently head of RCA picture tube operations in Canada, now heads General Instrument's Taiwan operations, replacing **Rein Narmá**, now corp. vp in N. Y... **Richard Sinclair**, ex-Magnavox Northeast Div. sales mgr., advanced to Mid-Atlantic Div. gen. mgr... **Hugh Barnes** promoted at E. F. Johnson from Engineering Dept. CB development mgr. to Personal Communications Div. engineering vp.

Paul Wiedenmann promoted at Rockwell Micro-electronics Div. from admin. vp for domestic & international calculator business to Div. vp-gen. mgr.; **Ronald Nickwee** upped from consumer products mktg. vp to Div. vp; **Daniel O'Connor**, ex-SCM, joins as business equipment sales dir... **John Penny**, Sinclair (U.K.) mktg. mgr., named to head U.S. operation.

Gary Blondefield, ex-Rockwell, named National Semiconductor mktg. mgr. for consumer product ICs; **Walt Curtis** advanced to system specialist for southeast markets... **Jack Ordway**, Fairchild semiconductor components national sales mgr., named vp. Other vp appointments: **William O'Meara**, LSI Group strategic mktg. mgr.; **William Kirgham**, Diode Div. gen. mgr.; **Edward Browder**, Digital Product Div. gen. mgr.; **Manuel Fernandez**, Transistor Div. gen. mgr.; **Brian Sear**, System Technology Div. gen. mgr... **Dedy Saban**, ex-Cramer Electronics, joins Solid State Scientific as MOS mktg. dir.

Mahlon Fisher, Sylvania Electronic Tube Div. chief engineer, advanced to Electronic Components Group engineering vp... **John Hammel**, GTE investor relations dir., named asst. vp... **Charles Radloff**, ex-Heston Corp., returns to Oak as Switch Div. pres., with responsibility as well for Win-West Plastics & Hart Indiana Divs., succeeding **D. Max Henderson**, reassigned to corporate planning post; **Helen O'Connell** named secy., succeeding **Edwin Wolf**, retired.

Financial Reports of TV-Electronics Companies

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

Company & Period	Revenues	Net Earnings	Per Share
Advent			
1976-6 mo. to Sept. 25	12,552,000	719,000 ^a	.29
1975-6 mo. to Sept. 27	10,682,000	(993,000)	--
1976-qtr. to Sept. 25	6,763,000	318,000 ^a	.12
1975-qtr. to Sept. 27	6,117,000	(66,000)	--
CBS			
1976-9 mo. to Sept. 30 ^b	1,570,600,000	116,100,000 ^a	4.07
1975-9 mo. to Sept. 30	1,364,100,000	87,200,000	3.05
1976-qtr. to Sept. 30 ^b	524,900,000	40,800,000 ^a	1.43
1975-qtr. to Sept. 30	460,800,000	29,100,000	1.02
Conrac			
1976-9 mo. to Sept. 30	94,093,000	4,084,000	2.71
1975-9 mo. to Sept. 30 ^c	64,729,000	2,501,000	1.69 ^d
1976-qtr. to Sept. 30	31,958,000	1,477,000	.97
1975-qtr. to Sept. 30 ^c	21,766,000	859,000	.58 ^d
Corning Glass Works			
1976-40 wk. to Oct. 3	783,388,000	64,329,000	3.64
1975-40 wk. to Oct. 5	722,213,000	17,432,000	.99
1976-16 wk. to Oct. 3	307,564,000	22,857,000	1.29
1975-16 wk. to Oct. 5	273,346,000	8,647,000	.49
Electronic Memories & Magnetics			
1976-9 mo. to Sept. 30	65,398,000	7,114,000 ^a	1.17
1975-9 mo. to Sept. 27	70,043,000	(1,692,000)	--
1976-qtr. to Sept. 30	22,184,000	1,633,000 ^a	.25
1975-qtr. to Sept. 27	21,145,000	(1,432,000)	--
Multimedia			
1976-9 mo. to Sept. 30	56,016,956	6,824,463	1.55
1975-9 mo. to Sept. 30	40,983,367	4,723,581	1.08
1976-qtr. to Sept. 30	19,690,604	2,409,031	.55
1975-qtr. to Sept. 30	14,347,845	1,608,088	.37
North American Philips			
1976-9 mo. to Sept. 30	1,230,958,000	39,471,000 ^a	3.13
1975-9 mo. to Sept. 30 ^c	1,030,274,000	17,853,000	1.60
1976-qtr. to Sept. 30	426,296,000	14,256,000 ^a	1.13
1975-qtr. to Sept. 30 ^c	353,442,000	8,233,000	.70
Owens-Illinois			
1976-9 mo. to Sept. 30	1,938,926,000	91,726,000 ^a	5.91
1975-9 mo. to Sept. 30	1,665,821,000	64,773,000	4.46
1976-qtr. to Sept. 30	668,236,000	28,005,000	1.75
1975-qtr. to Sept. 30	600,213,000	31,452,000	2.19
RCA			
1976-9 mo. to Sept. 30	3,906,000,000	121,400,000	1.57
1975-9 mo. to Sept. 30	3,464,900,000	76,600,000	.97
1976-qtr. to Sept. 30	1,329,100,000	33,400,000	.43
1975-qtr. to Sept. 30	1,219,600,000	32,800,000	.42
Warwick Electronics			
1976-9 mo. to Sept. 30	93,808,000	(5,143,000)	--
1975-9 mo. to Sept. 30	82,153,000	(7,683,000)	--
1976-qtr. to Sept. 30	33,116,000	1,913,000	.44
1975-qtr. to Sept. 30	28,483,000	(1,618,000)	--

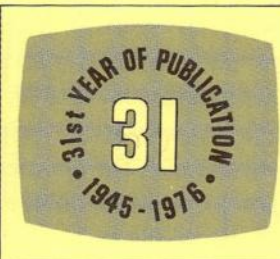
Notes: ^aIncludes special credit. ^bEstimated. ^cRestated. ^dAdjusted.

Audio activities: **BASF** plans boost of about 10% in magnetic tape prices, blamed rising materials costs. Move follows similar, though more selective, increases announced by Ampex... **United Artists'** first 4-channel record is Paul Anka's "The Painter" in Sansui's QS matrix. UA said pressing is test of 4-channel market and there are no plans for additional quad albums... **Audio-Technica** will market in U.S. direct-to-disc recordings made by Nimbus 9 Productions of Toronto. Records, retailing at \$13, are cut live on a master disc, rather than on tape, provide less noise & distortion, wider dynamic range. Shipments to dealers start in Nov.

WEEKLY

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NAB STARTS SUCCESSFUL TOUR in Denver and Houston, will have Ford as attraction in Portland. Wasilewski answers forecasters of 'doom.' Wiley sees 'big mistake' in lack of renewal bill interest. Lee says one drop-in is 'one too many.' (P. 1)

FORD ENDORSES DEAF CAPTIONING: Assists OTP Dir. Houser, calls for meetings with industry, voluntary compliance. Houser musings about satellite-to-home competition to broadcasting & cable, govt. communications efficiency. (P. 4)

POLITICAL TIME ON ETV causes FCC hassle; Wiley & Fogarty clash. Vote due this week. (P. 4)

FCC 'FRUSTRATES' TEXANS in Houston meeting with 500. Public hits lack of broadcasters' response to complaints, sex & violence, format of meeting. Hooks calls session 'tamest we've had.' (P. 5)

DEBATE FORMAT CHANGE turned down by both sides for final presidential face-off. Appeals Court rejects McCarthy bid, again upholding FCC's Sec. 315 ruling. (P. 6)

COPYRIGHT BILL SIGNED by President, despite 11th-hour plea by Justice Dept. Next step is promulgation of new rules, design of new reporting forms, establishment of Royalty Commission. (P. 6)

NAB DENVER, HOUSTON SUCCESSES: Annual fall conference tour of NAB opened in Houston & Denver last week, and prevailing mood for both TV and radio delegates was one of optimism. NAB was happy with results, as 625 management and engineering delegates turned out. Tour moves to Portland, Ore. Oct. 25-26—where President Ford will be star attraction.

For first time in Houston & Denver, NAB totally split TV, radio & engineering conferences (though last joined radio for closing luncheon speech by FCC Chmn. Wiley; Sen. Hollings [D-S.C.] spoke to TV lunch). Registration in Houston was 324—190 radio, 78 TV, 56 engineering. In Denver, total was 301—179 radio, 68 TV, 54 engineers.

In both cities, NAB Pres. Wasilewski told radio broadcasters that "for all the forecasters of doom and those who tend to accentuate the negative, I say: This has been a good year... Many threats have been turned back." For pluses, he cited continued re-regulation at FCC, advance of automatic transmission rulemaking, copyright and acceptance of broadcasting for paid ads by Postal Service (\$5 million in media) and Army recruitment (\$5.5 million). Of re-regulation, he added: "I hope everyone realizes what an achievement it is to persuade a government agency to remove regulations rather than add them."

