

WEEKLY

# Television Digest®

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**MORE FTC KID AD HEARINGS** likely as Needelman report recommends more factual evidence on 'disputed issues'—but FTC lacks quorum necessary to authorize more action. (P. 1)

**COMSAT'S MOVE:** Breaking ice on direct-to-home TV satellites. Reaction. (P. 2)

**CONGRESS GOES HOME:** Shooshan squabbles with AT&T; Van Deerlin timetable slips. (P. 3)

**C-SPAN JEOPARDIZED?** O'Neill complains that House members play to home audience, orders study of turning off cameras before grandstanding starts. (P. 4)

**FCC AUG. RECESS—NOT QUITE:** Commissioners returning to Washington this week to break 3-3 tie on sale of WDCA-TV to Taft. WNCN format appeal argued; other FCC actions. (P. 5)

**CHANGING OF NCTA GUARD:** Wheeler now in charge, appoints Hilton & Ross top aides, says industry must change 'promise' into 'performance.' (P. 5)

**VAN DEERLIN SLAMS FCC:** Oversight hearings planned, GAO critical, FCC admits areas need attention. (P. 5)

**KID AD 'DISPUTED ISSUES' HEARINGS:** In report to FTC filed last week, Morton Needelman, presiding officer of FTC's children's ad inquiry, recommended more hearings be held on 3 "disputed issues" in case—issues that must be resolved factually before FTC rulemaking can proceed:

(1) Can children ages 2-11 distinguish between commercials and programs so that they understand the selling purpose of advertising? (2) Can such children "defend against persuasive techniques" used in commercials? (3) What are health effects of a failure to understand selling purpose or lack of defense against persuasive techniques?

Needelman would exclude from discussion issues other than those listed above, but he would provide cross-examination of witnesses for first time in inquiry. He recommended 4 issues be opened to further written rebuttal testimony: (1) Would UHF's and VHF independents be hurt by loss of children's ad revenue? (2) Would loss of sugared products advertising affect programming decisions? (3) What's the price of products whose advertising might be banned? (4) What would be effects of requiring substantiation of all children's ad claims?

Needelman specifically ruled out number of items, satisfied with evidence produced in earlier hearing: "It has not been established that TV advertising aimed at children causes significant

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### Consumer Electronics

**JULY COLOR SALES** to dealers set another record, 4th monthly high this year. Month's VCR sales up 16%, b&w sales drop. (P. 7)

**PROJECTION TV MARKET** dimensions are confusing, estimates indicating sales of up to 60,000 this year, although EIA puts first-half sales to dealers of brand-name sets at 10,000. (P. 7)

**TV DUMPING SHOWDOWN** postponed again as Treasury moves target for ruling on Japanese assessment protests to Sept. (P. 8)

**JAPAN'S VCR EXPORTS** to U.S. were down slightly in first-half 1979, up 380% to West Europe. Market study predicts 500,000 home VCR sales in Europe, U.S. 600,000. (P. 10)

**CHINA TV PRODUCTION GOAL** is a million sets in 1979, double last year's figure. Most of output in small & mid-sized b&w categories. (P. 10)

**MATSUSHITA REPORTS** 2nd-quarter records. Superscope expects loss for year. Soundesign & Coleco in recovery. Wells-Gardner expands capacity. (P. 11)



psychological harm attributable to parent-child conflict, unrealistic materialistic notions, or over-stimulation of desires." He recommended excluding discussion of First Amendment questions, effectiveness of self-regulation, and FTC's authority to regulate on "unfairness" standard rather than deception.

Report found detrimental dental effects from sugared products but no evidence such products contribute to other health problems. Needelman had misgivings about current methodology of psychological tests to determine effectiveness of commercials, said such tests will be open to close examination in hearings.

Next step in proceeding is for Commission to weigh Needelman's recommendations. But with vacancy on Commission and Comrs. Pertschuk and Pitofsky disqualified from inquiry, FTC lacks quorum. White House has neglected to fill vacancy, but speculation still centers on Patricia Bailey (Vol. 19:23 p5). Quorum could be obtained if Appeals Court overturns Chmn. Pertschuk's exclusion from inquiry due to bias (Vol. 18:45 p1).

Early reaction to Needelman report was favorable, those on both sides of fence finding something to like in it. ACT Pres. Peggy Charren: "I feel it's very similar to how ACT feels on the issues. The FTC staff didn't think there were any dispute issues, but we did, and we're glad Mr. Needelman's recommendations generally agree with ours. We wish the 'psychological harm' question had been included among disputed issues; the earlier hearings just didn't establish the case for this well enough."

NAB lawyer Brenda Fox: "The good thing is that we'll be able to cross-examine witnesses. But we're unhappy he's discounted the broadcast issues. Naturally, we feel self-regulation has worked pretty well in preventing deceptive advertising. We have a mixed-bag reaction to his views on the economics—happy that he's taken note of financial damage to independent stations that could occur if children's advertising is removed, unhappy that he hasn't recognized how that loss could hurt the networks."

Network attorney: "Needelman's handled this impressively. We're glad to see that he's taken the cognitive issues [on distinguishing commercials and defending against persuasive techniques] seriously. One important point made in the report is that cross-examination can show that research is immature or unreliable. That's how we view much of the research done in this area—a lot of new studies whose accuracy is questionable."

Lawyer for sugared-cereal manufacturer: "We're satisfied that the issues are broad enough to allow for good cross-examination. From an industry standpoint, I'm delighted that he found no relationship between sugared products and various heart and internal ailments. Some of the material in the report indicates the FTC is headed towards a counter-advertising information disclosure conclusion. That's been the trend in the past several years."

\* \* \* \*

Over-the-counter drug advertising rule proposed by FTC has drawn negative comments from NAB & NBC. Proposed rule limits advertising to product-label language approved by FDA. NAB & NBC said rule is unnecessary, would defeat purpose of advertising, may violate advertisers' First Amendment rights.

**COMSAT'S TV SATELLITE MOVE:** Comsat has broken ice on direct-to-home TV satellite issue with announcement that it's involved in "discussions with other companies" concerning development of system to "provide subscription TV to millions of American homes."

Comsat said system would offer 2-6 channels broadcasting to small rooftop antennas, with monthly fee—less than family spends for night at movies—covering programming and hardware. Comsat said service isn't "intended as a substitute" for networks and local stations.

Comsat believes satellite TV is possible by 1983 but it could be many years more before such service is authorized. Billions in revenues are at stake. Novel & unique issues lie thick on ground. Reaction:

Charles Ferris, FCC chmn.: "It seems like a very interesting and exciting proposal. I



don't know what the regulation fallout will be. It does seem to be another use of technology with the potential for more opportunities for video programming to the consumer. That's really what the public interest is all about. I'd rather see a specific proposal. We don't have anything before us other than a copy of a press release. I hope the FCC will live up to its promise not to be an impediment to a more diverse variety of programming. I'm always excited by a new proposal that has the potential for benefiting the public. I have seen few proposals that don't have the potential for generating conflict before the Commission. I don't think this one is an exception."

House Communications Subcommittee Chmn. Van Deerlin: "Ideally the FCC shouldn't have any say in the matter. It's a beautiful area of competition. It's precisely what we've been talking about all year. The fact that it might impair the viability of local broadcasters should not be a consideration. Let the consumer decide."

NCTA Pres. Thomas Wheeler: "I foresee significant problems. Even Comsat sees them. It's technically possible but is it realistically possible? We're in favor of competition. STV, whether by satellite or by stations, softens the beachhead for the introduction of cable. STV will help people use TV differently and more. Comsat runs into the problem that there's a finite amount of spectrum available. Only cable doesn't have that problem. They're talking about 2 to 6 channels but by the time they get going cable will be way past that."

Thomas Bolger, NAB TV chmn.: "Obviously it's still too new to know what their total concept is going to be. It's going to take a whole new communications philosophy if they allow the undermining of localism. It may be just pie-in-the-sky or there may be some real merit to it, but until you see the whole thing you can't really tell. There will always be a place for the free over-the-air broadcast system in this country. That place may be in jeopardy with satellite-to-home communications, but until you see it you can't know what the full ramifications are."

Home Box Office statement: "The economic and political viability of direct broadcast satellite services will depend heavily on the ability to offer the consumer a large number of channels and program choices at reasonable cost. Assuming a broadbased direct broadcast satellite service could be developed and approved by the late 1980s, cable TV's multiple channel offering would, by that time, be available to more than 2/3 of all American TV homes, and cable operators would be well positioned to provide a national consumer service network for the installation and servicing of home satellite antennas."

Scientific-Atlanta Chmn. Sidney Topol: "We can compete with any manufacturer in the world. We will be part of the evolution. Our major effort is to satisfy our customers for the foreseeable future. We're not going to dilute that effort."

**DOG DAYS IN WASHINGTON:** Confusion reigned as Congress recessed last week and work halted on communications issues. Main points: (1) Tempers were short, acrimony notable in exchanges between House Communications Subcommittee staff and private interest groups—notably AT&T.

(2) Subcommittee members were exhausted. Consensus on telecommunications issues (including cable) appeared more elusive than ever. (3) Communications Subcommittee Chmn. Van Deerlin (D-Cal.) missed his own deadline for submitting replacement for scrapped HR-3333.

"Obviously we didn't get done what we undertook to get done," Van Deerlin told us. He had announced he would have new bill—on common carrier—ready before recess, now will shoot for early Sept. introduction, mark-up later in month. Van Deerlin also plans "late fall" oversight hearings on FCC, exploring criticism raised by GAO study (p. 5). "We've got to stop playing games and get down to business," he said.

Impact on broadcasting and cable of Van Deerlin bill—portions have been floating around capital for several days—appears slight. Broadcasting won't be dealt with at all; cable provisions are generally favored by cablemen (Vol. 19:31 p1).

Big fight involves common carriers, with AT&T complaining that draft legislation doesn't protect its "core network" or assure sufficient protection from antitrust suits.



Van Deerlin's Chief Counsel Harry Shooshan. Particularly noted: Dispute between Shooshan and AT&T Chmn. Charles Brown.

Background to dispute is that Brown made phone calls last week to Van Deerlin and ranking GOP Subcommittee member Rep. Collins (R-Tex.)—telling them AT&T isn't satisfied with omissions in draft legislation. Shooshan promptly complained—according to version of dispute circulated by AT&T—that Brown's comments were unsolicited and premature.

Angry AT&T counter followed. In private conversations, AT&T officials complained that Shooshan had set Brown up. It issued statement: "The House Subcommittee staff asked us to comment on its draft legislation and we did so in good faith. We tried in every way we know to cooperate with Congress."

We're told AT&T statement was issued after Brown phoned his Washington staff to raise questions about comments attributed to Shooshan. Statement follows months of more discrete questioning of Shooshan's role—questioning characterized by one senior broadcast lobbyist as follows: "Trying to drive a wedge between the staff and the [Subcommittee] members is like trying to drive a wedge between N. Y. & L. A. There isn't a wedge big enough."

Van Deerlin defended Shooshan & staff: "People who say that [staff is a problem] had better understand what the real issues are or they'll find themselves left at the gate."

On Senate side, progress on resolving key differences between Democratic & Republican versions of communications amendments remains stalled. Movement is considered possible but not probable when Congress returns Sept. 5—but at week's end close observers were suggesting that end to impasse appears distant. With SALT treaty and passage of major parts of budget as key congressional objectives for Sept., Congress appears unlikely to do much about communications anytime soon.

\* \* \* \*

Residue of Rewrite II was causing troubles in downtown Washington last week, too. During NAB Exec. Committee meeting—described as "hairy" by participants—CBS Washington Vp William Small (saying he was speaking for all 3 networks) was critical of NAB for sending proposed amendments to Communications Act after Van Deerlin had thrown in sponge on broadcast portion of Rewrite II (Vol. 19:30 p2).

Small said NAB acted prematurely in "a knee-jerk reaction" to NRBA efforts and that NAB shouldn't be so quick to respond to other groups. He later told us that "I think the NAB staff is pretty damned good" and that he wasn't arguing that its actions should be cleared in advance with TV networks.

Showing concern over drift of critical comments, Chmn. Thomas Bolger met jointly next day with Small, ABC Vp Eugene Cowen & NBC Vp Peter Kenney—all 3 network reps on NAB TV board. "It was a good move," participant told us. "It defused some second-string quarter-backing that is going on about NAB's government relations efforts." Added another: "It may end some of the petty bickering."

**C-SPAN JEOPARDIZED?** "It's been a disaster," said Speaker O'Neill (D-Mass.), speaking of C-SPAN House coverage for cable in AP interview. He said members are playing to home-town viewers, wasting House's time, taxpayers' money. Head of C-SPAN Brian Lamb couldn't be reached for response.

O'Neill has ordered committee in charge of TV to study possibility of blacking out coverage after day's regular business is over—before members start speechmaking. Joan Teague, staff dir., said decision on this probably will be made in Aug. She said 5-6 million homes can receive C-SPAN.

O'Neill said House members "notify everyone at home" when they're going to make speeches, "and when they give it, there's no one out there in the audience. They're just speaking for home consumption, and that wasn't the object of the TV system. The object was to make a record of Congress. . . . There's not much else to watch in the daytime except soap operas, and a lot of people don't like soap operas. . . . It's unbelievable how many people out

there are turning on the House debate."

Last month, O'Neill noted, he reprimanded Rep. Mattox (D-Tex.) for coming on floor in shirtsleeves: "There were 1,000 letters, and they were running 10-1 against me and for Mattox."

Included in FCC's fiscal 1980 budget—approved last week by Congress—is \$440,000 for study of reducing AM band to 9 kHz. Money was put in by Sen. Hollings (D-S.C.) during Senate-House conference. Total appropriation is \$72.5 million, up from \$71.8 million requested in January by Administration, with an extra \$400,000 going to new Office of Science & Technology.

Operating TV stations in U.S. rose to 1,001 last week with Aug. 1 start of KCIK (Ch. 14) El Paso, owned by Missionary Radio Evangelism Inc. Station operates non-profit with religious & educational programming; E. Alex Blomerth is pres., Peter Warren vp. Of operating total, 624 are VHF, 377



**FCC AUG. RECESS—BUT NOT QUITE:** Gearing for annual summer recess, FCC ran through huge agenda at open & closed meetings for 2 days last week but didn't quite reach goal of closing down for month. Because of 3-3 tie on waiving top 50 rule to permit Taft Bcstg. to acquire WDCA-TV Washington, several commissioners will be coming back to town for another vote Aug. 10; sales contract expires Aug. 17 (Vol. 19:30 p5).

Voting for waiver were Comrs. Quello, Washburn & Jones; against Ferris, Fogarty, Brown; Lee is on vacation in Europe, didn't participate. Commission asked Taft for more information, which it provided within hours: (1) Taft will withdraw WDCA-TV application for STV operation; (2) women & minority advisory group will be formed; (3) children's programming will be upgraded with daily strip show, 12 specials annually, advisory committee.

Washburn isn't expected to return for meeting, has asked to vote from Minn. This—and fact that Lee voted last week from Europe on appeal of radio program format case to Supreme Court (see below)—raises possibility that Lee also will vote in \$15.5 million sale of WDCA-TV.

In closed meeting last week, commissioners also spent much time considering whether agency should respond individually to millions of letters & cards (most identical) on religious broadcasting. Discussions "got very disorganized and personal at times," according to participant. Result: Commission will conduct pilot answering program at \$250,000, decide what to do about remaining millions of letters later. Major problem: Personnel.

At same closed session, commissioners appeared to be split 3-3 on whether to ask Supreme Court to overturn D.C. Appeals Court 7-2 decision on WNCN-FM N.Y. format case (Vol. 19:28 p4). As result, case still was being circulated at deadline; Lee was asked and voted from Europe. NAB and other parties already have announced plans to appeal.

In other actions last week, FCC: (1) Ordered release of financial reports of KQTV St. Joseph, Mo. in move by licensee to convert station to satellite of proposed Topeka station. (2) Denied request that cable systems originating programming be required to maintain program logs in form similar to that demanded of TV & radio stations. (3) At request of Pa. Citizens for Cable Awareness, will release information on complaints about CATV similar to monthly reports on broadcasting. (4) Affirmed Artec decision permitting Arlington, Va. CATV system to carry signals of Baltimore stations.

(5) Approved distress sale of WDAS-AM-FM Philadelphia to National Black Network for \$6.2 million—"a price substantially lower than the fair market value." Transfer was approved even though WDAS-AM-FM renewals had been set for hearing, which disqualifies licensee from seeking distress sale under FCC policy. (6) Told KORK-TV Las Vegas it could continue to operate until Oct. 1. At same time, FCC ordered "impoundment" of station's profits Aug. 1-Oct. 1, didn't say what would be done with money. FCC refused to renew station's license in July 1976 because of clipping of NBC commercials.

**NCTA's CHANGING OF THE GUARD:** "We have been winning battles in Washington... because policy makers are saying 'we want a change,'" according to incoming NCTA Pres. Thomas Wheeler. Now, he told us, cable must change its "promise into performance" or these same Washington policy makers "will give the job to someone else."

To help do the job, Wheeler is reorganizing NCTA staff. In announcement expected this week, it's understood 2 senior vps will be appointed, reporting to Wheeler, rest of staffers reporting to them: Kathy Hilton, now research vp, to head research, operator services & controller's office; Robert Ross, former OTP gen. counsel, currently with Southern Pacific Communications, to head regulatory affairs.

Wheeler, who moved up from exec. vp Aug. 1, to replace Robert Schmidt, has no doubts about cable accomplishing its mission. He praised Schmidt highly for bringing pride & self respect to an industry that badly needed it at the time, said he's determined to keep that spirit & drive alive. One problem he sees: "How do we not become like the broadcasters... and just set back and collect the tolls."

For NCTA, he sees new & expanded services for operators and "you're going to see a different type of convention... We're not just going to be the little cable operators anymore." Schmidt will stay on as consultant until end of year, and Wheeler stressed Schmidt will be "an active consultant."

Schmidt hasn't announced plans—except that he'll invest in cable—but there's considerable expectation he'll be working with former principals of CPI who sold to L. A. Times Mirror (Crosby, Hughes, et al.).