At TV sessions, Wasilewski promised that NAB will make sure President Ford or Carter and their close associates "are fully and completely informed" regarding industry positions. He

Consumer Electronics

QUOTAS ON B&W as well as color imports could result from ITC expansion of probe, affecting U.S. manufacturers with overseas plants. Nevin blasts Japan, U.S. govt. on imports. (P. 8)

FCC BLAMES TV set design for most CB interference in decision upholding new rules. EIA/CRS, accused of 'misstatements' by FCC, asks year waiver of receiver rules. CB ad regulations liberalized. (P. 9)

40-CHANNEL'S FUTURE obscured by clouds at auto parts show. Turning-point seen for industry, and no one knows whether boom will return. (P. 10)

FIRST MICROPROCESSOR GAME—cartridge-programmed unit by Fairchild—approved by FCC. Systek's stoppage poses game shortage threat. (P. 11)

MORE SEARS ORDERS for audio & other equipment expected by Sanyo after it completes purchase of Warwick TV business. (P. 12)

NEW 40-CHANNEL CBs shown by major manufacturers. (P. 12)

SYLVANIA CONSUMER electronics & picture tube business in U.S. showed profit in 1972-74, broke even last year, now is money-loser. (P. 13)

promised NAB will permit "no encroachments on our freedoms" by a President, Congress or Commission.

FCC Chmn. Wiley presented similar remarks to separate NAB TV & Radio sessions in Houston. He predicted Commission will have "zero backlog" in petitions-to-deny by end of year, will act on subsequent filings within 6 months. Personnel released from such petitions, he said, will be put to work on transfer backlog.

He chastised broadcasters on lack of effort to get renewal bill through Congress (although he said NAB wasn't to blame): "I don't see much interest in renewals any more...I don't see it in your ranks and I don't see it on the Hill...and I think this is a big, big mistake." He said it may take another WHDH-TV case—where incumbent loses license—to wake industry up. He stressed that FCC wants 5-year license so it can concentrate on bad guys.

VHF drop-in proposal is "blown all out of proportion," Wiley told TV session. He said for "technical reasons...there are very few possibilities," declined to say how many when asked, but added "you'd be surprised at the small number."

Wiley told radio luncheon that Sec. 315 should be reviewed by Congress "and possibly abolished." He predicted automatic transmission will lead "to a technical revolution" in broadcasting. Noting NAB opposition to proposed rulemaking to require all stations to keep tapes of news, documentary & public affairs shows for 3 years, he said "I kinda think it may be a little crazy, too."

A bitter foe of any VHF drop-ins, Comr. Lee said in Denver that "one is one too many." He said that fewer than 10 are technically possible and that if any drop-ins are authorized he will push for removal of VHF's from one-V markets. "If UHF is given a chance to function in a fair competitive market, I think it will repeat the growth phenomenon we saw with FM radio," Lee said. "I want to give it that chance before killing it off and leaving in its place only a few low-power VHF stations which cause interference to other stations."

TvB Pres. Roger Rice, noting excellent current year, predicted network TV will increase 10% in 1977 to \$3 billion, spot up 13% to \$2.4 billion, local up 15% to \$1.9 billion. He noted huge growth in demand for TV by advertisers, said TvB's "sole dedication" is to broaden the use of and demand for TV. Of pricing, he added: "What we in TV have been saying is that TV has been underpriced in comparison to all other media up to 1976—a catch-up year."

At TV session on ENG, delegates heard KPRC-TV Houston Assoc. News Dir. Larry Weidman predict that "film as a newsgathering tool is doomed...in 5 years." He said "dramatic innovations" still are ahead in ENG, which will make mini-cams much more useful and diverse. KPRC-TV has 3 ENG units, restricts them to news-gathering only, unlike many stations which use mini-cams for production and commercials.

At Houston NAB cable panel, lawyers Michael Bader & Sol Schildhouse agreed there'll be little or no relaxation of CATV rules by FCC until agency is given authority to fine stations. Asked what relaxation cable industry wants, TCI's Ben Conroy responded: "We're going to be seeking some changes in the distant signal rules, in the exclusivity rules...As a matter of fact, there should be no rules whatsoever regarding distant signals."

Corinthian Vp Charles Tower countered: "There's been a steady erosion of the rules in regard to distant signals, in regard to non-duplication, to exclusivity...things that are basic to regulating the relationship between broadcast TV and cable TV...We would not want to see any further erosion. We would like to see some of those areas that have been chewed away rolled back the other way."

Bader said cable interests are trying to seize on passage of copyright bill "to do away with elements [of regulation] that are really basic fairness." Schildhouse added "there ain't much coming out of the Commission" in deregulation of cable as a result of copyright bill.

Tower said degree to which FCC Cable Bureau has become advocate for industry is "highly inappropriate...a dangerous precedent for a regulatory agency to let this sort of thing keep going on." Bader said "I disagree 1,000%...I think it was a good thing for there to be strong-

willed advocates in the Cable TV Bureau...to counter some strong-willed commissioners with a heavy orientation toward broadcasting." He cited his law partner & ex-Comr. Kenneth Cox as example. Schildhause, first chief of Cable Bureau, noted that he hired much of staff still within Bureau and that of course they will be cable oriented. "It's something you'll have to live with," he told telecasters.

Conroy saw day coming when cable & TV will be allies in many govt. fights, predicting industries would some day "go hand in hand" to FCC seeking protection from satellite-to-home broadcasting.

At Denver cable panel, lawyers John Pettit and Richard Schmidt agreed that cable is over-regulated. "And I think broadcasting is overregulated too," Pettit said. "I felt the same way at the FCC and I feel it more strongly now." Schmidt speculated that some regulation came about because cable spokesmen were "too strident and shrill" in making promises when they couldn't deliver.

TCI Pres. John Malone said that "from regulatory point of view, we don't believe that the Commission can do a hell of a lot more for the cable industry." Additional distant signals, for example, wouldn't help, he said.

KWGN-TV Denver Vp-Gen. Mgr. Robert Innes said his station is on cable in 7 states with 260,000 subscribers. "We're hurting people out there," he said. "We're hurting fellow broadcasters... There has to be some regulation... to stop this threat of knocking broadcasters off the air." To which Malone countered: "We probably subsidize as many broadcasters as we injure." He denied cable had ever forced TV station off air—a contention disputed from audience by Robert Krueger, KTVB Boise.

In Houston, Sen. Hollings (D-S.C.) praised TV for doing "A-1 job" in covering presidential campaign. Asked about violence, he said: "I'll betcha that 80% of the first 100 bills [introduced in Senate next Jan.] will be on violence on TV." He said he would look upon a proposed rewrite of Communications Act "like a porcupine makes love—very cautiously."

Sen. Stevens (R-Alaska), like Hollings a member of Communications Subcommittee, predicted in Denver that next Congress will be "very volatile" on broadcasting matters, while noting that last Congress was relatively tame because of tight rein held by retiring Subcommittee Chmn. Pastore (D-R.I.). Stevens & Hollings both refused to predict who would succeed Pastore as chmn., although Hollings (3rd on list) said: "I can run it if I get it."

Senate will have "in-depth" TV-radio hearings next session, Stevens said, on such subjects as license renewal, fairness doctrine ("I would be very slow to change it"), Sec. 315 ("Congress should look at the situation Gene McCarthy is in... The FCC decision [permitting debates] is an invasion of the law") and live coverage of Congress—which he predicted will be approved. NAB Senior Vp Donald Zeifang said industry could either "stonewall" a Communications Act rewrite or "we could come forward with our own proposals." He predicted broadcasting "will have to fight just to keep our position" in any amendments to Act. TARPAC Exec. Dir. Spencer Denison made pitch for "a half-million dollar" political action fund. He said that broadcasting is a powerful industry "but we just don't have any political clout," that the only congressional race broadcasters have ever been able to influence "was one in Iowa in 1974"—when ex-Comr. Nicholas Johnson was narrowly defeated.

Doubleday Pres. & NAB Radio Dir. David Scribner charged that broadcasting's efforts at investigative journalism are "hampered heavily" by govt. interference. "We have a Congress that has repealed the First Amendment without bothering to take it to the public," he said.

RAB Pres. Miles David—in both Houston & Denver—predicted local co-op money will provide additional 5% growth for radio in 1977—an additional \$82 million for local radio. He stressed need for stations to "organize their co-op selling... assigning a salesperson as co-op coordinator." David and RAB Exec. Vp Robert Alter also reported on sales management, collection techniques, and selling with specialty spots.

Rep. Staggers (D-W.Va.) has been added as speaker at Nov. 11-12 N.Y. meeting, Sen. Pearson (R-Kan.) at Washington Nov. 22-23 session.

FORD ENDORSES DEAF CAPTIONING: Captioning for deaf on TV programs has been a goal of OTP Dir. Thomas Houser for some time—and he recruited strong assist last week: Endorsement from President Ford. Pending before FCC is petition to allow use of line 21 of TV signal for "closed captioning"—captions visible only to those with proper device attached to set. Petition has been opposed by broadcasters & manufacturers.

Said Ford last week: "With the cooperation of the nation's TV broadcasters, the producers of entertainment programs, the advertising community, equipment manufacturers and others, I believe we can bring about the voluntary implementation of a closed-captioning system. To that end, I have asked the director of the OTP to meet at the earliest opportunity with appropriate persons in the public and private sector to encourage the voluntary implementation of a closed-captioning system. It is my strong conviction that every American should have the opportunity to participate fully and enjoy the great entertainment and information sources we as a nation have to offer." (During GOP convention, use of person "signing" for deaf received widespread commendation.)

Houser left Oct. 19 for 9-day European trip, to London & Paris, and a prime objective is to learn more about captioning. He says he understands that captioning can be accomplished for \$1,000 an hour, believes networks might share costs, thinks advertisers may be willing to pay for feature because of increased audience. Says Houser: "People disagree on the number of viewers who would use captioning, but I'm sure it's substantial. Also, there are no hard figures on the cost of the box to equip the receiver for captioning; there's talk about \$200. At any rate, captioning has no effect on ordinary sets—people won't see it, and there's no extra cost on the receiver. Public TV does it; BBC does it; I should think the commercial people could do it."

Houser's interest in the deaf is long-standing. He's very close to Sen. Percy (R-Ill.), who had hearing damaged by Navy gunfire during World War II. Houser himself suffered hearing impairment, along with loss of vision in one eye, following brain operation. In addition, his late mother had impaired hearing; so does an uncle. Another captioning enthusiast is Rep. Frey (R-Fla.), whose son has hearing deficiency.

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Another subject of interest to Houser—though he's neither pro nor con on it—is direct satellite-to-home (STH) telecasting. He said it may be 5-10 years down the road, but both stations and cable have reason to worry. "It could bypass both," he said. However, he says he'd oppose STH unless he were convinced that it would add program diversity.

Aside from broadcasting, Houser has prime interest in improving budgeting & efficiency of govt. communications, getting govt. agencies to pinpoint their communications needs & expenditures. In common carrier area, he's looking for something better than rate-of-return economics.

Houser's plans, even if Carter wins, may well keep him in Washington. He said he won't go back to old law firm Sidley & Austin. He & family like Washington very much, so it's obvious guess he'd go into private law practice.

Hassle at FCC, over efforts of Sen. Buckley (Cons. - R-N.Y.) to get time on state's ETV stations, remained unresolved last week, comes up for decision Oct. 26 or 27. Upstate stations had run one-hour Buckley-Moynihan debate couple weeks ago. Buckley now seeks 5-min. spots; stations said they'd presented enough time; Buckley appealed to FCC. Commission staff held that debate wasn't enough, said stations had to give or sell more time. Comr. Fogarty disagreed, said Congress didn't intend ETV stations to sell time. Chmn. Wiley said language of statute read otherwise. Language involved was Sec. 312(a) (7), added in 1972 to Communications Act by Campaign Communications Reform Act. It states: "The Commission may revoke any station license or construction permit—for willful or repeated failure to allow

reasonable access to or to permit purchase of reasonable amounts of time for the use of a broadcasting station by a legally qualified candidate for federal elective office on behalf of his candidacy." During Wiley-Fogarty argument, former became so incensed he got up to leave, saying: "I've never before seen an attempt to politicize the Commission." He cooled down; both apologized. Later, when staff drafted ruling, there were still disagreements—so issue comes up again this week. With few commissioners on hand, some may have to be polled by phone. CPB Pres. Henry Loomis wrote Commission, urging that ruling be confined to this case only, because issue is so complex and important that more time should be taken before decision on general application is made.

FCC 'FRUSTRATES' TEXANS: "We've had a lot of frustration in the room tonight," said National Black Media Coalition Chmn. Pluria Marshall toward end of FCC's 4-hour session with public in Houston's Hyatt Regency Hotel Oct. 19. His sentiments clearly summed up feelings of most of about 500 who attended Q-&-A with 3 commissioners and top FCC staffers. Also in audience were about 50 area broadcasters—all of whom remained silent (except for 2 from talent side).

Public session was described by Comr. Hooks as "the tamest we've had," and FCC staffers agreed. Electricity in air at similar sessions in Boston & Chicago wasn't present in Houston. Toward end, public interest spokesmen complained bitterly about 2-min. limit on questions and statements, "unfair treatment" when compared with afternoon FCC-broadcaster panels. Latter, they complained, offered opportunity for licensees to have one-on-one session with commissioners and follow-up questions at panels with Commission staff. Hooks thought they had good point, but it may be too late to change format before public meeting Oct. 28 in Kansas City.

Major complaints in Houston: "Gross & blatant racial & sexist discrimination" by broadcasters; failure of stations to respond to complaints & inquiries ("they fall on deaf ears"); failure to comprehend why FCC is prohibited from controlling program content; sex & violence; personal product ads; failure of FCC to adequately represent public; stereotyped portrayal of minorities & women in programming & commercials.

(Note: On 2-hour KRLD [AM] Dallas phone-in show night before, all but 2 questions dealt with CB radio. In Houston, there were only 3—all dealing with obscene language. Commission listened to 59 questions & statements in Houston. About 20 other prospective questioners weren't reached in 4-hour session. KPRC-TV Houston taped public session, planned 1-1/2-hour program Oct. 24 at 10:30 p.m., offered tape to other stations.)

Black questioner wanted to know why FCC couldn't force stations to change "standard" portrayal of black adult male on TV as "pimp or hustler." He was followed by white man who introduced 6- & 8-year-old daughters, asked FCC Chmn. Wiley to "explain to them what a hooker is and what a pimp is." Wiley suggested that same question be put to local broadcasters.

Woman said she had written to President, Congress, Supreme Court & FCC on obscenity & pornography, had received no responses. "The trash starts on Houston TV about 6:30 p.m.," she said. "Freedom of speech doesn't mean freedom to pervert." Another questioner said public hadn't received help on how to deal with licensees, said "we had high hopes after driving down from Dallas that we would hear some answers to our questions."

Spokesman for Gay Political Caucus wanted FCC to require ascertainment of homosexual community, leading housewife to say she was "shocked" that such a group could speak in public. "I was raised by the Bible," she said. A major complaint was that only 4% of Tex. employes in broadcasting are Chicanos,

who represent 25% of state's population.

KHOU-TV Houston newscaster John Raymond seemed to endorse Group W request for investigation of networks (Vol. 16:42 p3), got no answer when he asked what FCC intended to do about it. On another point, Wiley said Commission is looking into possibility of establishing WATS line for incoming public calls, added that cost is hang-up.

Summing up, Marshall said "tonight's forum indicates the need for shortening the license term rather than lengthening it... Give [broadcasters] more time and there will be chaos." He told us later that NBMC plans many petitions to deny Tex. renewals next year. He met earlier in day with Wiley, Transfer & Renewal Chief Richard Shiben and other Commission staffers to seek delay in July 1, 1977 deadline for filing protests against Tex. renewals. He was turned down.

Afternoon FCC panels with broadcasters were well attended, with about 100 licensees coming in for Wiley noon speech to NAB fall conference (see p. 2) though they didn't attend other NAB sessions. Panels dealt with renewal-EEO, technical subjects and fairness doctrine-equal time. Wiley & Hooks had steady stream of broadcasters over 3 hours for private consultations.

Home Box Office restructures marketing, giving more responsibility to regional mgrs., Paul Eisele resigning as marketing vp. Now reporting to James Heyworth, operations dept. vp, are: Peter Frame, East, N. Y. hq; William Hooks, Central, Dallas; Donald Alderson, West, San Francisco. Winston Cox is dir., affiliate services, N. Y. On programming side, Pres. Gerald Levin told Ala. CATV Assn., emphasis is being placed on developing new programs, with Michael Fuchs, ex-William Morris, named special programming dir., James Ezzes shifting to special projects dir., succeeded as dir. of film acquisitions by Gregory Cascante, ex-Time Inc. college bureau. On Dec. 5, HBO moves start of western feed from 5:30 p.m. to 4:30, to keep end of evening fare from running too late. HBO has also shifted satellite feed to RCA's Satcom II, with transmission moving from Valley Forge, Pa., to Vernon Valley, N.J.

Newspaper cross-ownership complaints of Justice Dept., seeking number of renewal denials, have been rejected by FCC, which renewed: KSD-TV-AM & KTVI-TV St. Louis; KSL-TV-AM-FM Salt Lake City; WTMJ-TV-AM & WKTI-FM Milwaukee. Sole pending case is KHQ-TV Spokane, which would have been renewed except that Harvard U. student Terrence Fansher, minutes before FCC meeting, rushed in with 400-page study raising antitrust charges—and Commission decided to wait. Student is Spokane resident.

Earth satellite grants: Naples, Fla., Palmer Bcstg.; Alexandria-Pineville, La., Alpine Cable; Lake Charles, La., Communications Services; Johnstown, Pa., Teleprompter. Applications: Smiths, Ala., TeleCable; El Cajon, Cal., Optical Systems; Springfield, Ill., CPI; Newton, Kan., Newton Cable; Golden Meadow, La., Callais Cablevision; Woburn, Mass., Colony. (For details, see CATV Addenda.)

DEBATE FORMAT CHANGE BARRED: League of Women Voters last week suggested to representatives for presidential candidates Gerald Ford and Jimmy Carter that format of final televised debate scheduled for Oct. 22 be altered to be more like vice-presidential debate (Vol. 16:42 p3), but both sides turned down any major change. They agreed to one minor revision—limiting first answer to 2-1/2 min. instead of 3. Ford aides said earlier they'd push for change to "force Carter" to answer panel's questions (Vol. 16:42 p3). Stated League Exec. Dir. Peggy Lampl: "We didn't make that formal a suggestion. We discussed options for change if anybody wanted that. But neither side wanted a change." Debate moderator was ABC anchor Barbara Walters; panelists were L.A. Times' Jack Nelson, Washington Post's Robert Maynard (a black), and syndicated columnist Joseph Kraft.