**VAN DEERLIN SLAMS FCC:** Angered by critical GAO report on FCC, House Communications Subcommittee Chmn. Van Deerlin (D-Cal.) announced he intends late fall oversight hearings. "The FCC is in trouble," Van Deerlin declared.

Oversight hearings—which could be delayed until 1980 if anticipated problems with Van Deerlin's communications amendments slow schedule—will focus on GAO criticism that agency suffers from poor management, low morale and a failure to adequately plan.

"Any agency that was the subject of that GAO report has got some problems and it's our responsibility to find the cause," Van Deerlin told us.

FCC launched restrained self-defense following leak of GAO report early in week. Chmn. Ferris claimed problems at Commission have been identified and are being addressed. On planning complaint, he said: "Simply because we do not allocate thousands of hours to producing documents labelled 'long-range planning' does not mean that effective planning is not going on."

In official reply to GAO (required by law), Commission said it "generally concurs with GAO's determination of the regulatory areas needing attention and with many of the specific recommendations made in the report." FCC said many GAO recommendations are already under study as part of pending proceedings.



## Personals

Rep. **Lionel Van Deerlin** (D-Cal.), chmn. of House Communications Subcommittee, will be opening speaker at fall IRTS luncheon series, Sept. 13, Waldorf Astoria Hotel, N. Y.; spot traditionally has been filled by FCC chmn., but **Charles Ferris** declined this year (Vol. 19:31 p6).

**William Turner**, pres.-gen. mgr., KCAU-TV Sioux City, elected chmn. of TV & Radio Political Action Committee (TARPAC), succeeding **Richard Dudley**, Forward Communications.

**Robert Williamson**, ex-vp-gen. mgr. of WOR-TV N. Y., assumes same post at WNAC-TV Boston (both are owned by RKO); **Richard Graf**, ex-WBBM-TV Chicago, named WNAC-TV news dir. . . **Arnold Schoen** retires Sept. 1 as vp-gen. mgr., WDBO-TV Orlando. . . **H. John Marks** promoted to vp-dir. of sales, WMAR-TV Baltimore. . . **Sam Dietrich**, ex-KMOX-TV St. Louis, appointed gen. sales mgr., WBBM-TV Chicago.

Appointments at KFVS-TV Cape Girardeau, Mo.: **Warren Bottorff**, ex-WTVY Dothan, Ala., chief engineer; **Dennis Slinkard**, business mgr.; **J. Michael Shain**, news & public affairs dir.; **M. Ray Sullivan**, ex-WSFA-TV Montgomery, national sales mgr.; **Byron Mercer**, regional sales mgr.; **Donald McNeely**, program-promotion mgr.

**Glenn Wright** promoted to gen. sales mgr., KIRO-TV Seattle; named sales mgrs. were **Michael Lyman** & **Michael Poth**. . . **Larry Cook** promoted to sales mgr., WSPA-TV Spartanburg; Exec. Vp **Richard Stakes** resigns. . . **Don Robinson**, pres. of Field Spot Sales, moves to exec. vp of parent Field Communications and head of sales for 5 owned TV stations; **Robert Roganti** succeeds Robinson at Spot Sales. . . **Alan Chunka** promoted to vp-treas., Cox Bcstg.; **Elaine Boryk** to controller; Dir. of Communications **Lynda Stewart** also becomes asst. secy. . . **Ray Gill** promoted to local sales mgr., WMC-TV Memphis. . . **Kenneth Cohen** advanced to vp-labor relations, Metromedia, new post.

**Joel Winnik**, ex-Litigation Div., FCC Gen. Counsel's Office, joins Washington law firm Peabody, Rivlin, Lambert & Meyers. . . **Angela Shaw**, ex-NAACP and onetime FCC, opens communications law practice: 240 E. Broadway, Roslyn, N. Y. 516-621-7445. . . **James Ewalt**, ex-FCC Cable Bureau, joins Washington law firm of John Pellegrin. . . **Charles Platt**, legal aide to FTC Comr. **David Clanton**, will join Washington law firm Bergson, Borkland, Margolis & Adler in Sept.

**KOFM(FM) Oklahoma City** has been purchased by Guy Gannett Bcstg. for \$3.9 million. Seller American Radio Corp. of Oklahoma also recently sold **KEYN-AM-FM Wichita** for \$3.5 million to country music singer **Charley Pride** and **James Long**. Broker: **Richard Shaheen**.

Cable pioneer **Ben Hughes** establishes Ben Hughes Communication Products Co., with first product a line of cable tools under trademark of Cable-Prep: Box AS, Elm St., Old Saybrook, Conn. 06475, 203-388-3559.

Copyright royalty claim status, as reported by NAB: (1) Negotiations with other copyright owners have broken down. (2) Broadcasters should use NAB-developed claim form for individual requests for payment because industry-wide claim isn't practical. (3) NAB proposes standardized "Broadcaster's Justification" filing to accompany claim forms. (4) Other claimants don't recognize broadcaster ownership of many program types, so Copyright Royalty Tribunal should rule on disputed claims. (5) For TV, NAB suggests stations own rights to entire broadcast day as "compilation." Said NAB: "As copyright owners of their entire broadcast day, stations should be able to collect royalties on that basis. . . Beyond the strict legalities of the compilation claim, it simply makes good sense. Cable systems rarely carry individual programs, they carry stations. Taking this into account in the distribution of royalties merely reflects the reality of the situation."

Typical FM earned more in 1978 than typical AM-FM first time in history, NAB reports. Analyzing response of 2,200 stations, association reported typical FM had before-tax profit of \$31,000 (up 78.16%), vs. typical radio station (AM or FM) profit of \$26,400 (up 40.43%). FM station's profit margin rose 2.17 percentage points to 9.5%, while typical AMs & FMs rose 1.22 points to 8.22%. An FM station's total time sales rose 44.4% to \$341,700, while radio generally rose 19.91% to \$331,900. An FM's local sales rose 43.18% to \$303,400, while radio generally rose 19.49% to \$293,700; an FM's national & regional sales increased 53.82% to \$38,300, as typical radio rose 23.23% to \$38,200.

More trouble for GE-Cox merger (Vol. 19:30 p3). NCCB and Committee for Open Media have asked FCC to reject transfer of any new stations to GE, claiming it lacks "character qualifications" because of corporate "criminal violations of anti-trust laws." Groups also sought denial because merger would give GE 5 VHF stations in top 50 markets and "would increase the potential audience of GE-owned TV stations 3-fold and more than double its potential radio audience."

Panax owner **John McGoff** has been fined \$10,000 by federal court for failure to provide information on 1974 Sacramento Union newspaper purchase. Court has ordered McGoff to appear to testify on "Infogate"—South African covert attempt to buy U.S. newspapers. FCC withdrew approval of WGTU Traverse City and WGTQ Sault Ste. Marie, Mich. purchases by Panax because of JD investigation (Vol. 19:29 p3).

**NBC Pres. Fred Silverman** told Cal. Assn. of Bcstrs. that commercial TV "has had more than 25 years of unprecedented growth and success. . ." not 5 years, as reported in typographical error (Vol. 19:31 p4).

Noting trend at FCC to place economists in top positions and to base decisions on economic impact, NAB Exec. Committee has authorized hiring of first full-time economist.

Bugaboo of radio stations, performers' royalty under copyright for each song played, is back before Congress (S-1552), introduced by Sen. Williams (D-N.J.).



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## STATE OF THE INDUSTRY

Sales to dealers (total market), for EIA, for week ended July 20 (29th week of 1979):

	July 14-20	1978 week	% change	July 7-13	1979 to date	1978 to date	% change
Total TV . . . . .	234,912	288,975	-18.7	240,970	8,108,975	7,929,876	+2.3
color . . . . .	158,870	171,090	-7.1	145,916	5,094,286*	5,043,968	+1.0
monochrome . . .	76,042	117,885	-35.5	95,054	3,014,689	2,885,908	+4.5
Home VCR . . . . .	5,474	—	—	4,211	196,681*	—	—
Total radio . . . . .	782,875	1,015,764	-22.9	826,011	22,249,201	25,149,498	-11.5
home, portable .	602,333	800,371	-24.7	618,384	14,706,427	18,001,432	-18.3
AM-only . . . . .	105,937	133,604	-20.7	87,795	3,285,217	4,258,438	-22.9
FM & FM-AM .	496,396	666,767	-25.6	530,589	11,421,210	13,742,994	-16.9
auto . . . . .	180,542	215,393	-16.2	207,627	7,542,774	7,148,066	+5.5

Color TV 5-week moving average: 1979—198,455\*; 1978—186,720 (up 6.3%).

\*Record for period.

**JULY COLOR SALES—ANOTHER RECORD:** Color TV sales to dealers last month established record for July, exceeding last year's same month by 2.8%, EIA figures are expected to show this week. July became 4th of year's first 7 months to hit new highs. Home VCR sales for month surpassed July 1978 by 16%. But b&w sales showed first monthly decline this year, dipping by surprising 18.4%.

Color TV sales of just under 687,000 in July were at annual rate of about 10.1 million, we estimate, down from hot 10.8-million pace set in June. For year's first 7 months, color sales were up just 1.3%, running at 10.4-million yearly rate. Two of July's 4 weeks set record, final week coming in at almost 221,000, up nearly 9% from same 1978 week.

Home VCR sales totaled about 24,200 during month, with 8,000 sold in final week, bringing 7-month sales to about 204,700. Despite poor performance in July, monochrome sales were up 2.8% for first 7 months.

**PROJECTION TV'S CONFUSING DIMENSIONS:** Ask any 10 projection-TV equipment manufacturers how big their market is—as we did—and you'll get 10 answers as far apart as 12,000 & 60,000. But you will get agreement on one subject: Projection market is caught in very narrow rut from which it won't escape until high-quality major brand unit can be priced under \$2,000.

EIA is attempting to measure market, has asked its members who sell projection sets (GE, Panasonic, Quasar, Sony) to report their own sales & production and estimate that of non-reporting competitors. For first half, EIA came up with figures of 10,140 sold to dealers, 12,438 factory sales. With this as starting point, those willing to stick necks out (most of them asking their names not be used) see specially engineered projection sets—3-tube sets and GE's rear-projection unit—selling at 40,000-60,000 level this year, probably increasing only slightly in 1980, but with possibility of bigger jump in 1981. Single-tube units built around production-model TV sets are estimated variously at 10,000-20,000 & upwards.

One who is willing to be quoted is Chmn. Roger Howe of U.S. Precision Lens, which supplies lenses to most major and many minor manufacturers. He sees total 1979 market at 60,-



000 sets of all kinds and foresees increase to as many as 90,000 in 1980. "At \$3,500 and up [for major-brand units], the numbers won't change much," Howe told us, "but at \$2,000 the situation changes dramatically—and I'm counting on some of that to happen next year." Zenith's planned entry into field in 1981 (Vol. 19:22 p13), Howe & others think, could be important factor in pushing total above 100,000.

Most major projection TV manufacturers see little or no change in total sales in 1980 over 1979, some pointing out that no breakthroughs appear to be on horizon, and, in fact, few new models will be introduced next year. All put great stock in importance of lower prices to any sales increase, but as one major projection-TV maker put it: "There's not going to be anything dramatic. We just have to keep chipping away, cutting costs here & there."

In 3-tube business, Advent no longer dominates but is running neck-&-neck with Sony, Panasonic, Quasar and possibly MGA-Mitsubishi, whose growing importance in field is surprising, considering its relatively limited distribution. Others in 3-tube area are Sharp; Kloss Video, with lowest-priced unit at \$2,500; Projection Systems Inc. (PSI), heretofore out of running because of \$5,000 price, but coming into consumer market with one-piece unit in \$3,000 range. Although GE's one-tube rear-projection unit can be considered only moderately successful, company nonetheless has lost no enthusiasm for projection and can be expected to field new & improved models.

Single-tube projection-TV assemblers who use conventional TV sets as picture source are dropping like flies—but that's nothing new. Schudel Inc., screen producer, entered projector market, according to Pres. Conrad Schudel, because so many of his customers went out of business between product delivery & billing. Schudel's systems are designed to use any unmodified 12"-14" TV, retail at \$595 up. Schudel says he will sell 10,000 this year.

Nobody now disputes that biggest factor in single-tube projection is Earl Muntz, who sells 70% of his volume out of 3 retail outlets in L.A. area. Muntz estimates total projection-TV sales last year at 28,000-30,000, of which he sold 5,600, forecasts 50,000 this year—and he'll do 10,000, geared to \$1,395 sets.

**DUMPING SHOWDOWN DELAYED TO SEPT.:** There's no way now Treasury will meet self-imposed Aug. deadline for clearing up protests on dumping duties assessed in March 1978 on Japanese TVs imported before June 1973. Agency has created special task force to review all data, including report of Customs verification team which spent much of summer in Japan, now hopes to start issuing rulings next month. Meanwhile, Commerce figures released last week show June color TV imports were down sharply while b&w increased.

Stumbling block in dumping case, as we understand it, was lack of basic records needed to support Japanese claims that dumping levies should be revised sharply downward because it costs more to make & sell a set in Japan than it does to export. As result, verification team recommended rejection of most adjustment requests. Task force job is to sift situation again, see if other submissions made by Japanese justify acceptance of claims even without documentation. Missing records are transaction papers Japanese say they didn't retain.

Treasury is bending over backwards, and whether it's trying to help Japanese wiggle off dumping hook or simply making sure they get full & fair hearing depends on which side of case you're on. As for apparent destruction of records, it should be noted that need for retention wasn't apparent until 1978, when Treasury first announced controversial commodity-tax method of calculating domestic value of involved TVs.

Stakes are high. Without adjustments, Japanese as group would owe more than \$500 million dumping duties for imports through 1978. Allowances would cut that potential bill 40-90% depending on manufacturer involved. Cash down-payment demands on last year's assessments made by Treasury last spring (Vol. 19:12 p8, et seq.) reflected how much would be owed if all claimed allowances were granted. Announcements since then show cash asked from J.C. Penny represented only 28% of original levy, Montgomery Ward paid 13%, Mitsubishi International only 9%, while importer Midland International, customer of Sharp, was asked for, and refused



to come up with, 33%.

Gamble paid off for those who refused to make down payment last May—that list includes all Japanese-brand TV importers. Though delinquency notices were filed and cases referred to Justice Dept. last June, not a single collection suit has been brought, nor is it likely any will be. Resolution of first round of importer protests by Treasury, and possible appeals to Customs Court, are too close to justify time & expense of separate civil collection actions, Justice is understood to feel.

Japanese de-emphasis of color exports in favor of U. S. production, plus pending final dumping assessments by Treasury, have defused dumping issue, according to Zenith Chmn. John Nevin. "Dumping problem is rapidly going away," he says in recent Chicago Tribune interview. "For the first time in memory I can look at my schedule and see that I don't have any appointments to go anywhere and talk about the dumping issue." U. S. plants have put Japanese on same footing as domestic producers and "I've always said that if the rules are the same, we, Zenith, can compete with anybody in the world." Assuming dumping has been halted, Zenith's TV fortunes "will substantially improve," Nevin said, adding, "we have survived."

Commerce reports total June TV imports of 881,700, down 5.8%, as color dropped 34.2% to 281,600, b&w rose 18.4% to 600,100, setting new record for month. Through first half, total TV imports were down 5.5% to 4.58 million, with color down 14.7% to 1.9 million, b&w up 2.3% to 2.68 million. In 2nd quarter, total imports were down 11.9% to 2.38 million, color dropping 31.3% to 881,100, b&w edged up 5.4% to 1.5 million.

Major nosedive came in complete color imports, off 53.5% in June to 110,100, down 37.8% for full-period of 754,700, off 50.3% in quarter to 332,400. Imports of incomplete color (kits & nearly-complete chassis) were down 10.6% in June to 171,500, off 11.7% for quarter to 548,800, but closed out half up 12.7% to 1.15 million.

In video equipment, VCR imports posted 2nd consecutive monthly decline in June, slipping 4.6% to 37,700, for 6-month total of 246,100, up 8.7%. Color cameras continued strong at 4,100 in June (up 118.4%), 34,900 for half (up 297.9%). B&w cameras dropped 50.4% in June to 3,000, bringing full-period total to 38,300, down 14.3%.

Import adjustment assistance is being sought from Labor Dept. (LD) by workers losing jobs as result of Magnavox plant consolidation. About 1,000 workers are affected by closing of Morristown, Tenn. color TV subassembly and Johnson City, Tenn. cabinet plants, although Magnavox said many would be offered jobs at other plants (Vol. 19:27 p10). Other new cases cover workers at Loudspeaker Component Corp., Lancaster, Wis. (TV & radio speaker parts); Finney Co., Clinton, Ky. (outdoor TV antennas), Chicago Miniature Lamp Works, Neptune, N. J. LD turned down 2 requests for aid from electronic production workers. In case involving Gulton's Piezo Products & Microcircuit operations, agency said sales & employment were up, so it found no injury from imports. It attributed job losses at Burroughs plants producing small computers & accessories to labor-saving design changes, not import competition.

RCA has bought worldwide rights to 21 Charlie Brown cartoon programs for videodisc release, with right to put one or more programs on single disc. It also has signed long-term agreement with Britain's ITC Entertainment Ltd. (Lew Grade) for 7-hour "Jesus of Nazareth," expected to be part of its opening videodisc catalog. RCA Exec. Vp Herbert Schlosser told us company has now lined up 30 films for opening catalog out of "hundreds & hundreds of titles" it has under contract.

Home VCRs in use worldwide will total 3.6 million by year's end, rising to 12.2 million in 1981, 32 million by 1983, tape producer Agfa-Gevaert forecasts in survey reported in Electronics magazine. World market for magnetic tape totaled \$2.27 billion in 1978, with U. S. representing 50%, Western Europe 30%, Japan 12%, survey says. Consumer applications represented 70% of last year's tape consumption, totaling \$1.59 billion. Consumers used 8 times more audio than videotape last year, but in value, audio tape totaled \$1.216 billion, only 3.2 times more than the \$38 million spent for videotape. Study forecasts that by 1983, consumers will buy 1.003 billion square meters of audio tape, 252 million of video.

Magnavision videodisc demonstrations, but not sales, go national this week as part of special promotion for selected Magnavox TV & audio products. Participating dealers in about 70 markets will hold demo-sale event for about 10 days each. Nationally, promotion will be spread over 2-3 months. Kickoff is in Minneapolis.

Electronic "message center" will substitute for dashboard in high-end 1980 Lincoln Continental. Speedometer indicates speed in miles or km per hour in fluorescent digits, computer system monitors lights, oil pressure, temperature & alternator, gives time, day & date. Bar graph shows fuel remaining.



**JAPAN'S VCR SHIPMENTS:** Japanese exports of home VCRs to U. S. in first-half 1979 dropped 4.8% from last year, but shipments to West Europe soared 380%, according to Finance Ministry figures, which indicate European Common Market is now close on heels of U. S. as customer for Japan's VCRs. While U. S. sales of VCRs to dealers for first half totaled 180,444, up 26.6% from last year, Japan reported exports to U. S. for same period of 245,393, and shipments to Europe totaled 206,722. At \$141-million value (figured at 215 yen to dollar), average price of VCR shipped to U. S. was \$574.27 (up from last year's \$548.19). Shipments to Europe came to \$126 million for average price of \$610.

June was first month of 1979 to show increase in Japanese home VCR exports to U. S., as well as best month of year, total of 48,629 representing 15.5% gain over year earlier.

European home VCR sales this year will total 500,000, according to study by Mackintosh Publications, Luton, England, stimulated by decline in average retail price to about \$1,000. Study says nearly 60% of VCRs sold in Europe last year went to Britain & West Germany, sees sales of VCRs tripling in 4 years, with cassette sales totaling 25 million annually, of which 20% will be prerecorded.

Two U. S. marketers last week predicted 600,000 VCR sales this year—Sharp TV/VTR Gen. Mgr. Robert Whitehouse & Melco Sales (MGA) Pres. Yoshito Yamaguchi agreeing on figure. Whitehouse forecast at least 850,000 would be sold next year, with sales of one million possible. Whitehouse also saw 9.5 million color TV sales as "easily attainable" this year, and Yamaguchi forecast 9.6 million.

\* \* \* \*

**Color TV camera prices** continue to come down. JVC's new lightweight cameras will come in at about \$100 lower than announced at CES (Vol. 19:24 p12), leader with thru-lens viewer and 3-1 zoom to be \$750 (vs. announced \$850) and 6-1 zoom version at \$850 (vs. "under \$1,000"). Honors for lowest-priced color camera offered by a manufacturer still go to Quasar, at \$660 without power supply, and Panasonic at \$700 for same unit with power supply. Akai unit with 3-1 zoom is "\$750-\$800." New Sanyo & RCA cameras haven't been priced yet, but price of latter is scheduled to be announced in Aug.

Hitachi plans to introduce home camera with 2/3" Saticon tube in Japan this fall. Developed jointly by Hitachi & NHK, Saticon is widely used in broadcast cameras, is claimed to have superior resolution to vidicon. New home Saticon camera presumably will be high-end unit.

MGA's first Mitsubishi-made VCR, 5-motor unit with 7-day programmer (Vol. 19:22 p10), will be about \$1,350, according to Yamaguchi, with 10-function infrared wireless remote \$100 extra. Unit will have 2- & 6-hour speeds and picture-search feature.

Battle of playing time may now be moving to Japan, where VHS manufacturers are now introducing 2-speed 2- & 6-hour VCRs. Until now, VCRs on Japan market have been single-speed models. Also

in Japan, Sony introduced new industrial Betamax SLO-332 with search, noiseless still, sequential frame viewing, slow- & fast-speed viewing and continuously variable speed. Automatic editing is possible through "auto-search" feature, permitting location of any point on recording either by selecting specific place on tape itself or selecting time in hours, minutes & seconds. VCR is about \$1,235, MPU auto-search control units \$230 & \$275.

**Fotomat takes plea** for movie rights directly to film industry in 2-page ad in Aug. 1 Variety. Quoting projections of 10 million VCR homes by 1985 and \$100-million software market in 1980, Fotomat says it's convinced video "can mean substantial incremental profit without seriously cannibalizing your existing distribution channels" because VCR owners largely are "committed to home entertainment," aren't big theatergoers. Company says its weapon against black market "is to create a white market in which pirated tapes cannot compete" by offering rental tape "for a price considerably lower than that of a pirated or counterfeit tape." Ad says Fotomat will support its Drive-Thru Movies with "multi-million-dollar advertising & promotion campaign," indicates it will enter videodisc market.

ITT opened, then called off, talks about forming joint European consumer electronics venture with partner it declined to identify, but is understood to have been Thomson-Brandt of France. ITT says it now plans to strengthen money-losing operation, rather than seek outside solution. ITT has about 7% share of Europe's color TV market. Plan to sell off consumer electronics business led to dismissal last month of ITT Pres. Lyman Hamilton, focused spotlight on generally depressed state of EEC color industry (Vol. 19:30 p9). Thomson-Brandt, meanwhile, is seeking to acquire controlling interest in Germany's family-owned Nordmende. It purchased sizable minority position in 1977. Deal would make Thomson Europe's 2nd largest color producer.

**China's TV output goal** for this year is a million sets, and it will import additional sets to help meet domestic demand, according to New China News Agency. In first official statement on TV production, NCNA said about 490,000 were made last year, 280,000 in 1977, and 2-year total was higher than combined production in preceding 18 years. Bulk of output is small & mid-sized b&w.

Hitachi launches color TV production at temporary Compton, Cal. plant this week. First output will be 3-4,000 19" sets monthly. Construction of permanent Compton plant is on schedule, and it should be operational by Feb., company says. Hitachi tentatively put \$430 list on 5" AC-DC color portable with on-screen bar scan tuning introduced at June CES. First shipments are due in Sept.

**Direct-to-home satellite** transmission of pay-TV programming by 1983 is plan Comsat intends to present to FCC around year's end. Comsat proposal calls for higher frequencies than those used for current commercial transmission so consumer installations would require relatively small dish antennas (for full details, see p. 2).



## Consumer Electronics Personals

**Robert McCarthy**, Magnavox vp, advanced from corporate sales planning & administration dir. to gen mgr. of Philips Hi-Fi Labs; **Gerald Orbach** continues responsible for sales & mktg. . . **Takao Nakayama**, Hitachi Sales secy.-treas., & **Hidekazu Tanaka**, former procurement & distribution mgr., named vps, replacing **Shun Takeuchi**, reassigned to post with Japanese parent's International Div. . . **Barry Evans**, ex-Fuji Tape & Akai, joins Revox as national sales mgr. . . **Masaru Ibuka**, Sony co-founder & honorary chmn., elected Japan Audio Society pres.

**Bernard Mitchell** resigns as U.S. Pioneer pres., continues as mkt. development & planning consultant, expected to be active in Pioneer's planned 1980 entry into videodisc player field; Exec. Vp **Tamotsu Iuchi**, Senior Vps **Ken Kai** & **Barry Shereck**, Vp **John Hall**, all appointed members of new office of pres., established to take over Mitchell's former responsibilities. . . **Irene Janczkowski** named Columbia Pictures Video-cassette Services controller. . . **Robert Klingensmith** appointed Paramount domestic home video & pay TV vp, with hq in L. A., succeeding Vp **Alan Fields**, now responsible for foreign activity in same area, remaining in N. Y.

**David Climan**, Superscope pres., named to board. . . **David Rose** appointed Gusdorf N. C. & S. C. dist. mgr. . . **Jeff Housman**, ex-Automatic Radio, joins BASF Systems as audio-video products national sales coordinator; **Robert Piselli** named professional products sales mgr. . . **Curtis Pickelle**, ex-Altec Lansing, named JBL communications dir. . . **Janice Pascoe**, ex-Continental Specialties, joins Howard W. Sams as mktg. dir.

**Robert Lyon** named Motorola Auto Products Div. car radios & accessory mfg. & materials mgr.; **Joseph Devon** appointed autosound & CB national service mgr. . . **Ernest Reguly**, ex-Monolithic Memories, now Apple Computer personnel mgr. . . **Richard Phillips** promoted at AVX from chip capacitor mktg. mgr. to gen. mgr. of plant being built in Japan. . . **Fred Little** resigns as business dir., Rockwell Micro-electronic Devices. . . **Robert Minke** named pres. of RF Products, Camden, N. J., formed by ex-TRW employees who recently acquired TRW's RF filter business.

**Vincent Donohoe** resigns as mktg. vp of Big Picture Inc. (Arthur Tucker's Aqua Beam), to join Projection Systems Inc. (PSI) as mktg. dir. . . **John Fedorchak** named aperture-mask product mgr., Sylvania Chemical & Metallurgical Div.; **Robert Doepker** given same responsibility for phosphors; **Roger Bargainnier** named strategic mktg. mgr. for phosphors, masks; wire & wire parts, all new posts.

**Zenith** is objecting to color TV rental contract awarded to Telerent Leasing by Ft. Meade, Md. Sets to be supplied are 19" Teknika models assembled in U. S. by Wells-Gardner, which obtains circuit boards and other parts from Japan's General. Issue is whether U. S. parts & labor make up 50% of value, a necessity for sets to qualify for preferential treatment in award of govt. contracts.

**MATSUSHITA RECORDS:** Matsushita reported record sales & earnings for fiscal 2nd quarter, showed improvement for first half. All sales gains were result of domestic operations, export volume, including results of U. S. manufacturing & marketing units, declining. Matsushita said results were hampered by "a generally severe economic atmosphere, uncertain exchange rates and import restrictions in several markets."

Sales breakdown shows export volume in quarter was down 9.9% to \$600 million as domestic sales rose 13.4% to \$2.05 billion. For half, exports were down 10.2% to \$1.18 billion, domestic sales up 14.2% to \$3.89 billion. Sales for some product areas for half (with results for quarter in parentheses): Consumer electronics & components \$2.19 billion, up 2.1% (\$1.1 billion, up 2.4%); communications, measuring & special equipment \$301.2 million, up 16.5% (\$156.7 million, up 12.3%); tubes, semiconductors & lighting \$215.1 million (\$114.1 million); batteries \$207.5 million, up 11.5% (\$97.9 million, up 13.2%).

**Superscope**, which reported loss in opening quarter (Vol. 19:21 p14), expects to show deficit for full year. Company said debt-restructuring talks with banks are continuing. New Marantz line of high-end compacts is expected to be on market in 4th quarter. Company has essentially been out of compact business since April when it announced it was phasing out Imperial promotional audio line (Vol. 19:15 p11).

**Soundesign** returned to profitability in 2nd quarter on 44% sales gain. Net for period was down 17.7% from same 1978 quarter. For half, sales were up 28.4%, net was off 92.4%.

**Wells-Gardner** has launched production of first 25" remote-control consoles, is slated to put new assembly line into operation next week, effectively doubling capacity for 19" sets, company says in first-half report. W-G states it expects to be profitable in 2nd half, show profit for year, notes it just concluded new 3-year union contract, has tentative refinancing commitment.

**Arvin** reported consumer electronics (compact stereo) soft in 2nd half, but company did better than industry as whole.

**Coleco** reported sharp turnaround with record sales & earnings in 2nd quarter & first half. Net included tax-loss credits of \$1.1 million for quarter, \$1.4 million for half. Company said sales of electronic toys totaled \$23.9 million in half, up from \$1.8 million last year when its emphasis was on now-discontinued video game business. All new electronic toys are now in distribution, and production for rest of year is sold out, company says.

**U. K. color sets** in use totaled 13.8 million at end of 1978, vs. 12.5 million in 1977, first year color topped b&w, BREMA reports. Number of b&w TVs in use dropped last year to 10.5 million from 11 million. Those & other statistics on U. K. consumer electronics market, along with summary of 1978 industry highlights & BREMA activities, are contained in BREMA Annual Report 1978. Copies: BREMA, 20th Century House, 31 Soho Sq., London W1V5DG.



## Financial Reports of TV-Electronics Companies

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

Company & Period	Revenues	Net Earnings	Per Share
<b>Canadian Cablesystems<sup>a</sup></b>			
1979-9 mo. to May 31	--	8,071,000	1.97
1978-9 mo. to May 31	--	8,350,000	2.08
1979-qtr. to May 31	--	2,466,000	.60
1978-qtr. to May 31	--	2,679,000	.67
<b>Coleco Industries</b>			
1979-6 mo. to June 30	65,322,000	3,523,000 <sup>b</sup>	.51
1978-6 mo. to June 30	47,550,000	(3,922,000)	--
1979-qtr. to June 30	36,790,000	2,917,000 <sup>b</sup>	.42
1978-qtr. to June 30	22,944,000	(3,644,000)	--
<b>Cowles Communications</b>			
1979-6 mo. to June 30	7,536,000	2,581,000	.65
1978-6 mo. to June 30	6,875,000	2,240,000	.56
<b>Dynascan</b>			
1979-6 mo. to June 30	28,027,000	351,000	.11
1978-6 mo. to June 30	32,575,000	1,538,000	.49 <sup>c</sup>
1979-qtr. to June 30	13,594,000	126,000	.04 <sup>d</sup>
1978-qtr. to June 30	15,882,000	1,131,000	.36 <sup>c</sup>
<b>Emerson Radio</b>			
1979-qtr. to June 30	12,106,000	145,000	.07 <sup>d</sup>
1978-qtr. to June 30	9,947,000	296,000	.15 <sup>d</sup>
<b>Esquire Radio &amp; Electronics</b>			
1979-6 mo. to June 30	12,218,906	303,581	.63
1978-6 mo. to June 30	17,392,491	533,614	.88
1979-qtr. to June 30	7,379,716	184,958	.38
1978-qtr. to June 30	9,759,016	276,740	.46
<b>Fairchild Camera &amp; Instrument</b>			
1979-6 mo. to July 1	321,817,000	19,618,000	3.41
1978-6 mo. to July 2	251,024,000	12,006,000	2.18
1979-qtr. to July 1	172,694,000	12,562,000 <sup>e</sup>	2.11
1978-qtr. to July 2	129,803,000	6,271,000	1.13
<b>Koss</b>			
1979-year to June 30	25,699,459	1,020,629	.60
1978-year to June 30	23,506,803	696,721	.42
<b>Masco</b>			
1979-6 mo. to June 30	366,520,000	37,850,000	1.44
1978-6 mo. to June 30	280,020,000	30,910,000	1.18
1979-qtr. to June 30	186,210,000	19,140,000	.73
1978-qtr. to June 30	146,180,000	16,190,000	.62
<b>Matsushita</b>			
1979-6 mo. to May 20	5,069,959,000	201,972,000	1.73 <sup>f</sup>
1978-6 mo. to May 20	4,717,651,000	194,041,000	1.67 <sup>f</sup>
1979-qtr. to May 20	2,645,147,000 <sup>e</sup>	112,821,000 <sup>e</sup>	.97 <sup>f</sup>
1978-qtr. to May 20	2,468,229,000	108,743,000	.93 <sup>f</sup>
<b>Oak Industries</b>			
1979-6 mo. to June 30	133,458,000	4,500,000	1.18
1978-6 mo. to June 30	91,166,000	2,040,000	.68 <sup>c</sup>
1979-qtr. to June 30	70,706,000	2,730,000	.71 <sup>d</sup>
1978-qtr. to June 30	48,743,000	1,159,000	.39 <sup>c</sup>
<b>Ogilvy &amp; Mather</b>			
1979-6 mo. to June 30	100,217,000	5,285,000	1.30
1978-6 mo. to June 30	83,572,000	5,053,000	1.29 <sup>c</sup>
1979-qtr. to June 30	56,606,000	4,488,000	1.10 <sup>d</sup>
1978-qtr. to June 30	44,697,000	3,277,000	.84 <sup>c</sup>
<b>Soundesign</b>			
1979-6 mo. to June 30	68,157,000	89,000	.04
1978-6 mo. to June 30	53,062,000	1,149,000	.43
1979-qtr. to June 30	39,889,000	399,000	.16
1978-qtr. to June 30	27,701,000	485,000	.18
<b>Teleprompter</b>			
1979-6 mo. to June 30	79,313,000	5,305,000 <sup>g</sup>	.31
1978-6 mo. to June 30	66,624,000	4,965,000 <sup>g</sup>	.29
1979-qtr. to June 30	39,532,000	5,153,000 <sup>g</sup>	.30
1978-qtr. to June 30	34,529,000	3,837,000 <sup>b</sup>	.22
<b>Texas Instruments</b>			
1979-6 mo. to June 30	1,505,021,000	82,784,000	3.63
1978-6 mo. to June 30	1,172,105,000	64,967,000	2.85
1979-qtr. to June 30	784,221,000	44,603,000	1.95
1978-qtr. to June 30	614,553,000	34,268,000	1.50

Company & Period	Revenues	Net Earnings	Per Share
<b>J. Walter Thompson</b>			
1979-6 mo. to June 30	114,139,000	5,762,000	1.91
1978-6 mo. to June 30	102,625,000	5,540,000	1.85
1979-qtr. to June 30	62,601,000	5,072,000	1.67
1978-qtr. to June 30	58,627,000	5,003,000	1.67
<b>20th Century-Fox</b>			
1979-6 mo. to June 30	306,698,000	26,864,000	3.24
1978-6 mo. to June 30	308,129,000	32,962,000	4.16
1979-qtr. to June 30	147,152,000	7,774,000	.91
1978-qtr. to June 30	149,196,000	15,476,000	1.95
<b>UA-Columbia Cablevision</b>			
1979-9 mo. to June 30	29,176,000	3,094,000	.94 <sup>c</sup>
1978-9 mo. to June 30	21,544,000	2,382,000	.73 <sup>c</sup>
1979-qtr. to June 30	10,489,000	1,074,000	.33 <sup>c</sup>
1978-qtr. to June 30	7,580,000	833,000	.25 <sup>c</sup>

Notes: <sup>a</sup>In Canadian dollars. <sup>b</sup>Includes special credit. <sup>c</sup>Adjusted. <sup>d</sup>Fully diluted & adjusted. <sup>e</sup>Record. <sup>f</sup>Per ADS. <sup>g</sup>After special charge.