In other matters: (1) D.C. Appeals Court denied independent Eugene McCarthy's bid to halt final debate, again upholding FCC's Sec. 315 ruling. Panel of Judges McGowan, Tamm & Leventhal found that candidates' rights "can be satisfied by reasonable opportunities to have their views presented in contexts outside of the debates. Because there appears to be no lack of such opportunities, the Commission must be affirmed." Supreme Court Chief Justice Burger subsequently upheld Appeals Court decision without further comment. (2) President Ford held 2nd press conference in 7 days 2 p.m. Oct. 20. Networks declined to give live TV coverage, though PBS provided live feed. Commented White House spokeswoman: "We did not ask for time. The networks were told, and it was available for them to cover it." (3) NBC Chmn. Julian Goodman, in speech at Ithaca College, said debates didn't give NBC adequate freedom to cover 1976 elections. Rules & formulas imposed on broadcasters by govt. as well as by League of Women Voters deprive public of news and hamper electoral process, he said.

No expansion of evening news will be made, NBC said flatly, issuing statement: "We do not propose to take this step, which is now so strongly opposed by the overwhelming majority of our affiliates. Instead, NBC News is looking to other ways of enhancing news leadership... So far as the specific step of expanding 'NBC Nightly News' is concerned, there are many conflicting considerations. These may change or be resolved in time, but we do not propose to resolve them by overriding the almost universal opposition of the stations we serve." NBC officials recently said that expansion by another network might change its view (Vol. 16:41 p4). Last week, asked if that's still NBC position, NBC official said: "If our affiliates' position changes, we could change—but we have no intention of changing only because another network expands." Group W Pres. Donald McGannon said: "I applaud NBC & its management." ABC affiliates meet in Hawaii this week; network is considered one most likely to expand news.

With several members out of town, FCC won't get into several scheduled subjects—including CATV 1977 requirements and future of Review Board.

COPYRIGHT REVISION BECOMES LAW: Despite last-minute opposition from Justice Dept., (JD), President Ford has signed copyright revision bill into law. In 11th-hour plea, Justice expressed concern that structure of Copyright Office—placed under wing of legislature though it performs "executive" functions—violates separation of powers doctrine.

Justice had never mentioned it before. During deliberations over whether President should sign bill or not, neither Justice, OMB, nor White House consulted with congressional leaders. Ford signed measure only 2 hours before it was to expire—in effect, pocket-vetoed—at midnight Oct. 19. However, Justice spokesman later denied JD had recommended Ford veto.

Next step is for President to nominate 5-member Royalty Commission, and Copyright Office to revamp procedures, design reporting forms for compulsory licenses, draft new regulations, and redraft obsolete rules and notices.

"We've got an enormous job ahead of us," Register of Copyrights Barbara Ringer told us. She said office will proceed in phases, with first regulations out for comment within a week, remainder by mid-1977. Since law's effective date is Jan. 1, 1978, those affected by new law probably will have to file some forms during 1977, but they won't have to start paying until 1978. Public broadcasters won't have to pay until Royalty Commission has adopted special rules for their limited compulsory license.

To help implement new law, Copyright Office has been given about 47 additional staffers, with another 55 to come in 1978. Funding for Royalty Commission already has been provided by Congress, and Commission can begin functioning as soon as members are confirmed by Senate. If Commission is constituted in time, Ringer is to consult with it before promulgating rules on cable's compulsory license.

Keeping pressure on FCC over cable regulation, House Communications Subcommittee Chmn. Van Deerin (D-Cal.) has asked FCC Chmn. Wiley to expedite reconsideration of Commission's syndicated program exclusivity rules. Quoting back to him Wiley statement during recent cable hearing that rules were written "as a copyright substitute," Van Deerin wrote: "Now that the Copyright Revision Act is law... it is apparent that, as busy as you will be, there are opportunities to begin this review on the Commission level before the end of the year." NCTA Chmn. Burt Harris earlier asked restrictions' removal, but NAB quickly responded that this would violate congressional intent of copyright legislation (Vol. 16:42 p5).

Minority-ownership conference has been announced by FCC, as expected—dates and details to come. Commission said it will look into financing, low-interest govt. loans, training of minority applicants, "impediments in the marketplace," "any governmental policies which might discourage minority ownership." Commission said it would explore minority ownership in both broadcasting & cable.

Personals

FCC Comr. **Benjamin Hooks** speaks at Dec. 2 breakfast, Western Cable Convention, Anaheim, Cal... **Harry (Chip) Shooshan**, chief counsel, House Communications Subcommittee, addresses FCBA Dec. 13, Army-Navy Club, Washington... **William Doying** advanced at FTC to asst. to Chmn. Collier.

Abraham Leib named chief, Special Relief & Microwave Div., FCC Cable Bureau, succeeding **Anthony Cavender**, on year's leave in executive interchange program, at Pennzoil in Houston; **Stephen Ross** succeeds Leib as chief, Certificates of Compliance Div.

Henry Kaplan, ex-Yankelovich, Skelly & White senior vp, named vp, CBS Columbia group... **George Gallup**, Gallup Communication Services pres., named exec. vp-chief operating officer, new post, TVS TV Network, div. of Corinthian Bcstg... **Rand Gottlieb** promoted to broadcast acquisitions dir., Cox Bestg... **Charles Swilling**, ex-Keystone Bcstg., appointed research dir., WWJ-TV Detroit... **Jack Chapman**, KGAK(AM) Gallup, N.M. pres.-gen. mgr., appointed a dir., NAB radio board, succeeding **Wayne Cornils**, KFXD-AM-FM Boise, named NAB membership dir.

Paul Monash, film producer, appointed CBS-TV vp-programs, motion pictures for TV & mini-series, Hollywood, new post... **Sir Charles Curran**, pres. of European Bcst. Union, resigns as BBC chmn., effective Oct. 1, 1977.

Promoted to vps, WETA-TV-FM (ETV) Washington: **John Flournoy**, financial affairs; **Wayne Coy**, legal affairs; **Helen Dudman**, public information; **Gene Swanzy**, operations & engineering; **Sally Wells** development; **Michael Cunningham** advanced to controller.

Richard Tomlinson promoted to sales & mktg. dir., new post, WBTV Charlotte, N.C... **Michael Schweitzer**, ex-WPLG Miami, named national sales mgr., WFAA-TV Dallas... **Butch Till**, ex-WJKS-TV Jacksonville, named creative services dir., WJAR-TV Providence.

William Wiehe & John Gardner promoted to Chicago regional sales mgrs., Petry TV; **Patricia Kinsey & Edward List** advanced to regional sales mgrs. of new Minneapolis office: Suite 1138, Baker Bldg., 706 2nd Ave. South, 612-339-6606... **Robert Peyton** named a vp, Katz Agency Bcst. Services Div... **R. Brooks Carroll** advanced to sales mgr., PGW Chicago West.

James Weltzman, ex-Heftel Bcstg., and **Bruce Eisen**, ex-FCC Hearing Div., become associates in Stambler & Shrinsky, Washington law firm... **Scott Robb**, Robb & Reukauf, Washington & N.Y. law firm, appointed gen. counsel, Keystone Bcstg.; firm has offices at 655 Madison, N.Y., and 1220 19th St. NW, Washington.

Kathryn Hilton, NCTA research dir., named a vp... **William Blowers** appointed to Magnavox CATV Div. internal sales staff responsible for Mich., O., Ind. & Ky... **Stanley Sternberg**, data processing consultant, appointed information services dir., Teleprompter.

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Correction: Helen Jackson was promoted from exec. secy. to sales service dir., WITN-TV Washington, N.C. (Vol. 16:41 p6); W.R. Roberson Jr. is chmn. & chief exec. officer.

License-renewal views of OTP Dir. Thomas Houser, as presented to House Communications Subcommittee: (1) 5-year term is "appropriate" for mature industry, also gives FCC more time to review applications. (2) Stations shouldn't be subject to competition at renewal time unless performance is inadequate. "Renewal should be essentially a time for judging performance, not a time for collateral ambushing by would-be broadcasters." (3) Minorities should get favorable bias in comparative hearings for new applications; FCC Chmn. Wiley "has expressed his willingness to join with me in working toward a solution." (4) In awarding licenses, "some form of lottery is a plausible solution."

Obituary

J. W. Woodruff Jr., 62, pres. of WRLB-TV-AM-FM Columbus, Ga., died Oct. 17 of injuries suffered in car accident Oct. 2. He became mgr. of WRBL(AM) in 1934, began FM in 1946, TV in 1953. Active in industry affairs, he has been pres. of Ga. Assn. of Bcstrs., member of NAB board, a dir. of CBS Radio Affiliates Assn. He served as pres. of Assn. of the U.S. Army, was active in civic & educational affairs. Survivors include widow, 4 daughters, son.

James Noe, 85, onetime La. governor, chmn. of Noe Enterprises, died Oct. 18 in Houston hospital. Firm owns KNOE-TV Monroe, La. & WNOE-AM-FM New Orleans. Survivors include 3 children.