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with  
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**Japanese domestic color sales for first half** totaled record 2.82 million sets, up 10% from 1978 period, EIA-J announced. Total production rose 2.9% to 4.11 million, exports dropping 14%. Industry credits dual-sound multiplex transmissions with helping sustain record domestic sales. Multiplex TV sound started Aug. 1 in Nagoya region, is now being transmitted in 5 metropolitan areas.

**RCA increased lead over Zenith in 2nd-quarter** market share, according to industry estimates, with both companies improving their performance over first quarter. Zenith had predicted this situation last May, Sales Exec. Vp Walter Fisher saying performance "may get worse before it gets better," as result of recall of small-screen sets.



WEEKLY

# Television Digest<sup>®</sup>

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**MCA-COMSAT DISCUSSIONS:** Wasserman confirms 'preliminary' conversations about satellite STV programming, no agreement yet. At FCC, Broadcast and Common Carrier Bureaus debate classification of Comsat service, which bureau will regulate. (P. 1)

**NCCB DEMANDS AD CUTS:** JD suit against NAB Code prompts NCCB to call for FCC to regulate number of ads; NCCB wants fewer. NAB unhappy about call for 'unnecessary regulation'. (P. 2)

**ABC'S EARLY CABLE COMMENTS:** Claims FCC prejudged issues; relied on flawed studies; would deprive much of nation of free service; ignores congressional consideration; should impose retransmission consent. (P. 4)

**KORK-TV OUT, VALLEY IN** for Las Vegas Ch. 3 as FCC minority reinstates applicant originally disqualified on financial grounds. Valley must be on air by Oct. 1. (P. 4)

**HBO SEEKS TV SCRAMBLING:** 'Hardened' security system is sought by HBO to protect against signal piracy. (P. 5)

**MCA-COMSAT DISCUSSIONS:** "Preliminary" conversations about furnishing Comsat with programs for its projected satellite STV service (Vol. 19:32 p2) have been held, MCA Chmn. Lew Wasserman advises us—but he said no agreement has been reached. "You can be sure," he said, "that when we have something to report we'll report it." "We are interested in and encourage," he said, "any approach to widen the market and reach the consumer. I met with the president of Comsat at the request of a mutual friend."

Asked if MCA is holding similar discussions with other pay-TV entities, Wasserman said: "I would hope that our executives are talking to others. We're interested in reaching the consumer."

Meanwhile, FCC faces unique regulation issue in Comsat's announcement that it intends to seek authority for direct-to-home broadcast satellite for subscription TV (Vol. 19:32 p2). Is it broadcast facility, subject to regulation in same way as terrestrial TV station? Or is it common carrier "fixed" service offering, to be regulated on facilities basis by Common Carrier Bureau?

Comsat isn't disclosing precise plans—operational or regulatory—for project, other than acknowledgement that Comsat intends satellite to be "broadcast" not "fixed." FCC staff is split on whether to accept application as broadcast facility, Broadcast Bureau and Common Carrier Bureau both suggesting they have jurisdiction.

Said FCC Common Carrier official: "Potentially, if we were to call this a broadcast facility,

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### Consumer Electronics

**3M IN VIDEO DISCS,** will master & press 'any viable system,' starting next year with Thomson-CSF optical discs for commercial market. Demand on MCA disc facility causes friction with Phillips. (P. 7)

**COLOR INVENTORIES DIP** in record July, industry producing at 9.6-million pace while sales run at 10.4-million rate. Factory inventories down 10.7% from year ago. Aug. starts with record VCR week. (P. 8)

**FEW PRICE HIKES** expected at Aug. set-maker meetings in uncertain economic climate. (P. 10)

**VCR PRICES JUGGLED** by RCA, which is expected to lower leader & portable from target prices given at May meeting. BASF cancels European press conference, still plans LVR showing in Berlin. (P. 10)

**FOTOMAT SKIPS DIVIDED,** citing declining revenue, plans tie with Japan. Advent credit line runs out. Morse posts higher loss. (P. 11)

**JAPAN-CHINA PRODUCTION** venture gets tentative approval from Peking. Plan opposed by some Japanese firms. (11)



we could end up being asked to have hearings on its impact on every single TV market in the country." FCC Chmn. Ferris said he doesn't want Commission to be obstacle to expanding choice of video services, added that Common Carrier-Broadcast "task force" may be one way FCC will tackle regulation questions after Comsat files in 3-4 months (Satellite Week Vol. 1:3 p3).

**NCCB DEMANDS AD CUTS:** On heels of recent Justice Dept. suit against NAB Code (Vol. 19:25 p1), NCCB has asked FCC to set up standards providing for fewer ads in event Code is found illegal or broadcasters abandon it voluntarily.

NCCB filing calls for: (1) Limiting to 10 min. amount of non-program material allowed during non-children's programming. (2) Limiting to 5 min. non-program material on children's show. (3) Eventual elimination of all non-program material on children's shows. (4) Interruptions of adult programming limited to 4 per hour. (5) No interruptions during children's programs and allowance for only one non-program message between programs. (6) Allowing extra commercial time if stations use PSAs. (7) Allowing 4 additional min. for political ads during election season.

NCCB Exec. Dir. Samuel Simon described purpose of filing: "The NAB Code probably does violate antitrust laws, but the Justice Dept. suit may well result in the elimination of any restraints on excessive advertising in TV... It's time for the FCC to make sure that the audience has a voice... and is not subjected to excessive, annoying commercial interruptions."

NAB issued statement, quoting Asst. Gen. Counsel Brenda Fox: "NCCB has asked that another unnecessary government regulation be added to the books. NCCB wants the government to dictate how much time may be devoted to commercials, promotional announcements and other matters that NCCB considers to be of little value to the public—a request which ignores the First Amendment and Sec. 326 of the Communications Act... The NCCB's proposal is no more than a thinly veiled attempt to foist its ideas of what the public should see on TV upon the industry."

At time JD suit was filed, another NAB official said "the suit is lacking in logic... There will be some form of restrictions on TV commercials and if the Code doesn't do it, the government will."

**Further gleanings from recent NAB Exec. Committee meeting** (Vol. 19:32 p4): (1) Washington law firm Pierson, Ball & Dowd has been retained to prepare Supreme Court appeal in radio format case (Vol. 19:28 p3) at cost of \$10,000. (2) Legal Dept. will publicize telephone number members may call collect for questions about political campaigns. (3) Staff will be asked to spend day or more at stations—in connection with other trips—"to observe normal day-to-day operations and problems." (4) NAB Chmn. Thomas Bolger will talk weekly to Pres. Vincent Wasilewski or Exec. Vp John Summers, then report to members of Exec. Committee to "keep them better informed." (5) Petition by outside counsel Howrey & Simon seeking dismissal of Justice Dept. antitrust suit against TV Code (Vol. 19:25 p1) is "90% completed." However, NAB has received extension of filing deadline to Sept. 10.

**FCC has served notice** it may conduct first lottery to decide winner in comparative hearing case—for new FM on 100.3 MHz in Media, Pa. Review Board favored Greater Media Radio Co.; Commission has reopened case to determine whether record "provided rational distinctions for choosing among the [3] applicants." FCC said "if such a showing cannot be made," then it may adopt "a novel approach... e.g., a lottery" to pick winner. Since it contemplates this possibility, Commission has asked for comments within 30 days on its authority to do so.

**Complaint about C-SPAN coverage of House for cable**, by Speaker O'Neill (D-Mass.) is unfair (Vol. 19:32 p4), according to Brian Lamb, head of the satellite-fed service. He said items of "grandstanding" mentioned in AP story mostly concerned congressmen with no C-SPAN in their districts. As for flood of responses to O'Neill's criticism of shirtsleeved House member, Lamb notes that same story was carried on network news, so reaction can't be attributed solely to C-SPAN. Lamb said he hopes House doesn't decide to cut off "special order" period after legislative day ends, but said it wouldn't harm C-SPAN basic service. He said staff monitored coverage for 10 days in July, counted 305 congressmen appearing before cameras. In the 78 days since service started, he said, C-SPAN has been on air 510 hours.

**Further FCC consideration of WDCA-TV Washington sale to Taft Bcstg.** has been postponed to Aug. 16 after Dist. Court ruled that planned Aug. 10 meeting violated Sunshine Act since 7 days advance notice wasn't given. Meeting date had been protested by Washington Assn. for TV & Children. Contract in sale expires Aug. 17 (Vol. 19:32 p5).

A 53-channel cable amplifier, 400 MHz, will be announced shortly by Motorola, to sell for about \$30—about same as for 35-channel, 300-MHz units. New unit can be employed in existing systems.



**NAB 'SUPER MEETINGS' ON TV:** "Our goal is to let the people communicate with each other rather than to be talked at," said NAB TV Vp Joan Cohen in discussing plans for 3 fall TV mini-conferences. "The sessions will be rather informal; no panels and speeches per se, but a lot of give and take."

TV-only sessions—Atlanta Oct. 18-19, Denver Nov. 1-2, Houston Nov. 19-20; 4th is planned Feb. 7-8 in L. A.—replace 6 regional conferences for both TV & radio hosted over years by NAB. Planned for radio is national program conference next month in St. Louis.

NATPE, RTNDA & TvB will participate at each TV meeting; they open with session on TV's image with public, featuring NAB Chmn. Thomas Bolger, TV Chmn. Robert King, Pres. Vincent Wasilewski or Exec. Vp-Gen. Mgr. John Summers, TV Code Chmn. Michael Kievman and TIO Dir. Roy Danish. Other sessions:

Station operations, including news, programs & sales, with participants from groups mentioned above.

Legal & regulatory problems, focusing on questionnaire distributed preceding day.

"Using tomorrow's technology today," with NAB Research Dir. Lawrence Patrick, representative from Qube, and Paul Bortz, ex-deputy dir. of NTIA and now a Colo.-based consultant.

Congressional lunch—Sen. Cannon (D-Nev.) in Atlanta, Sen. Hollings (D-S.C.) in Denver, Rep. Van Deerlin (D-Cal.) in Houston. They won't make speeches, will answer questions from broadcasters, perhaps ask some themselves.

Registration is \$95 for members (\$50 additional for persons from same station), \$190 for non-members.

On appeal of staff FOI ruling by NAACP Legal Defense Fund, FCC has ordered minutes of WSM-TV-AM-FM Nashville board and exec. committee meetings released to NAACP. Staff had denied access to minutes on grounds to release them "could discourage licensee cooperation... impairing the Commission's ability to get such information expeditiously." However, in releasing information, Commission said disclosure couldn't "in any way harm the competitive or commercial interests of the licensee." At same time, agency refused to release internal staff documents and WSM salaries.

**Women in Cable** was launched officially July 20, with chapters planned in Denver, L. A., San Francisco, Washington, Atlanta & N.Y. First annual membership meeting is planned for Western Show Dec. 13, Anaheim. Pres. is Gail Sermersheim, HBO. Details: Kay Koplovitz, Madison Sq. Garden Sports, 5 Fir Ct., Oakland, N.J. 07436, 201-337-2225.

**BMI has dismissed** copyright infringement suit against Harvard after University signed a music licensing agreement, retroactive to Jan. 1978. BMI had charged in U.S. Dist. Court in Boston that Harvard violated copyrights on dozen songs; terms of settlement weren't disclosed.

**BAILEY TO FTC:** White House finally nominated Republican Patricia Bailey to Federal Trade Commission slot vacant since Elizabeth Dole resigned in Feb. (Vol. 19:7 p4). Bailey's name was only one seriously mentioned for post (Vol. 19:23 p5), but FTC sources said routine FBI security check may have been delayed by other recent hirings and firings in Washington.

Senate could act on Bailey nomination as early as late Sept., producing 3-commissioner quorum necessary for FTC to act on children's ad rulemaking. Bailey's position on that issue is unknown.

Among recent kid ad developments, General Mills, Kellogg's, and ANA immediately petitioned FTC to file comments on Judge Morton Needelman's report recommending "disputed issues" hearing (Vol. 19:32 p1). Needelman granted request, limited comments to 25 pages, set Sept. 14 deadline. General Mills attorney Robert Fulgency said situation is unique: "We're not sure which direction the Commission is going to go. The FTC's never held a 'disputed issues' hearing before."

FTC ad inquiries will come under Senate security during FTC oversight hearings scheduled for Consumer Subcommittee Sept. 18-19 & 27-28. Sen. Ford (D-Ky.) will preside during general review of FTC and Magnuson-Moss Warranty Act.

Meanwhile, FTC Chmn. Michael Pertschuk has sent letter to 12 govt. agencies which advertise, urging them to maintain high standards of advertising integrity and offering services of FTC's Advertising Practices Div. to help determine standards. "We in government have an obligation to monitor our own advertising as scrupulously as we review the advertising in the private sector," he said. Govt. spends more than \$100 million in ads yearly.

**AAAA opposes drug ad rules** proposed by FTC—to require use of FDA-approved medical terminology on labels and in ads for over-the-counter drugs (Vol. 19:32 p2). In comments to FTC, AAAA said rules would cause consumer confusion over product and brand labeling, would violate advertisers' First Amendment rights.

**FCC's refund program** (Phase II), aimed at refunding \$20 or less, is subject of Commission's notice of inquiry. Applicant would fill out one-page form showing requester's entitlement to refund, plus waiver statement to avoid renewed litigation.

**Will pure radio disco survive?** That's question top experts will discuss at NAB's Radio Programming Conference '79 Sept. 9-12, Stouffer's Riverfront Towers, St. Louis. Registration is \$175 for NAB members, \$350 for non-members.

**BMFA conference in N.Y.** Waldorf-Astoria features sessions on technology & software, regulation & de-regulation, speech by unnamed "major network executive."

**FCC Comrs.** Fogarty, Jones and Lee are added to Commission's public workshop appearances (Vol. 19:31 p4)—in Boston, Detroit & Houston, respectively.



**ABC's EARLY CABLE COMMENTS:** Participants seldom file before deadline in major FCC proceedings, but ABC beat deadline by some 6 weeks in cable distant-signal-exclusivity rulemaking; it's now on file, though deadline is Sept. 17. Evidently believing that filing its comments early could serve as bellwether for other anti-cable parties, ABC asserted:

(1) FCC "has prejudged the issues and is rushing to judgment." ABC said Commission relied on pro-cable economists (in fact, its law firm has filed Freedom of Information inquiry seeking details surrounding economists' consultation). Network said FCC "has studiously avoided" fact that Congress also has been considering cable issues.

(2) FCC based conclusions on studies which are "seriously flawed" in favor of cable at same time virtually ignoring contrary studies furnished by NAB, MPAA, INTV & ABC.

(3) Commission has made "dramatic shift" of policy—from protecting telecasting which is "free" to "all" viewers to promoting cable which isn't.

(4) FCC showed "scant real concern" that majority of public won't be able to get cable or can't afford it.

(5) FCC has power to impose retransmission consent to control "patently unfair" use of signals by cable.

(6) If syndicated exclusivity rules are removed, existing contracts should be grandfathered completely—not for 3 years or less, as proposed.

Network TV investments for first half totaled \$2.2 billion, up 13.1% from 1979 period, TvB reports. Nighttime was biggest gainer, up 14.5% to \$1.5 billion, with weekend daytime up 14.3% to \$241 million, weekday daytime up 8.5% to \$492.7 million. In June, total investments were \$324.1 million, up 7.3%, led by 23.5% gain in weekend daytime to \$31.3 million, with nighttime up 6.3% to \$215.9 million, weekday daytime up 4.6% to \$76.8 million. For half, ABC billings totaled \$795 million, CBS \$720.6 million, NBC \$677.3 million. In June, ABC had \$116.8 million, CBS \$108.1 million, NBC \$99.2 million.

**CBS's choice** of pro-Palestinian actress Vanessa Redgrave to portray Fania Goldstein, Jewish survivor of Auschwitz in TV docu-drama about World War II death camp, provoked strong opposition from Jewish organizations, including B'nai B'rith Anti-Defamation League and American Jewish Congress. CBS said it intends to stand by Redgrave selection. Playwright Arthur Miller, who based script on Goldstein's memoirs, said criticism of Redgrave choice was reminiscent of blacklisting.

**Case against CBS-TV** and reporter Mike Wallace must go to trial, according to appellate division of N. Y. State Supreme Court. Libel suit for \$30 million concerns 1976 "60 Minutes" interview of amphetamines user, patient of Dr. Joseph Greenberg. CBS urged suit be thrown out on First Amendment grounds; Court refused because woman was treated by 4 other physicians and Greenberg isn't public figure.

**KORK-TV OUT, VALLEY IN:** Acting as "a board" of FCC members without a quorum, 3 commissioners Aug. 10 granted Ch. 3 Las Vegas to Las Vegas Valley Bestg.—subject to many conditions, main one is to be on air by Oct. 1. "We're going to be on the air Oct. 1, one way or the other," Valley official said.

Valley has been granted channel which KORK-TV (owned by Donald Reynolds) has occupied since 1955. Parties went through long comparative hearing, after which Commission denied both applications: Valley on financial qualifications, KORK-TV for misrepresentations and clipping NBC commercials. Just 10 days ago, FCC continued KORK-TV's operating authority until Oct. 1, but impounded station's profits (Vol. 19:32 p5); impoundment provision was lifted last week.

Valley official told us financial qualification issues—on which it must assure Commission by Aug. 15 that "sufficient funds will be immediately forthcoming"—"are the least of our problems." He also said Valley hasn't talked to KORK-TV (Reynolds is in Hawaii) about leasing or buying its facilities.

There are 16 stockholders in Valley, headed by pres.-10% owner James Rogers. All are local residents; several are minorities.

**KTAL-TV Texarkana-Shreveport** doesn't fall under "egregious" cross-ownership cases, therefore Texarkana Gazette won't have to divest station, 5th Circuit Appeals Court in New Orleans has ruled. KTAL-TV was one of group ordered to divest because sole newspaper owned only TV station in town. Station sought reconsideration on grounds it doesn't put city-grade signal over all of Texarkana, as required by rules, since moving its antenna toward Shreveport to include service to that larger city. Commission ruled that KTAL-TV would be treated under rules as if it provided city-grade signal and this has been reversed by Court.