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STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended Oct. 8 (40th week of 1976):

	Oct. 2-8	1975 week	% change	Sept. 25- Oct. 1	1976 to date	1975 to date	% change
Total TV.	334,448	267,863	+24.9	372,556	8,988,515	8,342,731	+7.7
color	192,344	150,597	+27.7	237,488	5,346,679	4,683,477	+14.2
monochrome	142,104	117,266	+21.2	135,068	3,641,836	3,659,254	-0.5
Total radio	682,244	564,865	+20.8	969,197	29,765,861	25,006,392	+19.0
home, portable . .	415,604	330,117	+25.9	732,815	20,208,520	18,383,265	+9.9
AM-only	225,227	98,316	+129.1	329,864	5,747,421	5,092,005	+12.5
FM & FM-AM . .	190,377	231,801	-17.9	402,951	14,461,099	13,291,260	+8.8
auto	266,640	234,748	+13.6	236,382	9,557,341	6,623,127	+44.3
Port.-comp. phono.	75,663	57,902	+30.7	116,012	2,184,832	2,484,601	-12.1

Color TV 5-week moving average: 1976—179,515; 1975—152,724 (up 17.5%).

ITC ADDS B&W TO TV QUOTA CASE: International Trade Commission last week agreed to industry-union request for investigation to determine whether import quotas are needed to preserve domestic color industry (Vol. 16:39 p10), but said it would go beyond petition by extending case to cover b&w segment of industry as well.

Inclusion of monochrome in probe is almost guaranteed to kill any chance that quota bid will win support of domestic TV producers, and may even lead to active opposition. While limits on color imports would have impacted almost exclusively on Japan, b&w restrictions would hit hardest at Taiwan, historically source for 60%-70% of such imports, most of which come from U.S. manufacturer-owned assembly plants—Admiral, RCA, Sylvania & Zenith make bulk of b&w lines there and Magnavox will be sourcing from there. Combination of b&w import quota and growing capability of locally owned Taiwan TV exporters would force U.S. companies either to give up portion of market here or re-establish domestic b&w production base.

At week's end, ITC staffers were still drafting formal announcement of investigation's start, so hearing date wasn't available. Also still open is possibility that scope may be broadened further to probe need for quotas on imports of unassembled TV, tuners, antennas, deflection components & other TV parts, all of which are included in same tariff schedule grouping with TV.

ITC acceptance of quota probe is viewed by some as indication agency will decline, at least temporarily, to continue with investigation into Sylvania's charges that Japanese color makers engage in unfair import competition. ITC has yet to rule on arguments by Japanese & U.S. govt. agencies opposing inquiry at Oct. 6 hearing. Suit to have Sylvania complaint dismissed on jurisdictional grounds was filed in D.C. Federal Dist. Court last week by Melco Sales, U.S. marketing arm of Mitsubishi Electric.

Full-scale blast at Japanese & U.S. officials was loosed by Zenith Chmn. John Nevin last week. Addressing West Branch Mfrs. Assn. in Williamsport, Pa., he said he wouldn't support TV quota petition because "we do not believe that quotas or tariff barriers constitute a reasonable solution to the problem." Zenith can "compete with all comers" if given "equal protection under the law." But, he said, such protection hasn't been provided. Because of political pressure, he charged, Treasury hasn't enforced anti-dumping or countervailing-duty rules, while Justice Dept. avoided its responsibilities when Matsushita "unlawfully acquired marketing capabilities" in U.S.

through acquisition of Quasar. Nevin said this makes "our confidence in the Justice Dept.'s objectivity in its consideration of the Sanyo proposal [to buy Warwick's TV business] understandably limited." He added that Zenith is "outraged by the determined effort launched by the Depts. of State, Treasury & Justice, in recent weeks," to force ITC to drop probe of Sylvania complaint.

FCC BLAMES TV FOR MOST CB INTERFERENCE: In upholding new CB rules last week, FCC: (1) Put blame on home entertainment products for vast majority of cases of interference from CB and other communications equipment. (2) Liberalized its regulations on advertising CB and other equipment which hasn't yet been FCC-approved. (3) In effect, accused EIA Citizens Radio Section of lying in its petition opposing new receiver radiation rules. Nevertheless, EIA/CRS immediately filed petition for one-year relaxation of receiver rules.

Final decision was as we reported last week (Vol. 16:42 p7): (1) Receiver radiation standard of 5 microvolts per meter (uv) was eased slightly by permitting testing tolerance to about 8 uv, production tolerance to 15 uv. (2) Harmonic suppression of 60-db was upheld, and petitions by Maximum Service Telecasters & ABC for more stringent standards were denied. Commission called 60-db limit "interim measure," said it would propose stricter limit—about 100-db—within several weeks. In view of this, MST said it probably wouldn't appeal FCC ruling. ABC said any appeal was "doubtful."

FCC decision was notable for strongest condemnation yet of interference susceptibility of TV receivers. "Although it is quite true that harmonic radiation from some Class D transmitters causes TVI some of the time to some TV receivers," FCC said, "it is equally true that the majority of TVI complaints received by the Commission result directly from poor TV receiver design, lack of adequate filtering in TV receivers presently on the market, and inability of TV receivers adequately to reject unwanted or adjacent-channel signals. Indeed, in fiscal 1975, 82% of all RF interference complaints were traced to home entertainment equipment design deficiencies." Memo from Safety & Special Bureau said most interference was due to factors other than harmonic radiation, "factors which could easily be eliminated if TV receivers were adequately designed."

Language certainly signals intensified FCC campaign for more interference-rejection in TV sets. Commission currently has no jurisdiction over this aspect of receiver design and in past has declined to endorse legislation to give it this power. FCC staffer forecast to us that interference will be its No. 1 problem in future, expressed hope that TV manufacturers would voluntarily improve designs.

In denying EIA/CRS's petition to raise receiver radiation limit to 50 uv, FCC called it "replete with misstatements and statements that are only partly true" and said its allegations that CB industry "finds it impossible" to meet 5-uv standard just isn't true. As proof, it revealed test results as of Oct. 6 on 91 transmitters: 55% (40 transmitters) met requirement of less than 5 uv; 10 radiated 5-7.5 uv; 13, 7.5-15 uv; 18, 15-50 uv; 7, 50-120 uv; 2, over 120. Compliance with standards was achieved using "commonly known techniques;" non-complying units hadn't used these techniques or applied them improperly.

EIA/CRS's waiver petition requests one-year relaxation to 50 uv on grounds that many smaller & medium-sized manufacturers would be damaged seriously by 5-uv limit. Commission asked for comments on proposal by Nov. 5, but unless EIA/CRS has come up with startling new information, it would seem to have almost negligible chance of success.

Amendments & clarifications added by FCC: (1) Receiver rules cover separate receivers, CB bands on multi-band sets, converters as well as transceivers. (2) Simultaneous filing of application for certification of receiver and type-acceptance of transmitter sections of transceivers are required. (3) Manufacture of Class D transmitters type-accepted under old rules must end next Aug. 1 and marketing end by Jan. 1, 1978.

Commission agreed to permit advertising of non-approved equipment so long as: (1) Ads contain notice that it hasn't been approved and can't be sold until approval is obtained. (2) Equipment is of type which can be granted approval under existing rules.

FCC's actions drew generally mild reaction from major CB suppliers, but decision to stick with strict interpretation on how far 40-channel CBs can be shipped by Jan. 1 sparked angry response from several. Ruling says CBs must be kept at point of manufacture, or in case of imports in bonded warehouses, until Jan. 1. Effect, according to Fanon/Courier Vp-Gen. Mgr. Murray Trotiner & Pathcom Sales Vp Robert Morrison, will be unfair advantage for such direct-sales operations as Radio Shack & Lafayette. Morrison called it "terribly inappropriate for a govt. agency to put U.S. manufacturers at a 10-day to 2-week disadvantage. It's a way of crippling American industry." He said suppliers should be allowed to ship CBs to distributor level by Dec. 15.

White House Office of Telecommunications Policy, meanwhile, announced that govt.'s Inter-department Radio Advisory Committee had searched all govt. frequency bands to see if any could be given up for future CB use, and found that most of 27.54-28-MHz band could be spared. While these frequencies would be inappropriate for CB, it suggested they could be swapped with some other non-govt. users for suitable new CB home. It also urged FCC to reserve, immediately, frequencies near 900 MHz for eventual personal radio use.

CLOUDS OBSCURE 40-CH. CB AT APAA: CB industry is at critical turning point, with current market situation and future outlook more confused than at any time since boom ignited 2 years ago. Behind optimistic—often glowing—on-record forecasts from makers exhibiting at last week's Automotive Parts & Accessories (APAA) show in Las Vegas, underlying mood was uncertainty & apprehension.

Key to market's future is retail sales picture over next few months. Every CB supplier at show acknowledged that 23-channel sales were off and factory inventories high. Majority said situation wasn't serious enough to warrant further dumping, but buyers were being offered wide range of "show specials." Hy-Gain Exec. Vp Ted Andros said: "Those people in financial difficulty will be getting rid of merchandise through specials here." Every producer was promoting specials, said Far Eastern Research (X-tal) Pres. Reggie Williams. "They've got to. We're doing it. We held out and watched the biggies cut prices. Now we're joining them" with three 23-channel units at 50% of original cost.