**NAB Legal Dept.** has started "state legislative clearinghouse" to "serve as a storehouse of state legislative and regulatory information having a special bearing on the interests of broadcasters." First mailing to state assn. presidents & exec. dirs. included several hundred pages, covers such topics as access to meetings, FOI, ad restrictions, state cable regulations, courtroom coverage, libel, slander, lotteries, public broadcasting, shield laws, state restrictions on programming, taxes, wage & hour laws, phone company relations.

**D.C. Appeals Court** has been asked to reverse FCC's refusal to assign KWK(FM) call to Granite City, Ill. Doubleday Bestg., which owns KWK(AM) St. Louis and recently bought WGNU(FM) Granite City, asked for change, opposed by several St. Louis stations. Cities are separated by Mississippi River.

**FCC staff** is starting rulemaking to delete rules prohibiting separate operation of aural & visual transmitters or presentation of different or unrelated material except in certain situations. FCC said section no longer serves useful purpose.



**HBO SEEKS TV ENCODING:** Multi-million dollar contract for TV encoding equipment will be let by Home Box Office to "first company that comes through the door" with cost-effective, "hardened" security system to protect satellite transmissions from unauthorized reception.

HBO says "high priority" is attached to procurement of security system for simultaneous installation at all HBO affiliates as soon as practical. Nothing so far seen by HBO meets twin requirements of acceptable cost and very secure scrambling, pay syndicator said.

"We're nowhere near to making a decision," said HBO spokesman, adding that "breadboarded" systems inspected so far don't appear to meet specifications. Implementation of encoding is probably year in future given fact that hardware "doesn't exist yet," spokesman added.

**Post-Newsweek Hollywood** production offices opened Aug. 1 at 2049 Century Park E., Suite 3470, L.A. 90067, 213-557-0321. First assignments under Tay Voyer, PNS program production & development vp: Editing children's special "Shorts" for coming season and 6-part miniseries "Go Tell It... With Ben Hooks," now in production at WDIV Detroit.

**Burke Broadcast Research** has suspended radio ratings operations, said it wouldn't resume without support from at least 6 major broadcast groups and/or other outside backing. Offered as alternative to Arbitron, service has been available only in 20 cities.

**Objections to eyeglasses** treatment won't affect license renewals of WAGA-TV, WSB-TV & WXIA-TV Atlanta, as FCC upheld Broadcast Bureau's March 29 action. Henry Henderson alleged programming made spectacle of eyeglasses and their wearers.

**Fla. Supreme Court** has ruled that lawyers may advertise on TV in suit brought by a St. Petersburg legal clinic. "The new ruling spells out clearly what we can do, so finally we have a guide to go by," according to complainant John Henninger.

**Sharing of band D**, between CARS & station auxiliaries, "totally disregards the public interest priorities of local live TV news operations," NAB told FCC, seeking reconsideration of decision.

**Congressional WARC** representatives named last week: Sens. Hollings (D-S.C.), Goldwater (R-Ariz.), Reps. Fowler (D-Ga.), Rose (D-N.C.), McDade (R-Pa.), Hollenbeck (R-N.J.).

**FCC has denied GTE request** for stay of rules & policies adopted for resolving complaints about pole attachments, said GTE won't suffer irreparable injury or undue burden handling complaints.

**Teleprompter financial report** (Vol. 19:32 p12) notes that cable operating profits rose 17% to \$14,653,000 in 2nd quarter, as cable revenues increased 15.7% to \$35,247,000.

**BMI's new hq:** 320 W. 57th St., N.Y. 10019.

**Truckers have lost** in fairness doctrine complaints against NBC-TV. FCC denied charges by Yellow Freight System and American Trucking Assn., based on network's Oct. 4-5, 1977 reports on role of unsafe trucking practices. Groups wanted equal time due to alleged personal attacks, reporter's conflict of interest and lack of contrasting views in news broadcasts.

**Third Westar satellite** was launched successfully by NASA from Eastern Test Range (Kennedy Space Center) at 8:20 p.m. Aug. 9 after 56-min. delay for repair of range safety computer and faulty liquid oxygen valve. Satellite will add 12 transponders to Western Union's domestic satellite system. Broadcaster use of satellite is priority (Vol. 19:30 p1).

**FCC has ruled that 4 additional Cal. AMs—KATY San Luis Obispo, KJOY Stockton, KPAY Chico & KVON Napa—violated** fairness doctrine in 1974 coverage of nuclear energy dispute. In 1976 ruling, Commission cleared stations while finding that 8 others hadn't complied with doctrine. Last week's decision came following remand by D.C. Appeals Court.

**SCTE productivity seminar** Sept. 17-18 at Marriott Twin Bridges Hotel, Arlington, Va., will feature sessions on motivation, evaluation, recruiting, stress, management by objective, leadership, training. Member registration is \$75, non-member \$125. Details: 1100 17th St. NW, Washington 20036, 202-659-2131.

**Weekend cable movie service** is now offered by Video Communications and SPN. Cable affiliates of SPN receive 2-hour evening movie package with film, cartoons & commercials Sat. and Sun. All films are from Video Communication's library, have G or PG ratings.

**C-TAM '79—annual meeting** of CATV Administration & Marketing Society—is scheduled Aug. 12-16 in Denver. Topics include advertising, tiered programming, new services, pay TV. Information: Cable Trends, 2200 Century Pkwy. NE, Atlanta, Ga. 30365.

**Gaylord Best**, shifts 3 TV stations—KTVT Ft. Worth, KHTV Houston, WVUE New Orleans, all independents—to TeleRep. Katz formerly repped KTVT & KHTV (continues to rep 3 other Gaylord stations); Petry had WVUE. TeleRep also adds WAST Albany, N.Y., formerly repped by Petry.

**Satellite seminar** in Oklahoma City Aug. 14-16 has been scheduled by Bob Cooper who says "the \$2,000 satellite TV receiver is here," with \$1,000 unit expected next year. Details: Box G, Arcadia, Okla. 73007.

**National Assn. of Spanish Bcstrs.** opens for business this month. Pres. is Maria Elena Torano, 2550 M St. NW, Washington, D.C. 20037.

**NIAC Bcst. Services Subcommittee** meets at NAB hq Sept. 6 to consider several proposed changes in EBS rules & procedures.

**Boston Globe** is buying WHYN-AM-FM Springfield, Mass. for \$5.1 million from Guy Gannett.



## Personals

**Eddie Foy**, ex-ABC, joins NBC Entertainment as vp-casting, succeeding **Marsha Kleinman**, resigned to enter independent production; **Deanne Barkley** resigns as NBC Entertainment vp-motion pictures & mini-series, also to enter independent production... **Robert Bookman**, ex-International Creative Management, appointed vp in charge-ABC theatrical motion pictures; **Esther Shapiro**, ABC Entertainment vp-novels for TV, resigns, will write exclusively for ABC; **Marilyn Olin** promoted to east coast vp-children's programs.

**Gregory Ballard**, recent Harvard Law School graduate, onetime Senate aide and ex-speechwriter for Mass. Gov. Kevin White, becomes legal asst. to FCC Chmn. **Charles Ferris**... **Karen Kirshner**, ex-PBS, moves to Mutual as head of advertising & promotion; **Dan Agan** promoted to dir. of advertising & video promotional services, PBS, succeeding **Kirshner**; **Blaine Baggett** promoted to creative dir.

**Joseph Ahern** promoted to gen. sales mgr., WABC-TV N.Y. ... **Lou Beard** joins WJLA-TV Washington as personnel dir. ... **Robert Smith**, ex-WCSC-TV Charleston, S.C., appointed news dir., WCYB-TV Bristol, Va. ... **Greg Miller**, ex-WQRF-TV Rockford, Ill., appointed chief engineer, KGMC Oklahoma City, due for fall start.

**Kenny Rogers**, 1979 country music entertainer of year, performs at Sept. 9-12 NAB radio programming conference, St. Louis... **Dwight Ellis** promoted to dir.-NAB Minority & Special Services Dept. ... **William Walsh** appointed Arbitron controller... **William Kommers** elected pres. of Test Inc., succeeding **William Lawry**, who remains consultant to pay cable & MDS mfr.

**Steven Bell**, WLVI-TV Boston vp-gen. mgr., & **Alvin Flanagan**, Gannett Bcst. Div. pres., named NAB reps on BRC board; **Alfred Maslin**, TeleRep pres., appointed SRA rep on board; **W. Lawrence Patrick**, NAB research dir., named BRC asst. treas.; **Donald McGannon**, Westinghouse Bcst. chmn., named BRC dir. emeritus.

**James Cute**, northwest NSI mgr., also elected Nielsen vp. ... **Allan Connal**, ex-NBC Sports, appointed senior vp-Entertainment & Sports Programming Network, headed by **Chester Simmons**, ex-NBC Sports pres. ... **Kathleen Mifsud**, ex-CBS Radio Spot Sales, appointed special projects dir., TvB; **Walter Bills**, ex-Newspaper Ad Bureau, and **Don Harris**, ex-CBS-TV, appointed TvB marketing sales execs.

Promotions at Group W Productions: **Peter Yaman** to vp-syndication; **Carl Menk**, dir.-sales development; **Maggie Cowlan**, research dir.; **Leonard Sherman**, dir.-station research services... **James Tuverson**, ex-International TV Productions, appointed western sales rep, Group W Productions... **James Stabile** promoted to vp-business affairs, Metromedia Producers Corp.; **James Levey**, who headed own company, joins Metromedia Producers as dir. of syndicated program development.

**Robert Johnston** promoted to mgr., Katz TV Blue Sales Team, Chicago, new post. ... **Haskell**

## WEEKLY Television Digest

with  
Consumer Electronics ...

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**Arnold** advanced to PBS vp-treas.; **Brian Donegan** to PBS dir.-program acquisition.

**Gregory Schneiders** resigns as White House deputy asst. for communications, will teach at a Washington university and open political consulting firm... **Donald Edelman** promoted to exec. vp, RMS Electronics... **Frank Intiso** joins Falcon Communications as vp-finance... **Jack Calaway** promoted to vp-research & development, Vidtronic... **Richard Moburg** advanced to mgr.-CATV marketing, Anixter Pruzan Div... **Vince Turner**, ex-publisher of *Ivanhoe* (Minn.) Times, joins NAB as regional mgr. for N.D., S.D., Minn., Ia., Wis. & Ill.

**Donald Barrabee**, ex-Lexington Bcst. Services, named eastern sales mgr., Time-Life TV, succeeding **Tony Brown**, now assigned to Time-Life hq. ... **Field Spot Sales** promotions: **Alan Elkin** to N.Y. national sales mgr., succeeding **Robert Roganti**, now pres.; **Jack Arslanian** succeeds **Elkin** as midwest sales mgr.-Chicago; **Detroit sales mgr. Michael Garza** shifts to Chicago, is succeeded in Detroit by **Robert Protter**, now sales mgr. of WKBD-TV Detroit.

Rep. **Charles Rose** (D-N.C.), chmn. of House Advisory Committee on Bcstg., speaks to Southern Cable TV Assn. convention Sept. 10, Atlanta Hilton... **Michael Clark**, ex-Transworld International, appointed vp-program development, Showtime; **Steven Schulte**, broadcasting & operations dir., promoted to vp... **James Millikin**, ex-ATC, named regional chief engineer, American Cable Systems of Va.

**John Forde** promoted to vp-sales, Jerrold; **Kenneth Coleman** joins Jerrold as vp-marketing; **Peter Hallock** appointed employee relations dir. for parent General Instrument's Broadband Communications Group (including Jerrold)... **C. Ridley Rhind** joins Ampex as vp-marketing, including advertising & PR.



# Consumer Electronics®

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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended July 27 (30th week of 1979):

	July 21-27	1978 week	% change	July 14-20	7 months 1979	7 months 1978	% change
Total TV . . . . .	333,936	358,583	-6.9	234,912	8,442,911	8,288,459	+1.9
color . . . . .	220,687*	202,514	+9.0	158,870	5,314,973*	5,246,482	+1.3
monochrome . .	113,249	156,069	-27.4	76,042	3,127,938	3,041,977	+2.8
Home VCR . . . .	7,977	—	—	5,474	204,658*	163,352	+25.3
Total radio . . . .	1,217,218	1,544,333	-21.2	782,875	23,466,419	26,693,831	-12.1
home, portable.	1,075,131	1,380,428	-22.1	602,333	15,781,558	19,381,860	-18.6
AM-only . . . .	109,599	150,448	-27.2	105,937	3,394,816	4,408,886	-23.0
FM & FM-AM	965,532	1,229,980	-21.5	496,396	12,386,742	14,972,974	-17.3
auto . . . . .	142,087	163,905	-13.3	180,542	7,684,861	7,311,971	+5.1

Color TV 5-week moving average: 1979—195,566\*; 1978—187,916 (up 4.1%).

\*Record for period.

**3M TO MASTER & PRESS VIDEODISCS:** 3M is setting up plant in St. Paul "to master & replicate for any viable videodisc system." First product will be discs to support U. S. marketing of Thomson-CSF transmissive optical system on commercial-institutional market.

Move is significant in that it portends 2nd source—independent of hardware manufacturers—for discs for optical or other systems, could represent first U. S. source for any Japanese disc systems which enter American market. Neither 3M nor Thomson had formal statement, but both confirmed arrangement. In answer to our questions, 3M spokesman said company hopes to produce discs before end of 1980, has "no firm plans" for consumer market, is free to sell transmissive discs direct to customers as well as through Thomson.

To refresh your memory, Thomson disc system was first shown in 1973 (Vol. 13:36 p9), developed by the French electronics giant at same time Philips & MCA were working on their systems which eventually were made compatible. It has one major difference from Philips/MCA—disc is transparent rather than reflective, laser light shining through it rather than bouncing off. Company says this gives it 3 big advantages: (1) Disc is simpler to make, since it requires no reflective coating. (2) It can be extremely thin & flexible, mailable in envelope. (3) Both sides (30 min. each) can be played without turning disc over by merely refocusing laser beam to scan far side after near side has been played. When Zenith was working actively on videodisc, it favored Thomson approach. Thomson is major factor in European TV set market, building sets under own name in France and owning large interest in (and seeking control of) Germany's Nordmende.

Announcement by 3M comes as MCA seeks 2nd videodisc pressing—and eventually mastering—plant in east, as alternate source to its Carson, Cal. facility. With both Magnavision consumer players and MCA-Pioneer Discovision commercial-institutional players depending on it for software, MCA's unexpectedly slow production buildup has been significant bottleneck.

Thomson has delivered prototypes of NTSC player to U. S., Vp Warren Singer told us, starts production of NTSC, PAL & SECAM players in France in 4th quarter, U. S. version to be supported by discs from France until 3M plant is operating. Features of MPU-equipped player are similar to those of Discovision commercial-institutional unit, except for inherent



differences in transparent discs. Players will sell for about \$3,000 each, and because it plans to build "no more than 1,000 in 1980," Thomson is seeking small-volume customers, Singer said, rather than follow pattern of MCA, which has 7,000-plus player deal with GM. "We have some customers" in U.S., Singer told us. Players will be made exclusively in France probably into 1981, he added—whether to make them here after that is still under study as is question of whether Thomson would have U.S. plant or license another firm. Thomson is "not ready to commit" to consumer model. Lloyd Troeltzsch heads 3M disc project.

MCA is delivering sophisticated MPU-controlled Japanese-made (Universal-Pioneer, 50-50 MCA venture) Discovision players to GM, is scheduled to complete GM dealer installations against initial order of 7,000 units (Vol. 19:8 p10) by Sept. —which will mean it will have sold more players than Philips/Magnavox, which is estimated to have delivered about 4,000 to date. GM has options for more players—up to 10,000, according to one source. One industry estimate is that it's paying \$1,650 per player, which would bring initial contract value to over \$11.5 million for players alone.

Package purchased by GM includes console stand and Zenith 19" color set, latter items under separate contracts. While some eyebrows were raised over use of Zenith rather than Magnavox set, explanation is simple: Magnavox bid for GM videoplayer contract on its own, in competition with MCA. It should be remembered that MCA-Pioneer & Philips-Magnavox are competitors in videoplayer field, despite embracing same system and current dependence of Magnavox on MCA for discs.

Strain between competitive partners in Philips/MCA system has been exacerbated by inadequacy of disc supply and unexpected slowness in production buildup at Carson plant, as Discovision competes for industrial (GM) & educational (govt.) discs against demand from consumers & consumer industry for entertainment discs to support Magnavision. Other unanticipated factor in critical situation has been unexpectedly high demand due to: (1) Large-scale purchases (some say up to 400-500 discs each) by hardware & record manufacturers here & abroad for engineering study. (2) Vastly accelerated disc orders by GM.

Disc shortage is so desperate that even VIPs borrowing players from Philips & Magnavox are receiving few choice feature film discs, perhaps also reflecting Philips' diminishing influence with MCA. One was loaned one old feature, 1966 NFL film, golf lesson, National Geographic TV special. MCA is pushing to expand yield, has finally released first 2-hour disc ("House Calls"), will re-master most or all features in 2-hour format, virtually doubling its capacity for feature film output, since film recorded in 2-hour constant linear velocity (CLV) format generally uses one disc instead of 2.

Will success of MCA commercial-institutional player delay production of consumer version by Universal-Pioneer's Japanese plant? All concerned say reverse is true—producing industrial players help's U-P's "learning curve." Nevertheless, in wake of departure of Pres. Bernie Mitchell (Vol. 19:32 p11), U.S. Pioneer has postponed early-Oct. press conference on subject, says it may reschedule it later in month. Prototype consumer model has been completed, we've learned, and Pioneer spokesman says early-1980 U.S. market test is still planned.

First traveling "Magnavox Week" promotion, at Minneapolis's Donaldson's and Dayton-Hudson stores featuring Magnavision demonstrations (Vol. 19:32 p9), drew more than 500, resulted in undisclosed number of orders for 1980 delivery—although player sales weren't included in Magnavox aims in staging promotion.

**COLOR INVENTORIES DIP IN RECORD JULY:** In what so far is 10.4-million-set year, industry is producing at about 9.6-million pace. With last month setting new record for any July, manufacturers have been caught short and their inventories dipped to lowest point since Jan. as buying by distributors & retailers continued at high level.

Total factory-plus-distributor inventories at end of month were at about 11-week supply at current sales pace, vs. 13 weeks at same point in 1976 & 1977 and 14 weeks in 1975. Total inventories were at about same level as year ago, but stockpile at factory was down 10.7% (7 weeks' supply, one week less than year earlier), with distributors increasing their inven-



tories—probably buying at greater rate than factories had anticipated.

This sort of situation usually brings up talk of shortages. They were narrowly avoided last year by readjustment of schedules in 2nd half, but inventories continued a bit too low until Oct. (Last midyear, industry forecasts centered on 7.5-7.6-million level, while year's total sales came out close to 10.3 million.)

At end of July, factory-plus-distributor inventories totaled about 2,593,500, down 0.7% from year earlier, at time when year-to-date sales to dealers were up 1.3%. Factory inventories at just under 1,367,000 were down 10.7%, while distributor stocks were up 14.7% to 1,127,000. During July, inventories at factory-plus-distributor levels dropped 1.2%, dipping 1.9% at factory level and rising 0.8% at distributors.

Home VCR inventories continued well down from 1978, but built up from June, presumably with new models starting to arrive. With sales to dealers totaling 24,216, up 16.1% from year earlier, factory-plus-distributor inventories came to about 110,000, down 11.7% in year but up 7.3% during month. Factories held 82,000 of this, down 10.1% from last year but increased by 20.6% from end of June. At distributor level, figure was 28,000, down 16.1% from 1978 and 18.8% from June.

Best week of year in VCR sales to dealers was registered as Aug. began, with sales of some 10,600 units running 96.3% ahead of the 5,366 registered for year earlier (first comparable-week data for 1978 to be made available in VCR). Color didn't fare so well, dropping 2% from last year to 186,500 in first Aug. week, while b&w sales at 136,000 were up 21%. Here are EIA sales-to-dealers figures for July:

Product	July 1979	July 1978	% change	July 1977
Total TV.....	1,058,089	1,123,023	-5.8	955,641
color.....	686,629	668,170	+2.8	583,109
monochrome....	371,380	454,843	-18.4	372,532
Home VCR.....	24,216	20,862	+16.1	—
Total radio.....	3,440,305	4,290,521	-19.8	4,676,813
home, portable...	2,693,213	3,504,331	-23.2	3,879,273
AM-only.....	392,613	526,620	-25.5	749,333
FM & AM-FM...	2,300,602	2,977,711	-22.7	3,129,940
auto.....	747,092	786,190	-5.0	797,540

**Chrysler is latest auto OEM to go along with CASA demand that car radios not be sold as standard equipment.** Chrysler said it will offer delete option on 4 Dodge, Plymouth & Chrysler 1980 models it planned to sell on radio-inclusive basis. Company also promised not to expand number of models sold with standard radios beyond those currently offered at least through 1983 models, and to notify CASA if it plans to change policy. CASA has won similar agreements from GM & Honda, has antitrust suits pending against Toyota & Volkswagen (Vol. 19:21 p12, et seq.).

**Japanese capacitor producer Shin-ei Tushin Kogyo** has opened sales service office in Chicago area, is considering production start-up in U.S. for aluminum electrolytic line. Subsidiary Rubycon America is headed by Raymond Anthony, former exec. vp of International Importers, which continues as Rubycon distributor. Japanese firm had U.S. sales of about \$4.5 million last year.

**Portable radio-cassette** recorders with metal tape capability are expected to be introduced by most major manufacturers at Japan Audio Show Oct. 17-24.

**Sets in use total 145.7 million**, according to RCA survey which also reports almost 50% of homes have 2 or more sets. Said Jack Sauter, RCA Consumer Electronics vp-gen. mgr.: "With inflation limiting discretionary spending and the energy crisis curtailing pleasure driving, I believe that TV-related products will play an even more significant role in providing in-home entertainment for millions of viewers." Other statistics—on demographics of receiver purchasers, etc.—were reported here earlier (Vol. 19:26 p11).

**Wireless airline audio system** by Bell & Howell is subject of new FCC inquiry. Design calls for low-power FM signal to send 12 channels of music and movie soundtrack to passenger headsets, using 72-73 MHz. Comments are due Sept. 14, replies Oct. 11.

**Magnavox is adding 11 new cartridges** for programmable Odyssey video game, including computer programming, pinball, space war, shoot-out, hockey & soccer, and 2 designed for pre-schoolers. Additions bring total available cartridges to 30.



**JUNE & HALF TV IMPORTS:** B&w provided bright spot for TV importers in June, bounceback in incoming shipments from Taiwan & Korea pushing total to new record for month, as quota-depressed color imports continued trailing 1978 results (Vol. 19:32 p8).

Here's rundown on June TV imports by country, with results for first half in parentheses: Japan total TV 97,500, -66.1% (711,800, -54%); color 49,100, -65.7% (370,300, -62.2%); b&w 48,400, -66.5% (341,500, -54.4%). Taiwan total 443,600, +9% (2.02 million, -0.8%); color 99,600, -24.7% (487,400, -21.9%); b&w 344,000, +25.3% (1.53 million, +8.6%). Korea 202,600, +107% (983,600, +88%); color 10,400, -56.5% (210,200, +86.4%); b&w 192,200, +160.2% (773,400, +88.5%).

Imports of complete color: Japan 35,300, -71.4% (276,100, -60.3%). Taiwan 52,100, -17.4% (168,800, -39.7%). Canada 4,200, -75.1% (59,900, -41.6%). Singapore 7,100, +47.2% (36,000, +145.6%). All color imports from Korea were of complete receivers. Imports of incompletes: Japan 13,800, -29.7% (94,200, -8.1%). Taiwan 47,500, -31.4% (318,600, -7.5%). Mexico 108,100, +5.9% (717,000, +27.4%). Singapore, which provided first shipment of incomplete color in May, was source for 2,000 in June, bringing total for year to 4,000.

In complete-color imports for full period, unit shipments for all screen sizes were down, and 19" slipped sharply in share of total, compared with same 1978 period. Color imports by size with percentage change & share of total (1978 half share in parentheses): 10"-&-under 57,300, -50% for 7.6% share (9.4%); 11-12" 101,600, -27.8% for 13.5% (11.6%); 13" 211,200, -15.6% for 28% (20.6%); 14-15" 79,300, -22.5% for 10.5% (8.4%); 16-17" 9,300, -77.3% for 1.2% (3.4%); 18-19" 273,700, -49.2% for 36.3% (44.4%); 20"-&-over 22,200, -11.8% for 2.9% (2.1%). Results for b&w: 10"-&-under 354,100, -29.7% for 13.3% share (19.3%); 11-12" 1,977,000, +10.7% for 74.1% (68.4%); 13-17" 93,500, -12.7% for 3.5% (4.1%); 18"-&-over 242,300, +13.4% for 9.1% (8.2%).

**TV PRICE CHANGES FEW:** Last year at this time, major TV makers were instituting 2nd price increases of year, but at this year's fall meetings there apparently won't be important changes, presumably because of uncertain economic conditions. Zenith left prices alone at its distributor meeting last week, and RCA says there will be only "selective revisions" in prices at its meeting this week.

Major new product introduced by Zenith is 13" with "Omni Electronic Tuning," using single-knob VHF-UHF-switchable continuous flywheel tuner with radio-like dial. Zenith says continuous tuning is particularly appropriate for portables since no channel adjustments or setups are required. System makes possible electronic tuning "in a price range never before possible," Zenith Sales Co. Pres. Walter Fisher said. New set is \$360, just \$10 over non-electronic-tuning leader. Zenith also introduced lowest-priced big-screen remote—23" metal-cabinet table model at \$640. In audio introductions, Zenith added direct-drive turntable at \$250 and 15-watt-per-

channel receiver at \$280.

Sharp's first color TV from plant now being completed in Memphis is 19" leader model, due on market in Oct., and priced to put company back in competitive mainstream. Suggested list of \$400 is \$80 below current leader, which, in turn, is due to be replaced by \$480 step-up from Memphis in Nov. Both will have Sigma 3000 chassis introduced on new models last May (Vol. 19:21 p9). Also added to line, with Oct.-Nov. delivery, respectively, were 4" battery-portable b&w at \$150, 5" b&w battery portable with stereo FM-AM-cassette, varactor tuning, at \$530. Combo is Sharp's 4th, has auto program search feature for cassette.

**RCA JUGGLES VCR PRICES:** Some downward price revisions could show up in RCA's VCR line this week as result of competitive introductions since first showing last May (Vol. 19:21 p8). At that time, company increased some VCR prices along with TV, starting line with 4-hour unit at \$1,150, up about \$50 from predecessor. Leader is expected to go down this week to \$1,095. New Hitachi-made portable, unpriced last May but estimated then at "around \$1,500," could come in as low as \$1,350. Prices on new 3-speed 6-hour programmable and 2 new color cameras, not given last May, will be announced this week. One year ago (Vol. 18:33 p9), RCA raised prices on some VCR models.

In Europe, meanwhile, BASF has canceled advance press conference on PAL version of its portable LVR recorders, leading to speculation that introduction would be postponed. However, sources there say it will be demonstrated at Berlin's Internationale Funkausstellung, although we're told demos will be private, not for general public.

In Japan, NEC introduced portable Beta VCR at 229,000 yen (about \$1,070), microprocessor version at 279,000 (\$1,300). Latter has high-speed search, 3-times-normal-speed viewing, slow motion, still picture, one-week pre-programming (one program), 10-function remote. NEC unit currently isn't sold in U.S.

Hitachi Maxell will expand videocassette & metal audio tape production, increasing videocassette output to 300,000 monthly from current 200,000 in 2-3 months. About 50% will be exported.

TI home computer waiver was removed from agenda of recent FCC hearing (Vol. 19:31 p10) at request of Comr. Washburn. Washburn staffer said waiver petition should be considered at same time Commission examines rulemaking on same matter (Vol. 19:10 p11).

Foreign investments in Taiwan in first 7 months totaled \$206.2 million, up 70% from same period last year, Economic Affairs Ministry reports. Of that, \$68 million (33%) was earmarked for electronic-electrical industries.

**Full speed ahead** on AM stereo was urged by NAB in comments filed with FCC. It expressed opinion that new service would result in "total redesign" of receivers, forecast "technological rebirth" of AM.



**MUNTZ'S VIDEO TRIP:** TV veteran Earl "Madman" Muntz may not be biggest video dealer in country, but then again maybe he is. From base of projection TV (Vol. 19:32 p7), his 3 L. A.-area stores have become hq for video needs, having already sold, according to Muntz, more than 1,600 home TV cameras, moving \$400,000 worth of blank cassettes monthly (at \$15.95 for 4-hour VHS) and earning title of nation's No. 1 RCA VCR dealer.

Ever-enthusiastic Muntz now is embarking on manufacture of TV commercial-killer for video recorders, designed to be attached to audio & video inputs and pause control of VCR and geared to operate when audio & video are blanked out in preparation for commercial. "It doesn't work every single time," Muntz told us. "The Johnny Carson Show has 44 commercials and last night it blanked out all but 4—you can see the whole show in one hour & 6 minutes. Sometimes it cuts out the beginning of a movie, but you only lose 30 seconds." (Only other commercial-killer now on market is designed to cut out color commercials in black-&-white movies.) Muntz says he has ordered parts for 5,000, will turn out "couple of hundred a day" for sale at \$99.

Muntz handles VHS recorders almost exclusively (Panasonic & Quasar plus RCA), but takes trades and sells used VCRs ("there's a market at \$495")—probably having nation's first used-VCR lot. "Used Sony SL-8200 machines sell for almost as much as they did new," he says; demand is from tape duplicators. His shop is also busy modifying new VHS units for fast-forward, still-frame and other features at 8-10 a day for \$149. His projection TV business is geared to high-end glass-lens unit using Sony set at \$1,395, "which we show under bright fluorescent lights." He handles no 3-tube units—"but I take 'em in trade." Major problem in 3-tube projectors, he says, is convergence. "What's the use of having a Mercedes-Benz if it's in the shop all the time?"

**Mergers & acquisitions:** Columbia Pictures will sell Arista Records to Germany's Ariola-Eurodisc of Germany for about \$50 million. Sale would net Columbia about \$7 million after taxes. Arista Pres. Clive Davis is expected to continue in present post... **Electro Audio Dynamics** purchased 262,000 of its shares from Banque de Paris for \$524,000, or \$2 per share, discount of \$1.25 from current market value. Bank was required to sell off EAD holdings under 1977 SEC consent agreement... **Craig** will acquire high-end hi-fi maker Great American Sound for undisclosed number of shares. GAS has own line of components, distributes Japanese Micro Seiki turntable line, has annual sales of about \$3 million. If deal goes through, it will be 2nd consumer electronics acquisition within year for Craig. Last year, it bought International Mds. Assoc., U.S. marketer of Hanimex promotional line... **Memorex** is discussing merger with computer-maker Amdahl. Current indications are Amdahl would issue 1.2 shares for each outstanding Memorex share, giving transaction value of about \$270 million. Amdahl is 26.5%-owned by Japan's Fujitsu which supplies Amdahl with computer parts, Memorex with computer tape and related equipment.

**FOTOMAT & ADVENT WOES:** Fotomat & Advent last week reported adverse financial news. Fotomat said it was suspending dividend payments because of expected decline in earnings for year, while Advent said its principal lender has cut credit from \$5 million to \$3 million, forcing new search for financing.

Separately, Fotomat has agreed to sell 700,000 shares, or about 8% interest, to Japan's Konishiroku Photo, producer of Konica cameras, for about \$12.3 million. Firms also are discussing joint photo-supply manufacturing venture in U.S. Fotomat showed loss in first quarter to April 30, said 2nd-quarter photo business was below expectations.

Advent said credit cut has forced halt to sale of remaining \$400,000 portion of \$1-million debenture issue it announced last month (Vol. 19:31 p11), as outstanding debt covered by lending agreement totals just under \$2.9 million. Company said it's negotiating for new short-term credit line.

**North American Philips** netted \$1.5 million on sale of Magnavox's Mexican subsidiary earlier this year, which apparently was enough to put Magnavox in black for 2nd half. In report to holders, NAP says it paid \$938,000 in dividends on preferred stock to U.S. Philips Trust. Trust got stock in exchange for financing 1974 acquisition of Magnavox, and dividend is paid exclusively from Magnavox profits.

**Morse** reported \$15.1-million loss for year to March 31, compared with \$4.6-million deficit in preceding year, as sales slipped to \$96.4 million from \$100.8 million. Morse says it has enough capital to continue operations through next Feb., when current loan agreement expires, plans to restructure debt-financing arrangement before that time.

**CHINA-JAPAN VENTURE:** China has accepted, in principle, plan for consumer electronics manufacturing venture with consortium of major Japanese manufacturers, spokesman for Matsushita Electric said last week. Proposal for venture was made by Matsushita founder Konosuke Matsushita during recent visit to China (Vol. 19:29 p10).

Latest venture calls for joint Japanese initial investment of about \$65 million, along with technology contribution. Japanese also will have overall management responsibility, provide president. Production will be primarily for domestic consumption. Exports, which will require Japanese approval, will be limited to 10% of output to avoid disruption in Far East markets.

Idea is getting mixed reception from potential Japanese consortium members who will be meeting to discuss it later this month. Some strongly prefer making individual deals to sell products & knowhow to China despite fact that Chinese are tough negotiators who play potential suppliers off against one another and as a result past sales have been for low profits. There's also fear arrangement will effectively freeze U.S. & European companies out of Chinese electronics market, cause further deterioration in Japan's trade relations with West.



## Consumer Electronics Personals

**John Welch**, GE consumer products & services senior vp, becomes vice chmn. Sept. 1; other senior vps similarly advanced are **John Burlingame**, international operations, and **Edward Hood**, technical systems & materials; Vice Chmn. **Walter Dance** & **Jack Parker** retire Dec. 31... **C. Ridley Rhind**, ex-Diablo Systems, joins Ampex as mktg. vp... **John Whittaker** promoted at GTE to govt. affairs vp, succeeding **James Clark**, retiring... **Richard Hoag** promoted to sales vp for U.S. & International Mattel Electronics, succeeding **Mal Kuhn**, now in rep business in Tucson... **Paul Bassin**, N.Y. area vp-gen. sales mgr. for Zenith N.Y., adds responsibility for N.J.

**Gordon Hurt** advanced at Stanton Magnetics to national mktg. vp for both Stanton & Pickering, appointed to additional post as pres. of in-house ad agency Trans World... **Robert Livergood**, ex-Lloyd's, joins Gusdorf as national sales mgr... **Allan Fields'** new post at Paramount is corporate planning vp, responsible for worldwide home video, CATV & STV (Vol. 19:32 p11).

**Richard Quaid**, formerly Magnavision videodisc player national mktg. mgr., moves to Magnavox subsidiary Philips High Fidelity Labs as national sales mgr.; **Johan Koppler**, ex-Magnavox audio, appointed Philips product mgr.; **Ed Williams** advanced from Magnavox ad staff to Philips ad & PR coordinator... **Raymond Ward** promoted at Shure to exec. mktg. vp-managing dir. of Shure England; **J.H. Kogen**, exec. vp finance & engineering, adds post of operations mgr.; they assume duties of **Victor Machin**, retired... **Harry Elias**, JVC home entertainment mktg. vp, adds hi-fi sales responsibility; **Kirk Mural** advanced to hi-fi products gen. mgr.; **Sparky Wren**, ex-hi-fi mktg. vp, appointed corporate long-range planning mgr... **David McLeod** advanced at Koss to premium & national accts. sales mgr... **Robert Miller**, ex-Sharp, joins Radio Shack as mdsg. dir.

**Philip Schlein**, Macy's Cal. pres., named to Apple Computer board... **John Wunner** advanced at GI Microelectronics from communications dir. to memory product mgr., succeeding **Robert McDonald**, now optoelectronics materials production mgr... **Gene McFarland** promoted at TI to worldwide semiconductor automotive mktg. strategy mgr... **Robert Stevens**, ex-Sperry Remington Consumer Products, named Seiko Time ad mgr.