For importers, heavy 23-channel inventories are causing financial pinch, preventing them from making volume commitments to 40-channel supply. "The industry is chaotic," Uniden Exec. Vp Hiroyasu Kuneida told us. "Our customers have a lot of 23-channel inventory and they don't have enough money to buy 40-channel." That, plus uncertainty over difficulty in passing FCC receiver radiation standards (see above), has forced Uniden to delay 40-channel production until mid-Nov.

Financial impact of CB debacle has been severe across-board. In Japan, No. 1 CB producer Cybernet slashed output to 4-500,000 for Oct., said it would continue at same level through March, has cut Sept.-Oct. parts procurement in half, and reports from Japan indicated some firms will be in severe financial straits by year's end. CBs are being offered in Japan as low as \$10 each. In U.S., E.F. Johnson reported operating loss in 3rd quarter, with sales down 47% from 2nd quarter (see financial table).

Uniden and other Japanese OEMs will supply only "small quantities" of 40-channel in beginning, said Kuneida, has scaled down peak projections of monthly 40-channel output from 220,000-250,000 to 150,000-200,000 range. "Everybody overestimated production quantities of 40-channel at first, including us. I don't think we'll know what's going to happen until March". Uniden is Japan's 2nd-largest CB producer, claims to be leader in SSB.

Though showing 40-channel lines at APAA (see p. 12), most suppliers agreed that market strength won't be known until spring or even summer. "I don't see any problems in Jan.," Royce Pres. Jack Lose told us, "but I sure don't know what will happen next July or Aug." Some were promising full 40-channel availability Jan. 1, but general feeling was that industry would phase in slowly to avoid repeat of disastrous oversupply situation. "There probably will be a short-term shortage of 40-channel," said Pathcom National Sales Dir. Robert Morrison. "I think we learned a lot in the past year."

Other question being asked at show was whether 23-channel slump would slop over into 40-channel market, with doldrums continuing through 1977. RCA Distributor & Special Products Sales Vp Paul Slaninka doesn't believe it will. "We're geared to meet the big industry growth we see coming next year. We'll have volume quantities of 40-channel on Jan. 1." He admitted 23-channel inventories were high and shakeouts among smaller importers are inevitable. "The 23s are still coming in from Japan. You don't turn off the faucet that easily."

First trends in 40-channel pricing were evident at show, even though many firms said price structure would be decided later. Despite talk of tags "comparable to 23-channel," 15-20% increases were apparent on some new models. Pathcom Pres. William Thomas said 40-channel units comparable to 23s which originally listed at \$150-\$170 would be priced at \$170-\$190. Those 23s are now selling at \$100-\$120 and "will be real bargains," he added.

Sharp, Panasonic, RCA and several others said they'll price new lines after market settles down. Panasonic Auto Products Sales Mgr. Clark Jones said he didn't trust some pricing at show. "I heard about an in-dash 40-channel at \$189 cost, but frankly I think it's a red herring." Another producer dismissed prices quoted at show as "bait." Several, including Fanon/Courier, clearly marked price sheets "tentative." Diversification of CB makers into new—and more stable—product categories was evident at show, with Pace & Hy-Gain unveiling car stereo lines.

FAIRCHILD GAME OKAYED: FCC Labs last week issued first type approval for TV game using plug-in microprocessor program cartridges—Fairchild's Video Entertainment System—and also cleared 3 cartridges for marketing. Fairchild said shipments of VES, which has 3 built-in games, plus 4-game cartridge (shooting, tic-tac-toe & 2 sketch-on-TV activities) would start in Nov. Cartridge for black-jack and one offering shooting game & tank battle, will be available by Dec. VES will retail at \$150, cartridges at \$20.

FCC spokesman said Fairchild, and anyone else who wins approval for programmable game, will be required to notify agency's lab before offering additional cartridges. Approval for new cartridges will be granted without additional testing if lab engineers believe their use won't cause game to emit RF radiation in excesses of standard.

Other recent FCC approvals: Games from Sands Electronics & Concept 2000, both Hong Kong; APF (2 versions of TV Fun Game); Atari (C160); 2 from Intercon Mktg. (7660 & 7670); Enterprex (Apollo 2001-C); 2 from Digitek, Hong Kong (Viking 2828 & Hanimax 747).

Magnavox is going out after unlicensed Japanese game manufacturers through parent Philips' Tokyo office. Royalty terms: \$100,000 down payment, 5.5% of FOB factory price, declining to 4.5% on 3-step scale depending on production quantities; 1% additional royalty on sets produced for export. Sole Japanese licensee currently is toy maker Epoch Co.

Radio Shack, which canceled order for \$100 Microelectronics "TV Scoreboard" game featured on inside front cover of its 1977 catalog (Vol. 16:40 p10), will offer 2 different TV Scoreboard games in retail stores: One by Enterprex, same as its Apollo game; other made in RS's Ft. Worth factory, which company spokesman said is now producing 500 games daily, to be stepped up to 1,500 by year's end. Both

are multi-game, on-screen scoring units, will sell in \$60 range.

Prospect of Christmas TV game shortage grew more likely with halt of production by Japan's financially troubled Systek, manufacturer for Lloyd's, Unisonic and some retailers. Systek is also important private-brand supplier of stereo systems & calculators. Systek's woes have started major chains & mail order houses on frantic, but mostly futile, search for alternate supply sources.

Taiwan will spend \$16 million to establish IC plant with aim of helping consumer & industrial electronics manufacturers remain competitive in both domestic & export markets. Private companies will contribute 51% of cost, govt. balance. Total includes previously announced \$3.5-million technology contract with RCA (Vol. 16:24 p14). RCA has already started training Taiwanese engineers in U.S., has engineering team in Taiwan. New company will be formed to run IC plant, slated for operation next Aug., and 50% of earnings will be earmarked for product development. Initial goal is IC production for TV, TV games, watches, calculators.

Magnavox doesn't buy color TV from Japan's Nippon Electric or any other company, produces entire color line in U.S., spokesman said in response to our report on State Dept. study which included Magnavox in list of private-brand customers for Japanese-made TV (Vol. 16:42 p8). At one time, Magnavox did purchase some small-screen color from Japan, but practice was halted several years ago.

CB applications will be processed more rapidly if addressed using new zip code, FCC announced. Complete address for CB applications: FCC, Gettysburg, Pa. 17326. All other applications: FCC, Gettysburg, Pa. 17325.

SANYO'S WARWICK PROGRAM: Sanyo looks on pending acquisition of controlling interest in Warwick's TV business (to be renamed Sanyo Mfg. Corp.) as stepping stone to bigger & better supply contracts with Sears (Vol. 16:41 p10), company spokesman indicated in Japan.

Already supplier of about half of Sears' portable color TV requirements, and major supplier of audio equipment through acquisition of 50% in Fisher Radio from Emerson Electronic (Vol. 15:9 p10), Sanyo believes purchase of Warwick, Sears' source for color consoles, will open door to increased sales to Sears of home radios, tape recorders, calculators, CB, digital watches & appliances.

As part of acquisition deal, Sanyo said, entire output of Warwick's Forrest City, Ark. plant would go to Sears, and for first 2 years Sears will pay for products in cash. Sanyo also gets 2-year moratorium on \$9-million debt to Sears that comes with TV business, though it will pay 6% interest. Justice Dept. clearance is still awaited.

In related action, Sanyo has completed transfer of Fisher Radio hq & manufacturing operation to leased 117,300-sq.-ft. facility in Chatsworth, Cal., will retain sales office in L.I. City, continue speaker system production at Milroy, Pa.

9 MO. AT-A-GLANCE: Here are official EIA monthly total-market sales-to-dealers figures for year's first 3 quarters, with 1975 comparisons:

TELEVISION SALES TO DEALERS

Month	Total		Color		Monochrome	
	1976	1975	1976	1975	1976	1975
January	834,034	685,979	496,314	401,029	337,720	284,950
February	878,800	745,645	522,378	407,332	356,422	338,313
March (5 weeks)	1,049,940	987,436	592,876	549,905	457,064	437,531
April	719,329	766,879	418,133	420,511	301,196	346,368
May	782,932	781,169	473,932	441,800	309,000	339,369
June (5 weeks)	1,171,454	1,088,101	690,027	617,937	481,427	470,170
July	900,613	842,972	527,841	441,540	372,772	401,432
August	927,049	913,932	571,771	507,707	355,278	406,225
Sept. (5 weeks)	1,389,916	1,262,749	861,063	745,119	528,853	517,630
TOTAL	8,654,067	8,074,868	5,154,335	4,532,880	3,499,732	3,541,988

PORTABLE-COMPACT PHONO SALES TO DEALERS

Month	1976		1975	
	1976	1975	1976	1975
January	196,047	155,126	270,928	369,071
February	179,168	216,082	212,409	236,187
March (5 weeks)	191,269	301,387	257,984	285,476
April	138,441	267,876	487,929	356,405
May	174,994	239,089	TOTAL	2,109,169 2,426,699

RADIO SALES TO DEALERS

Month	Home*		FM**		Auto	
	1976	1975	1976	1975	1976	1975
January	1,346,222	1,010,727	1,049,892	681,423	947,762	573,025
February	1,293,401	1,235,855	1,059,770	859,946	979,091	586,025
March (5 weeks)	2,387,630	1,658,254	1,834,349	1,116,598	1,113,886	774,318
April	1,203,090	1,286,434	853,981	867,921	898,620	755,638
May	1,304,133	1,225,318	965,004	880,654	1,035,460	651,592
June (5 weeks)	2,798,827	3,532,106	2,413,659	2,575,170	1,158,913	766,384
July	3,115,443	3,080,414	2,198,815	2,310,037	780,216	564,015
August	2,856,302	2,788,605	1,869,737	2,067,547	1,027,489	690,057
Sept. (5 weeks)	3,487,868	2,235,435	2,025,515	1,700,163	1,349,264	1,027,325
TOTAL	19,792,916	18,053,148	14,270,722	13,059,459	9,290,701	6,388,379

* Includes table, clock & portable.