**Time consumer takes** to consider hi-fi purchase increases as price goes up. This is non-startling result of purchase behavior study by Venture Development Corp. Report shows 20.7% of purchasers of under-\$800 systems picked brand and made buy on same day, and that 62.8% took no more than 2-4 weeks. When price was \$800-\$1,300, only 0.9% acted same day, 32.8% within 4 weeks. Of presumably more knowledgeable buyers of higher priced systems, 4.2% bought same day, but only 27.2% within 4 weeks. Report also contains 5-year sales forecasts, discusses impact of upcoming technological developments. Details: VDS, 1 Washington St., Wellesley, Mass.

## Financial Reports of TV-Electronics Companies

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

Company & Period	Revenues	Net Earnings	Per Share
<b>CTS</b>			
1979-6 mo. to July 1	92,813,000	5,856,000	1.28
1978-6 mo. to July 2	81,422,000	5,479,000	1.21
1979-qtr. to July 1	46,124,000	2,882,000	.63
1978-qtr. to July 2	41,408,000	2,796,000	.61
<b>Doyle Dane Bernbach</b>			
1979-6 mo. to June 30	49,313,000	4,598,000	1.73
1978-6 mo. to June 30	41,434,000	3,705,000	1.40 <sup>a</sup>
1979-qtr. to June 30	27,450,000	3,363,000	1.26 <sup>a</sup>
1978-qtr. to June 30	23,384,000	2,679,000	1.01 <sup>a</sup>
<b>Electronic Memories &amp; Magnetics</b>			
1979-6 mo. to June 30	73,135,000	410,000 <sup>b</sup>	--
1978-6 mo. to June 30 <sup>c</sup>	62,654,000	2,074,000	.28
1979-qtr. to June 30	38,673,000	302,000 <sup>b</sup>	.01
1978-qtr. to June 30 <sup>c</sup>	31,985,000	1,201,000	.17
<b>Foote, Cone &amp; Belding</b>			
1979-6 mo. to June 30	63,555,000	3,769,000	1.45
1978-6 mo. to June 30	50,853,000	4,065,000 <sup>b</sup>	1.60
1979-qtr. to June 30	34,247,000	2,750,000	1.06
1978-qtr. to June 30	27,226,000	2,614,000 <sup>b</sup>	1.03
<b>Grey Advertising</b>			
1979-6 mo. to June 30	41,484,000	2,580,000	4.14
1978-6 mo. to June 30	35,101,000	2,221,000	3.56
1979-qtr. to June 30	23,693,000	1,988,000	3.19
1978-qtr. to June 30	18,946,000	1,454,000	2.33
<b>ITT</b>			
1979-6 mo. to June 30	7,959,074,000	366,475,000	2.58
1978-6 mo. to June 30 <sup>c</sup>	7,070,094,000	347,236,000	2.45
1979-qtr. to June 30	4,166,807,000	157,394,000	1.11
1978-qtr. to June 30 <sup>c</sup>	3,745,770,000	187,877,000	1.33
<b>MCA</b>			
1979-6 mo. to June 30	555,934,000	93,282,000 <sup>b</sup>	4.00
1978-6 mo. to June 30	461,414,000	48,972,000	2.10 <sup>a</sup>
1979-qtr. to June 30	272,926,000	29,403,000	1.26
1978-qtr. to June 30	225,012,000	27,592,000	1.18 <sup>a</sup>
<b>Sonderling Bcstg.</b>			
1979-6 mo. to June 30	20,069,000	1,486,000	1.33
1978-6 mo. to June 30	18,850,000	1,422,000	1.28
1979-qtr. to June 30	10,892,000	1,143,000	1.02
1978-qtr. to June 30	10,359,000	1,060,000	.95
<b>Texscan</b>			
1979-year to April 30	10,797,855	324,574	.37
1978-year to April 30	9,714,832	219,608	.25
<b>Times Mirror</b>			
1979-28 wk. to July 15	792,525,000	66,815,000	1.97
1978-28 wk. to July 16	712,963,000	63,286,000	1.82
1979-16 wk. to July 15	449,965,000	38,516,000	1.14
1978-16 wk. to July 16	407,950,000	36,370,000	1.05
<b>Trans-Lux</b>			
1979-6 mo. to June 30	8,347,538	1,020,352	.56
1978-6 mo. to June 30	7,461,589	707,257	.36
1979-qtr. to June 30	4,413,792	489,404	.27
1978-qtr. to June 30	3,722,354	354,752	.19
<b>United Cable TV</b>			
1979-year to May 31	30,966,000 <sup>d</sup>	3,956,000 <sup>d</sup>	1.94
1978-year to May 31	21,478,000	2,641,000 <sup>b</sup>	1.35
1979-qtr. to May 31	9,427,000 <sup>d</sup>	1,383,000 <sup>b</sup>	.68
1978-qtr. to May 31	5,850,000	1,238,000 <sup>b</sup>	.62

Notes: <sup>a</sup>Adjusted. <sup>b</sup>Includes special credit. <sup>c</sup>Restated. <sup>d</sup>Record.

**Warranty payment problems** are focus of survey by umbrella service group Consumer Electronic Service Council. Issues dealt with in 7-question survey include labor reimbursement rate, warranty parts payment and returns, promptness of payment. CESC Chmn. **Frank Moch** says results will be tabulated end of June, findings discussed with 25 largest manufacturers.



WEEKLY

# Television Digest®

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AUGUST 20, 1979

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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**INDUSTRY IMPRESSED WITH COURT TEST** for delegates to ABA convention in Dallas, feeling 'major credibility' established for TV-radio coverage. Next ABA vote still year away. (P. 1)

**STOP COMSAT PLEA:** Ebel rallies opposition to direct-to-home satellite TV; FCC approves private earth stations. (P. 2)

**CABLE & AD AGENCIES** talk during Denver convention of CTAM as CATV seeks ways to attract more ad dollars. Pat Weaver critical of networks, predicts 50% audience loss in 10 years, calls Comsat plan 'explosive.' (P. 3)

**WDCA-TV NOW IN TAFT HANDS** after frenetic couple days in Washington as FCC waives top 50 rule in 4-3 vote. WATCH vows to fight. (P. 4)

**NAB CRITICIZES FCC** for failure to adopt 'master plan' for AM, says current allocations could be obsoleted by WARC. (P. 4)

**MORE PBS POWER PROPOSED:** New CPB board member Cowen proposes letting PBS make program decisions as alternative to Fleming plan. (P. 5)

**NRBA's GABBERT TO TV:** Founder of association selling radios, buys KEMO-TV San Francisco. Kaplan to replace Gabbert as NRBA pres. (P. 5)

**INDUSTRY IMPRESSED WITH TV COURT TEST:** Major strides have been made by TV-radio this year in continuing battle to gain access to courtrooms, and added emphasis was given last week with successful test in Dallas during ABA convention. Demonstration, requested by ABA Pres. Shepherd Tate (who favors coverage), included mock trial, debate over admission of cameras & microphones to courtrooms, and demonstration of TV equipment dating back to RCA's earliest color camera. At Atlanta convention year ago, ABA had postponed consideration of resolution to permit TV-radio court coverage (Vol. 18:33 p3), then voted against coverage in February.

"It went extremely well... I couldn't be more pleased," according to Marty Haag of WFAA-TV Dallas, who produced demonstration. He said many attorneys (in audience of about 400 during debate portion) weren't even aware that Ikegami 79-A camera was in courtroom. "We established the fact that the TV camera can be unobtrusive," he told us. Courtroom for mock trial seated only 70, but a standing-room only audience of lawyers & judges attended. Closed-circuit facilities to view proceedings also drew large crowds in 2 other courtrooms. To keep TV cables hidden from view, they were strung through air-conditioning vents.

### Consumer Electronics

**BASF LVR SALES** start in Europe in mid-1980 at about \$1,090 for 3-hour portable, accessory tuner-timer with 99-day programmer. RCA substitutes 6-hour for low-end 4-hour, cuts price \$55, offers \$100 rebate. Penney enters VCR market under own brand. (P. 7)

**COLOR SUPPLY OFF:** EIA & Commerce data show new color TV supply decline. (P. 8)

**RCA BUYS CIT:** Companies approve takeover. Other merger & joint-venture news. (P. 10)

**LEXICON GETS BACKER,** subsidiary of German Nixdorf Computer to take over manufacture & sales of language computer. Compuserve plans personal computer network. (P. 10)

**VIDEO PROGRAM PRICES** cut \$10 across-board by Magnetic Video. Paramount plans Sept. test of videocassette sales in Phoenix & Denver. (P. 10)

**RCA COLOR SALES** headed for record, with 23% ad increase, trade-in & rebate programs. 'Selective' price changes. Sony introduces new color tube. (P. 11)

**SUPERSCOPE LOSS GREW** in quarter & half, but company expects improvement in 3rd quarter. Philips sales disappoint. Sanyo sales up, exports dip. (P. 11)



"It was a fantastic program, an educational one setting forth the advantages and disadvantages" of cameras & microphones in courtrooms, Tate told us. "The lawyers and judges I talked to were well pleased. . . I haven't heard anything other than favorable comments. . . It's a matter that deserves the continued, thorough consideration by the lawyers and judges of this country."

NAB's FOI expert Stephen Nevas said: "We established some major credibility on the issue with the ABA leadership. . . The Ikegami provided an extremely good picture with available lighting. . . We persuaded those here that cameras are not in any way disruptive to the judicial proceedings." Demonstration was co-sponsored by several groups, including NAB & RTNDA.

Despite success of last week's test, issue of TV-radio court coverage still is very emotional, and many lawyers & judges still oppose broadcasting's admission. It will be at least another year before ABA votes again on issue, and broadcasters privately were wondering how many lawyers they've convinced.

According to National Center for State Courts in Arlington, Va., 9 states now permit TV-radio court coverage on permanent basis—Ala., Colo., Fla., Ga., N.H., Tenn., Tex., Wash., Wis. Same source listed 12 other states which have experimental coverage underway—Alaska, Ariz., Cal., Ida., La., Minn., Mont., N.J., N.D., Ohio, Okla., W.Va. Added to experimental list since National Center compiled statistics (July 20) have been N.Y. & Mass. Considering such tests of court coverage are Ark., Conn., Del., Ia., Miss., Neb., Nev., N.M., R.I., Utah & Vt. TV-radio still are barred from all federal courts.

\* \* \* \*

In other actions, ABA: (1) Heard Supreme Court Justice Powell suggest that press itself shares blame for orders from state courts barring reporters from pre-trial proceedings (see p. 4). He said press is wrong in charging that many judges are hostile to coverage. (2) Refused to support legislation to protect news organizations from searches by police, overturning Supreme Court's Stanford Daily decision. (3) Overwhelmingly endorsed controversial legislation now before Congress which would give President authority to veto actions taken by regulatory agencies—such as FCC & FTC. ABA report said action was "a minimal and necessary start" toward correcting "the inconsistency and indecisiveness that have characterized the regulatory process over the past decade."

**EBEL'S 'STOP COMSAT' PLEA:** Direct-to-home satellite STV plans of Comsat (Vol. 19:31 p1) have prompted broadcasters' satellite expert A. James Ebel, delegate on WARC and head of KOLN-TV Lincoln, Neb., to issue call to arms to fellow broadcasters. His call came at same time FCC has decided it will "routinely" grant licenses for satellite earth stations to private individuals—opening way for direct-to-home TV from existing domestic satellites.

Ebel sent letter to AMST directors, CBS affiliates and chmn. of ABC & NBC affiliates' satellite committees. It stated: "The threat. . . is now at our doorstep with the enthusiastic blessings of the [chairmen] of the FCC and the House Communications Subcommittee. When Comsat installs satellite antennas on 50% of homes, they will have the program-buying potential to siphon anything they want off of free advertiser-supported TV."

Details of Ebel's charges: (1) Comsat provides for "no local control whatsoever." (2) Comsat is "quasi-government" operation "part owned by government." (3) Comsat's capital for project "came from the unbelievable profits" it has made from international services. (4) Unlike HBO, utilizing "fixed" satellite spectrum, Comsat proposes to use broadcasting frequencies—"and they should be subject" to requirements of public service, locally-originated programming, local news, children's programs, "restrictions of good taste in connection with the transmission of R- & X-rated materials."

FCC approval of home earth stations to receive TV programs for current generation satellites came without official announcement after decision by Common Carrier Bureau Chief Philip Verveer, reversing long-standing policy restricting ownership to business users. While FCC has only a handful of pending applications from private individuals, decision is green light



for intensified efforts to expand earth station market to public at large—especially rural TV viewers with paucity of existing signals.

"We're delighted to see some deregulation. You will see our Homesat activity expand," said Scientific-Atlanta Chmn. Sidney Topol. (For details, see Satellite Week Vol. 1:4 p1.)

**CABLE & AD AGENCIES POW-WOW:** "We got together and really talked seriously to each other," outgoing CTAM Pres. Trygve Myhren of ATC said of cable industry and ad agencies following last week's CTAM convention in Denver. Sessions attracted 350—double number who attended last year—featured "serious discussions of cable as an advertising medium," according to Myhren. Among major agencies represented were Y&R, JWT, Benton & Bowles, Ogilvy & Mather, Bates, Compton.

"The only reason we are in cable TV is to learn... and so far we haven't learned a hell of a lot," according to keynoter G. F. Tyrell, ad vp for Johnson & Johnson—which has schedule on Madison Sq. Garden events. He said cable is at "the bottom of the totem pole" in ad business and needs to provide much research to convince advertisers & agencies to spend. "Train us not to think in terms of 50 million homes," he said, while predicting there's strong future for advertisers in cable.

Sylvester (Pat) Weaver, onetime NBC-TV pres., former pay-TV entrepreneur and currently CATV consultant, predicted cable will help produce "the flowering of the fountain of miracles" that industry has been talking about for years. Other contributors, he said, will be home satellite receivers (see p. 2), video systems, teletext, other new technology. He criticized TV networks for continuing to play to "the lowest common denominator," said networks knew more about programming & scheduling in early 1960's when he was at NBC than they do now and that current NBC Pres. Fred Silverman "learned it [programming] third hand."

Calling Comsat home satellite delivery plans "exciting and explosive" (Vol. 19:32 p2), Weaver said "I nearly fell off my chair when I heard about it." He predicted that in 10 years HUT levels will reach 80 (compared to present 60) and that 60% of U.S. homes will be served by cable, added: "The networks are going to lose at least half of their audience" with their future strength dependant on live programming.

**Satcom IV launch** in mid-1981 will be requested of FCC by RCA Americom. Intended parking space for satellite is 83° west longitude, allowing coverage of continuous 48 states but excluding Hawaii. Parking decision will anger Oceanic Cablevision, Honolulu, which has asked FCC to order Americom to provide full 24-channel capability to Hawaii—not presently feasible, Americom says.

**Hollywood ATAS luncheon** speakers for new season (Century Plaza Hotel, L. A.): NBC Chmn. Jane Pfeiffer Sept. 20; ABC Pres. Elton Rule Oct. 19; PBS Chmn. Newton Minow Nov. 9; CBS Best. Group Pres. Gene Jankowski Nov. 29; Jane Fonda Dec. 7; ABC TV Pres. Frederick Pierce March 12. Seventh luncheon speaker will be added, according to ATAS Pres. Hank Rieger of NBC.

**Network influence** over TV will decline, MCA Pres. Sidney Scheinberg predicts in "prototype issue" of Triangle's Panorama magazine, but networks will continue to be "dominant form of distribution for the short term," according to Vp Tom Wertheimer in joint interview. Both said they favor "bunching" commercials outside of programs, but don't know how that can be accomplished. Other points: (1) "We don't think cable systems [or AT&T] belong in the programming business." (2) Both cable systems & pay cable are monopolies, and Justice Dept. should act against HBO. (3) "Major new product is going to be made for pay cable." (4) MCA probably has neglected public TV, but its experiences with PTV have been "unfortunate." PTV has "discovered that stories about attractive ladies who have all kinds of illicit affairs draw audiences." Its "wrong" for PTV to have more freedom than commercial TV.

**NCCB TV violence study** found slight decrease in number of violent acts on network TV since 1977. Weekly average of 168 acts of violence during spring 1979 compared with 173 average in fall 1977. ABC was rated most violent, with 4,446 incidents in season; NBC had 4,240; CBS 2,475. Study by bi Assoc. measured both number and duration. Sponsors of most and least violent programs were also ranked: Least—Nikon, Alberto Culver & Perrier; most—Chrysler, Hi C & Budweiser. "Walt Disney" and "Greatest Heroes of the Bible" were among 10 most violent. NCCB Exec. Dir. Sam Simon: "The 1979 TV violence results are basically good news. Of all the programs on TV during the month of May, about 45% contained no definable incidents of violence at all."

**House Commerce Chmn. Staggers** (D-W. Va.)—who has never made overseas junket during 29 years in Congress—and Communications Subcommittee Chmn. Van Deerlin (D-Cal.) head delegation of Commerce Committee now touring China. Purpose of Aug. 11-23 trip is to study international telecommunications. Trip was delayed for day, and govt. plane stopped in San Diego, to accommodate Van Deerlin. Many House observers see Staggers' trip as indication that 72-year-old congressman won't seek re-election; if so, Rep. Dingell (D-Mich.) is expected to become Commerce chmn.

**Some 80% of cable homes** are expected to be served via satellite by year's end, according to estimate by John Lubetkin, marketing dir., Community Service Network. This would mean 12-13 million homes out of the 15-16 million total cable subscribers expected by Jan. 1. State-by-state, community-by-community listing—based primarily on weekly Cable Addenda and annual Television Factbook—is available from CSN: 1666 Connecticut Ave. NW, Washington, D.C. 20235, 202-673-7866.



**WDCA-TV NOW IN TAFT HANDS:** During frenetic couple days at FCC, Taft Bcstg.—fortified by 4-3 Commission vote in its favor—took over control of Ch. 20 WDCA-TV Washington, but determined pro-  
 testor WATCH says battle is far from over. Commission approved waiver of top 50 ownership rule Aug. 16, allowing Taft take-over almost immediately.