** Included in home radio; excludes auto radios, radio-phonos & radio-recorders.

Signetics is closing 7-year-old Scottish IC plant, said European customers would be handled by Dutch Philips subsidiaries in U.K. & Scandinavia. Signetics was acquired by North American Philips last year.

NEW CBs AT APAA: FCC approvals won't come through until Nov. 1, but most CB makers showed prototypes or outlined plans for 40-channel lines at APAA show last week (see p. 10). Here's rundown of major firms, with prices where available:

Automatic Radio—Under-dash PLL at \$182 & \$202, one in-dash with FM-AM. **Boman**—6 under-dash (one SSB), 6 in-dash combos, 2 base stations, most available in Jan., prices 15-20% above 23-channel. **Clarion**—3 in-dash combos in Jan., under-dash later. **Fanon/Courier (Courier line)**—3 mobiles (\$130-\$240), 3 base/mobiles (\$220-\$270), SSB mobiles (\$350 & \$430), SSB base (\$570), Jan. 1. **Fanon line**—4 mobiles (\$130-\$240) in Jan., mobiles (\$120 & \$150) Feb. (prices tentative).

Hy-Gain—4 PLL mobiles (\$140-\$200), SSB mobile (\$340), SSB base (\$220). Eight 23-channel units (\$130-\$450) qualify for re-manufacture program. In-dash car stereos (\$155 & \$180) have switch for connection of CB. Two 10-band programmable scanners (\$120 & \$140). **J.I.L.**—Two in-dash combos, one with FM-AM-cassette, in Feb.; all-pushbutton FM-AM-CB combo with automatic 5-channel CB scanner, summer or fall. **Kraco**—11 under-dash mobiles & base stations, 5 in-dash combos, pricing "comparable" with 23-channel.

Panasonic—Pushbutton & manual in-dash FM-AM combinations for Jan.; AM-CB in-dash & FM-AM-CB-8-track, March. **Pathcom**—8 mobiles (\$170-\$430), including one with 3-channel scanner; mobile/base (\$219 & \$500). **RCA**—5 units Jan. 1. **Royce**—7 submitted to FCC, 3 more by Jan. **Sharp**—3 at FCC for Jan. sale; full production March or April.

Add companies applying to FCC for 40-channel acceptance & certification: Dynascan, Fieldmaster Radio, J.C. Penney, Raider Corp., Ray Jefferson Div. of Jetronic. By Oct. 7, Commission had applications from 42 firms (for earlier lists, see Vol. 16:39 p11, 16:40 p11).

Supreme Court agreed to decide whether Sylvania may specify store locations at which its TVs may be sold. Case involves Cal. Sylvania-franchised retail chain Continental TV, which sued after manufacturer refused to permit it to sell Sylvania sets in new store location. Lower court ruled in favor of Continental, citing 1967 Supreme Court ruling against Schwinn bicycle's territorial restrictions on dealers. Appeals court reversed decision. Sylvania argues that practices aren't territorial restrictions, saying that denial of franchise to sell products in new location is same as refusing to grant franchise to new dealer. Rather than restricting competition, Sylvania says, its 1962 decision to franchise dealers promoted competition since it was faced with going out of TV business or creating selective distribution system. Continental says that when it began selling sets in new store, Sylvania retaliated by applying financial pressure. Sylvania says it had credit problems with Continental.

Solar-powered calculator, operating without conventional batteries or external power source, has been introduced by Royal Typewriter at \$100.

INSIDE SYLVANIA: Sylvania's U.S. consumer electronics & related components operations turned modest profits in 1972-1974, about broke even in 1975, apparently were in red for first 9 months this year, according to financial data released by parent GTE last week which showed parent posting sales & earnings records for 3rd quarter & first 9 months (see financial table).

New in report is restructuring of results by product line to show worldwide performance of Consumer Electronics Business Group (CEBG) GTE formed earlier this year (Vol. 16:20 p11). Group sales in quarter rose 8.6% to \$175.4 million from \$161.5 million, 9.8% in 9-month period to \$498.5 million from \$453.8 million. Loss shrank to \$4.3 million from \$8.4 million in quarter, to \$12.3 million from \$26.4 million in 9 months. GTE said results reflect "substantial improvements in Europe" for color TV & picture tubes. Results for GTE consumer electronics operations in U.S. have in past been combined with lighting & other Sylvania products, while those overseas, mainly in Europe, have been included with other foreign business conducted by now defunct GTE International.

Table below is restatement of GTE results for past 5 years to show historic performance of businesses now included in CEBG. Adjustment of data, using previously announced figures, indicates Sylvania Entertainment Products & Components Divs. earned \$3.1 million in 1972, \$7.3 million in 1973, \$3.7 million in 1974, while consumer electronics operations of GTE International made \$5.8 million in 1972, \$9.1 million in 1973, but lost \$16.5 million in 1974 and \$27.7 million last year.

GTE Consumer Electronics Results (add 000)

	1975	1974	1973	1972	1971
Sales . .	659,462	706,031	677,998	554,259	452,847
Profit .	(27,659)	(12,769)	16,400	8,899	4,042

Tandy annual report says CB radio sales totaled \$157 million in fiscal 1976 to Sept. 30, up from year-earlier \$60 million, reports number of Radio Shack outlets rose to 5,154 from 3,865, puts RS sales at \$681.7 million and sales of Tandy International, operator of stores in Europe & Far East, at \$34.1 million, both up 49%. TI, however, had operating loss of \$8.5 million, vs. 1975 loss of \$6.8 million.

No evidence has been found linking former Chmn. -Pres. Anthony Conrad's failure to file income tax returns with RCA business, special board meeting was told Oct. 18 by representatives of law & accounting firms retained for investigation. Inquiry will continue, with final report to board expected within few weeks. Timing of 5-million-share stock offering depends on report's completion.

As result of delay in full-scale production of Able tube (Vol. 16:39 p13), Zenith has introduced special high-end 19" color set with conventional tube as one-shot limited-edition model, open-listed. One Zenith distributor says Able-tube models are beginning to come through in relatively good quantities and they're being "snapped up" by dealers.

Trade Personals

Thomas Wands, Sears senior vp, named to E. F. Johnson board; **Ralph Schenk** shifts from production mgr. at Johnson's Waseca, Minn. plant to Citizens Radio Products Div. mfg. vp, responsible for Clear Lake, Ia. facility; **James Hemann**, former export sales mgr., named CRP Div. vp-controller... **John Hughes** appointed Shakespeare CB sales mgr.

William Ramsey, ex-Cobra Communications, appointed Hitachi Personal Electronics Products national sales mgr.

Edward Khoury shifts at Capitol Industries-EMI from corp. planning & development vp to Capitol Magnetic Products exec. vp & chief operating officer... **James Fox**, Pickering product mgr., named vp and OEM & distributor mktg. dir.; **George Bidwell**, ex-Garrard OEM sales mgr., joins as OEM & distributor sales mgr... **Jack Birch**, ex-Superscope & Fisher, appointed Yamaha ad & promotion mgr., new post... **John Spooner**, ex-Fisher Radio ad mgr., appointed Dictaphone ad & sales promotion dir.

Stuart Schwerin advanced from GTE Service accounting policy dir. to GTE corp. asst. controller-accounting... **Donald Emden**, GTE public affairs mgr. for Electrical Equipment Group, adds responsibility for Electronic Components Group, succeeding **Louise Quinlan**, resigned... **Hershel Green** named Leslie Speaker asst. export-commercial sales mgr... **Sue Elliott**, ex-Multinational Corp., rejoins Atari as administrator for new International Div.

Jack Schaefer resigns as Texas Instruments Time Products Dept. mktg. mgr... **Ken Yerama**, ex-Oak Industries, joins Switchcraft as western sales mgr... **Mike Coghlan**, ex-BASF, appointed Maxell southern mgr... **Larry Faetz** appointed Cobra Communications western sales training mgr.

James Place named Audio Magnetics mktg. vp; **Thomas Menge** appointed sales vp... **Howard Brown** ex-Bang & Olufsen, joins Audio-Technica as operations dir... **Dawn Dubsky**, Omron sales promotion mgr., adds responsibility for advertising.

Tony Cunha, Capital Industries-EMI, elected ITA vp, new post; **Cees deZeeuw** (Dutch Philips), **John Sweeney** (Celanese Plastics), **Ray Allen** (Certron) named to board. All current officers re-elected to one-year terms... **Charles Hill**, Stackpole Carbon Co. Electronic Components Div. gen. mgr., elected a vp.

Westinghouse Canada is phasing out consumer electronics replacement components business, will continue serving OEM & replacement markets for industrial, govt. & utility components.

Obituary

Benjamin Gross, 83, who retired in 1972 as chmn. of Capehart and Gross Distributors, died Oct. 21 in N.Y. An electrical engineer & inventor, he was eastern distributor for Stromberg-Carlson 1924-1956, purchased Capehart from ITT in 1956. Survivors include wife, 2 sons, daughter.

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
Advance Ross			
1976-9 mo. to Sept. 30	17,297,851	799,970	.23
1975-9 mo. to Sept. 30	13,351,203	(158,738)	--
1976-qtr. to Sept. 30	6,066,567	278,546	.08
1975-qtr. to Sept. 30	5,069,469	73,856	.02
American TV & Communications			
1976-qtr. to Sept. 30	11,888,116	1,277,045	.35
1975-qtr. to Sept. 30	9,609,164	813,645	.21
Andrea Radio			
1976-9 mo. to Sept. 30	1,405,808	74,145	.15
1975-9 mo. to Sept. 30	1,858,386	207,058	.41
1976-qtr. to Sept. 30	605,597	32,945	.07
1975-qtr. to Sept. 30	622,560	72,733	.14
Capital Cities Communications			
1976-9 mo. to Sept. 30	153,975,000	25,238,000	3.25
1975-9 mo. to Sept. 30	125,394,000	17,467,000	2.26
1976-qtr. to Sept. 30	51,448,000	7,667,000	.99
1975-qtr. to Sept. 30	40,890,000	5,249,000	.68
Clarostat			
1976-9 mo. to Oct. 2	8,744,800 ^a	268,000 ^b	.48
1975-9 mo. to Sept. 27 ^c	7,456,800 ^a	117,400	.21
Cohu			
1976-9 mo. to Sept. 30	11,105,583	169,825	.10
1975-9 mo. to Sept. 30	11,529,998	304,164	.19
1976-qtr. to Sept. 30	3,792,235	57,961	.03
1975-qtr. to Sept. 30	4,158,110	132,282	.08
Combined Communications			
1976-9 mo. to Sept. 30	153,934,415	9,862,091	1.61
1975-9 mo. to Sept. 30	100,340,481	4,657,078	1.00
1976-qtr. to Sept. 30	52,907,781	3,613,555	.58
1975-qtr. to Sept. 30	35,016,000	1,495,792	.32
Comsat			
1976-9 mo. to Sept. 30	113,001,000 ^d	29,497,000	2.95
1975-9 mo. to Sept. 30	106,181,000 ^d	36,157,000	3.62
1976-qtr. to Sept. 30	36,269,000 ^d	7,607,000	.76
1975-qtr. to Sept. 30	35,116,000 ^d	11,837,000	1.18
Cox Bcstg.			
1976-9 mo. to Sept. 30	95,023,000	14,163,000	2.41
1975-9 mo. to Sept. 30	79,787,000	9,909,000	1.70
1976-qtr. to Sept. 30	30,131,000	4,124,000	.70
1975-qtr. to Sept. 30	26,670,000	3,157,000	.54
GTE			
1976-9 mo. to Sept. 30	4,901,312,000	308,376,000	2.23
1975-9 mo. to Sept. 30 ^c	4,296,185,000	264,705,000	1.96
1976-qtr. to Sept. 30	1,698,170,000	114,305,000	.82
1975-qtr. to Sept. 30 ^c	1,472,631,000	96,019,000	.71
E.F. Johnson			
1976-9 mo. to Sept. 30	79,099,000	5,033,000	1.97 ^e
1975-9 mo. to Sept. 30 ^c	49,167,000	3,241,000	1.61 ^e
1976-qtr. to Sept. 30	17,128,000	(229,000)	--
1975-qtr. to Sept. 30 ^c	19,401,000	1,472,000	.58 ^e
Kansas State Network			
1976-year to Aug. 31	13,659,000	892,000	.52
1975-year to Aug. 31 ^c	11,165,000	880,000	.52
Koss			
1976-qtr. to Sept. 30	4,148,421	87,495	.05
1975-qtr. to Sept. 30	4,496,136	344,514	.20
P.R. Mallory			
1976-9 mo. to Sept. 30	235,109,000	7,162,000	1.82
1975-9 mo. to Sept. 30 ^c	167,082,000	2,128,000	.54
1976-qtr. to Sept. 30	82,894,000	2,869,000	.72
1975-qtr. to Sept. 30 ^c	60,122,000	666,000	.17
Masco			
1976-9 mo. to Sept. 30	326,574,000	37,060,000	1.42 ^e
1975-9 mo. to Sept. 30	227,238,000	25,514,000	1.00 ^e
1976-qtr. to Sept. 30	97,972,000	11,050,000	.43 ^e
1975-qtr. to Sept. 30	80,635,000	8,910,000	.35 ^e

Company & Period	Revenues	Net Earnings	Per Share
Metromedia			
1976-39 wk. to Oct. 3	186,441,745	19,533,884 ^b	2.90
1975-39 wk. to Sept. 28	147,181,877	8,047,030	1.23
1976-13 wk. to Oct. 31	62,574,706	5,713,172	.84
1975-13 wk. to Sept. 28	46,454,666	2,527,399	.39
3M			
1976-9 mo. to Sept. 30	2,638,000,000	249,000,000	2.17
1975-9 mo. to Sept. 30 ^c	2,346,000,000	209,900,000	1.83
1976-qtr. to Sept. 30	919,200,000	85,100,000	.74
1975-qtr. to Sept. 30 ^c	816,900,000	82,600,000	.72
Motorola			
1976-9 mo. to Sept. 30	1,092,300,000	62,007,000	2.19
1975-9 mo. to Sept. 30	955,765,000	28,987,000	1.03
1976-qtr. to Sept. 30	361,459,000	22,935,000	.81
1975-qtr. to Sept. 30	307,040,000	9,627,000	.34
Rollins			
1976-qtr. to Sept. 30	60,163,699	4,395,220	.33
1975-qtr. to Sept. 30	51,922,911	3,842,957	.29
Scientific-Atlanta			
1976-qtr. to Sept. 30	11,140,000	544,000	.33 ^e
1975-qtr. to Sept. 30	9,192,000	353,000	.26 ^e
Storer Bcstg.			
1976-9 mo. to Sept. 30 ^e	89,957,000	17,037,000	3.11 ^e
1975-9 mo. to Sept. 30 ^e	70,214,000	8,575,000	1.50 ^e
1976-qtr. to Sept. 30 ^c	29,884,000	9,957,000	1.97 ^e
1975-qtr. to Sept. 30 ^c	23,042,000	1,748,000	.31 ^e
Taft Bcstg.			
1976-6 mo. to Sept. 30 ^c	66,219,913	9,925,697	2.44
1975-6 mo. to Sept. 30 ^c	59,010,125	7,013,728	1.74
1976-qtr. to Sept. 30 ^c	39,223,257	6,604,053	1.62
1975-qtr. to Sept. 30 ^c	33,975,865	5,009,241	1.24
Tandy			
1976-qtr. to Sept. 30	194,058,000	15,056,000	.84 ^e
1975-qtr. to Sept. 30	139,321,000	10,883,000	.60 ^e
TRW			
1976-9 mo. to Sept. 30	2,174,500,000	96,700,000	2.93
1975-9 mo. to Sept. 30	1,905,700,000	72,600,000	2.13
1976-qtr. to Sept. 30	708,200,000	32,400,000	.98
1975-qtr. to Sept. 30	629,800,000	29,200,000	.88
Viacom International			
1976-9 mo. to Oct. 2	34,084,000	2,754,000	.74
1975-9 mo. to Oct. 4	29,278,000	2,239,000	.61
1976-qtr. to Oct. 2	11,346,000	956,000	.25
1975-qtr. to Oct. 4	9,479,000	822,000	.22
Warner Communications			
1976-9 mo. to Sept. 30	565,014,000	47,159,000	2.98
1975-9 mo. to Sept. 30	491,807,000	40,084,000	2.37
1976-qtr. to Sept. 30	188,438,000	15,540,000	.99
1975-qtr. to Sept. 30	165,839,000	12,512,000	.77

Notes: ^aFrom continuing operations. ^bIncludes special credit. ^cRestated. ^dFrom operations. ^eAdjusted.

Taiwan b&w TV production rose 39.5% to 2.26 million in first 8 months of year, Industrial Development Bureau said. Color TV output rose 68.1% to 353,000, while value of production of electronic components & parts jumped 140.5% to \$266 million. Production of transistor radios, at 4.3 million, was off 2.1%. Industry growth has contributed to production gains. IDB said number of electronics factories rose by 40 in first half to 720, put employment at 135,000, up 15,000, put total investment in electronics industry at \$530 million.

Trading in Tandy was resumed after brief suspension by SEC (Vol. 16:42 p11). Chmn. Charles Tandy told us no corporate officers were involved in insider options purchases which led to suspension, said he didn't intend to tender any of his stock in response to Tandy's offer to exchange \$40 worth of debentures for one share, about \$5 over current market price.