Vote came at end of 2-hour meeting—during which Comr. Lee was on 2-way telephone from Germany, a "first" for FCC. Three other commissioners—Quello, Washburn, Fogarty—interrupted vacations to return to Washington for meeting. Majority, which found that Taft had made "compelling showing" for waiver of rule, consisted of Lee, Quello, Washburn & Jones. Dissenters: Ferris, Fogarty & Brown.

Legal machinations resumed immediately after approval when WATCH asked FCC for an "immediate and emergency stay." Commission denied that next day 5-1, Fogarty dissenting, Ferris concurring, Brown not participating. WATCH now says it's headed for court, even though station already has changed hands.

Major issue in Commission discussions was children's programs, which WDCA-TV upgraded considerably during Aug. 1 FCC meeting (Vol. 19:32 p5) and Aug. 16 session—and news accounts of WDCA-TV actions, even though nothing had been filed at FCC, played major role in discussions. Immediately after FCC vote, Taft sent its Exec. Vp Ro Grignon to station to take over. He also took along letter, later released, pledging that Taft would fulfill programming commitments of WDCA-TV under previous owner, Improvement Leasing Co. Contract for \$15.5 million sale expired Aug. 17 and Improvement had refused several Taft requests for extension so that commissioners wouldn't have to return for unusual full-scale meeting in mid-Aug. Speculation in Washington was rampant that Improvement wanted to sell station to STV entrepreneur for higher price.

**ABC lost transatlantic balloon flight coverage** rights when federal judge rejected suit brought by ABC. Network contended it had verbal agreement for exclusive coverage with DaVinci Transamerica balloon crew members, who signed \$7,500 exclusive contract with NBC.

**Bronx, Brooklyn & Staten Island cable system** proposals will be accepted by N.Y. Bureau of Franchises for 60 days beginning Aug. 31. Dir. Morris Tarshis said city will "look most favorably upon plans with multiple-borough configurations."

**Strike by technicians** has shut down Britain's commercial TV network at cost of \$2.24 million daily in ad revenues. Strikers are seeking 25% pay increase; network offered 15%.

**SCTE engineering conference** Nov. 7-8, Monterey, Cal., will focus on fiber optics. Details: Judith Baer, 202-659-2131.

**CUB has asked FCC** for rulemaking to require all master antenna TV systems to carry local UHF signals.

"Master plan" for AM band should be adopted by FCC, says NAB, criticizing Commission's approach to AM inquiry launched as preliminary to 1980 Regional Administrative Radio Conference for Region II (western hemisphere). NAB said current inquiry is based on allocations structure that could be made obsolete by result of WARC starting next month in Geneva. "Serious reservations" were cited about starting inquiry "before all the facts have been developed and all countries have agreed as to the proper and rightful allocation of the AM band."

**Animators** for Sat. morning TV cartoons walked off job last week in protest of "runaway production"—practice of having cartoon work done overseas. Studios say there aren't enough animators in Hollywood, and some also admit to saving up to 50% by having work done overseas. Union is seeking clause in new 3-year contract prohibiting overseas production unless all of its 2,000 animators are employed. "The studios are not talking to us," according to Local 839 business rep Bud Hester.

Since early July 5-4 Supreme Court decision permitting judges to close pre-trial procedures to press & public (Vol. 19:28 p3), 21 courtrooms across nation have been closed to them, according to survey by ANPA. In 14 other cases, motions to close pre-trial and trial proceedings have been denied or withdrawn. In recent interview, Chief Justice Warren Burger said courts are misreading Supreme Court's decision when they close actual trials.

**L.A. Times Mirror's acquisition** of Hartford Courant has endangered Times Mirror's cable franchise in Hartford & Meriden: Conn. Div. of Public Utilities voted to hold hearings on revoking franchises because of cross-ownership. Times Mirror lawyers argued that Div. is legally barred from reopening hearings on franchises it already has approved.

**Call letters WKRP** have been granted to AM in Dallas, Ga. MTM Enterprises had asked for "hold" on call letters through 1980 for TV show "WKRP in Cincinnati" but FCC rules say only real stations have rights to call letters. WKRP(AM) begins broadcasting in Sept.

**Census forms** next year won't have any questions on TV ownership or viewing habits. Census Bureau's Earl Gerson said: "We've eliminated many questions on home appliances, particularly TVs. The saturation level of those items is so high, it's unnecessary to ask about them anymore."

**Experimental use of fiber** is planned by Cabelrie de Charleroi, Belgian cable maker, using fiber supplied on turnkey basis by General Cable. Two km of 12-fiber cable, 4 dB/km attenuation, bandwidth over 800 MHz, will connect 2 buildings, transmitting FM analog video and digital data.

**Testing refund promises** made in TV commercials, Rosemary Pooler, N.Y. State Consumer Protection Board, ordered 17 items, returned them for refund. After 3 months, refunds were made on 8, partial refunds on 2, no refunds on 7.



**MORE PBS POWER PROPOSED:** CPB board member Geoffrey Cowan has proposed restructuring CPB to give PBS authority to handle program funding decisions now made by CPB.

Cowan proposed that CPB establish specific guidelines for what programming is wanted, then sign contract with PBS to obtain that programming.

Proposal is unusual in that traditional CPB-PBS fighting has often centered on CPB programming authority and PBS's desire to get more of it. In past, PBS has proposed similar ideas, but it's novel coming from CPB board member.

Cowan, new board member, made proposal as alternative to CPB restructuring proposal of Pres. Robben Fleming (Vol. 19:30 p5). Cowan says he offered it simply for all to consider, not as something he supports.

Cowan said in memo to Fleming that his plan "has the major virtue that it removes CPB, rather than just the CPB board, from the program grant decision making process... My belief is that, following the resolutions passed at the PBS convention in June, PBS may now be in a position to manage such a program effectively."

Plan can be expected to find considerable resistance on Capitol Hill, where there is opposition to PBS involvement in programming. Strongest opposition probably would come from Senate Republicans on Communications Subcommittee, notably Goldwater (Ariz.) & Schmidt (N. M.), both of whom strongly oppose increasing PBS power in any area.

**Key West, Fla. cable system** has asked D.C. Appeals Court to reverse FCC grant of 25 TV translator stations to Monroe County, Fla. (Keys). TeleMedia said its system should receive same protection as TV station since it provides local programming, news, weather & sports. Commission, in granting translators, said rules are intended to prevent VHF stations from extending their signals, thus don't apply to CATV.

Under co-sponsorship of NAB, NABOB plans 4th seminar for minority-owned stations at NAB hq Sept. 19-20. NABOB Pres. Ragan Henry said panelists will include FCC commissioners and key staffers, researchers, ad executives, attorneys, financial experts.

**Emmy magazine**, published quarterly by ATAS, includes 40-page symposium on docudramas in 90-page summer issue, plus features on Julia Childs, Alfred Hitchcock, Dick Van Dyke, directors' roundtable—and 45 pages of ads.

**WBNO(AM) Bryan, O.** has been selected by U. S. Dept. of Energy to participate in test of solar power. Energy from sun will be converted into 4 kw for transmitter. WBNO is 500-watt daytimer.

**Jack Kent Cooke**, Teleprompter chmn., is reported to be buying Chrysler Bldg. for some \$90 million from Mass. Mutual Life, hasn't confirmed or denied reports.

**NRBA's GABBERT TO TV:** "Stereo TV is just around the corner and there's going to be a TV revolution and I want to be in on the ground floor." So said NRBA founder-Pres. James Gabbert in explaining that he's getting out of radio in favor of TV, has bought Ch. 20 KEMO-TV San Francisco for \$9.8 million cash.

In disposing of radio properties, Gabbert has sold KIKI(AM)-KPIG(FM) Honolulu to Pacific Communications for \$1.2 million and KIQI(AM) San Francisco to KEMO-TV Gen. Mgr. Rene DelaRosa for \$3 million. Gabbert also has highly successful KIOI(FM) San Francisco on market for \$15 million. William Exline was broker in San Francisco deals, Blackburn in Hawaii.

Gabbert was moving force behind formation of NRBA (an outgrowth of now defunct NAFMB) 6 years ago, has been its only pres. He's expected to be succeeded by Harriet (Sis) Kaplan, WAYS(AM)-WROQ(FM) Charlotte. Gabbert said his first move as TV-only broadcaster will be to file FCC petition seeking to restrict stereo TV to UHF for several years. This, Gabbert contends, will give UHF tremendous boost.

**American Express's** "don't-leave-home-with-out-them" travelers check TV ads will add disclaimer (spoken by actor Karl Malden) saying that other travelers check companies also offer refunds for lost checks. American Express took action last week after Citicorp ran full-page newspaper ads charging that TV ads imply that only American Express checks are refundable. FTC says it will look into charges.

**Preferential rates** for international press services should be established, NAB says in comments at FCC in support of World Press Freedom Committee's petition for rates inquiry. "Currently, broadcast listeners and viewers are routinely denied access to news from some of the more remote regions of the world," NAB said.

**Two more unwilling "superstations"**—WPIX N. Y. & WGN-TV Chicago—have joined Metromedia's objections to carriage of KTTV L.A. by ASN Inc. (Vol. 19:31 p5). Stations told FCC ASN is "bogus" common carrier, should have to get retransmission rights from stations.

**Washington Post** refused NAB permission to distribute to its members Aug. 13 editorial favorable to industry side in dispute with FTC over children's TV advertising (Vol. 19:32 p1). NAB plans to put copies of editorial in Sept. membership kit anyway.

**FCC's closed-captioning meeting** last spring (Vol. 19:15 p4) will be replayed on 4-hour videotape, complete with sign language inserts, Aug. 29 at hq. Loaner copies of tape will be available at FCC field offices. Details: Joy Powell, 301-436-7591.

**NAB has issued questionnaire** asking respondents to rate sample topics for 1980 Engineering Conference, suggest own topics. Details: George Bartlett, 202-293-3557.



## Personals

J. Richard Munro moves into apparent position to become Time Inc. pres. in relatively near future—being named to new position of exec. vp, 3rd in hierarchy. Chmn. Andrew Heiskell plans to retire next year at 65, and Pres. James Shepley intends to seek early retirement next year at 63. Gerald Levin succeeds Munro as video group vp, advancing from HBO chmn., is in turn succeeded by HBO Pres. N. J. (Nick) Nicholas, who also retains presidency.

Hank Reiger, NBC TV corp. PR vp, L.A., appointed dir. of communications for L.A. Olympic Organizing Committee for 1984 Olympics, effective Oct. 1; Ellsworth Mosso, ex-RCA, moves to NBC as dir.-compensation. . . Gordon Rice promoted to UPI vp-broadcast services, succeeding Frank Beatty, now with Turner's Cable News Network.

Roberta Romberg advanced to vp-personnel administration, NBC. . . Edward Quinn, ex-gen. sales mgr., WTMJ-TV Milwaukee, named vp-gen. mgr., KSHO-TV Las Vegas. . . Barbara Ann Zeiger promoted to dir., member services, TvB.

Next 3 IRTS speakers, dates not specified, following Rep. Van Deerlin (D-Cal.) Sept. 13: Paul Harvey, Vice President Mondale, Fred Silverman. . . George Plimpton designated keynoter at NAB radio session in St. Louis Sept. 10. . . Daniel Bremmer, ex-Wilmer, Cutler & Pickering, named legal aide to FCC Chmn. Ferris.

Thomas Johnson, Daniels & Assoc., elected CTAM pres., succeeding Trygve Myhren; Ernest Olsen, Cox, pres.-elect; Thomas Willett, Continental, treas.; Andrew Goldman, Teleprompter, secy.

Elissa Lebeck promoted to vp-marketing services, Corinthian Bcstg. . . Kenneth Kagen, ex-RTVR, joins Ziff-Davis Bcstg. as dir.-programming & research. . . Greg Bendin, ex-WIIC-TV Pittsburgh, appointed national sales mgr., WDVM-TV Washington. . . Paul Steinle, ex-WIXT Syracuse, appointed news dir., KING-TV Seattle. . . James Hollis promoted to news dir., WIBW-TV-AM-FM Topeka.

Edward Fogarty advances to partner in Washington law firm Wilkinson, Cragun & Barker; Carol Barbero, Jacquelyn Luke & James Casserly named associates. . . Elected NRBA dirs.: Robert Herpe, WPLR-WOMN New Haven; Bernie Mann, WGLD-WOKX High Point, N.C.; Ron Kempff, WHIO-AM-FM Dayton; Paul Lange, KDLR(AM) Devils Lake, N.D.; Eric Hauenstein, KDKB-AM-FM Phoenix.

Keith Dickey, ex-Honeywell, appointed chief programmer, Consolidated Video Systems. . . Robert Switzer promoted to dir.-domestic sales, Thomas Butler to dir.-international sales, McMartin Industries. . . Edward Goossens advanced to regional sales mgr.-Cal., Oak Technology; James Wells succeeds Goossens as midwest sales mgr.-Chicago; John Harasciuk joins Oak Communications as marketing dir. in charge of STV operations.

Nicholas Nett, ex-Anaren Microwave, appointed dir.-material & information systems, Magnavox CATV. . . Robert Corrao, ex-Jerrold, named vp-gen.

## WEEKLY Television Digest

with  
Consumer Electronics . . .

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**Economists used by FCC in cable economic inquiry** are suspect, as far as pro-cable leanings are concerned, according to law firm. Filing Freedom of Information inquiry, seeking all details on economists' selection, etc., McKenna, Wilkinson & Kittner states: "The philosophical, economic and social predilections of the outside consultants. . . explains in part why the Notice so plainly prejudices the issues upon which comment is sought."

**Charging trade restraint**, Spanish International Network has filed suit in U.S. Dist. Court, N.Y., for \$5 million against AFTRA and AAAA. SIN charges groups discouraged advertisers from buying Spanish language TV advertising. Network also charges conspiracy through setting talent fees for commercials at "artificially high and unreasonable" rates.

**Cable audience measurement techniques**—including upcoming Nielsen cable report, Warner Qube, and Arbitron diaries—are subject of article in Aug. 13 issue of TV/Radio Age.

**FM-AM cross-ownership** should no longer be permitted, NAACP and other minority groups urged FCC in rulemaking petition. They also ask that FCC break up existing combinations.

**ARF hold 25th annual conference at N.Y.** Waldorf-Astoria Oct. 21-23. Speakers include: "Future Shock" author Alvin Toffler and ad researcher Hans Zeisel. Details: ARF, 212-751-5656.

**Task force to study 9-kHz AM spacing** has been formed by FCC to prepare U.S. position for Region 2 Administrative Radio Conference in March 1980.



# Consumer Electronics®

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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended August 3 (31st week of 1979):

	July 28- August 3	1978 week	% change	July 21-27	1979 to date	1978 to date	% change
Total TV. . . . .	322,426	302,622	+6.5	333,936	8,765,337	8,591,081	+2.0
color . . . . .	186,531	190,329	-2.0	220,687	5,501,504*	5,436,811	+1.2
monochrome . .	135,895	112,293	+21.0	113,249	3,263,833	3,154,270	+3.5
Home VCR . . . .	10,592*	5,366	+97.4	7,977	215,250*	168,718	+27.6
Total radio . . . .	1,374,964	1,174,514	+17.1	1,217,218	24,841,383	27,868,345	-10.9
home, portable	1,216,384	1,009,357	+20.5	1,075,131	16,997,942	20,391,217	-16.6
AM-only . . . .	117,988	156,923	-24.8	109,599	3,512,804	4,565,809	-23.1
FM & FM-AM	1,098,396	852,434	+28.9	965,532	13,485,138	15,825,408	-14.8
auto . . . . .	158,580	165,157	-4.0	142,087	7,843,441	7,477,128	+4.9

Color TV 5-week moving average: 1979-174,632\*; 1978-171,700 (up 1.7%).

\*Record for period.

**BASF EUROPE LVR DUE MID-'80 AT \$1,090:** West Germany's BASF formally unveils production-model LVR (longitudinal video recorder) this Fri. (Aug. 24) as biennial Internationale Funkausstellung TV-radio exhibition opens doors for 10-day stand at Berlin's huge fairgrounds. Portable recorder weighs 11 lb. excluding battery, will be produced first in European PAL version for mid-1980 sale at about 2,000 DM (\$1,090), according to official word from BASF.

**Elsewhere in world of VCR:** (1) RCA switched line (except portable) to 6-hour mode, starting at price point lower than announced last May for 4-hour unit. In addition, it will give \$100 rebate to 6-hour VCR purchasers Sept. 22-Nov. 30. (2) New brand name on VCRs is J.C. Penney, which will field line of 3 VHS units plus cameras.

**BASF's LVR is almost exactly as we described it last Jan. (Vol. 19:3 p1)—3-hour recording on single-reel cassette with 600 meters (1,969 ft.) of 8-mm (.31-in.) tape 8.5 microns thick. It has fixed head with 72 parallel recording tracks (each containing video and 2 audio channels). Tape runs for 2-1/2 min. at about 157 ips in one direction, then reverses in 1/10 sec. ("an eyeblink," BASF calls it, or 5 fields of PAL picture).**

**LVR recording unit separates from accessory tuner-timer module, which is programmable for 99 days in advance (4 programs), has 12-channel pushbutton tuning. Alternate power supply is available without tuner-timer. Tiny cassette is almost square, measuring 4.2 x 4.5 x 2/3 in. When inserted in recorder, it opens up and large capstan engages tape, which gets up to full speed in 4 millisecc. Visual scan permits location of any segment of program, as does digital readout indicating track (1 through 72). When cassette is inserted in recorder, head always returns to track 1, but may be positioned by pushbutton to desired track using visual scan or digital readout. Unit is MPU-controlled, contains time-base corrector. BASF says recording format uses special color encoding system, "so that recordings made with SECAM or NTSC LVR recorders can be played back on a PAL LVR and vice versa as long as the TV set handles the various vertical frequencies."**

**Portable recorder measures about 9.6 x 15 x 4.6 in. Using accessory color camera, at about 2,500 DM (\$1,365), unit will record for 30 min. on one battery charge. Tuner-timer & power-supply prices weren't revealed. BASF in past has said both European & U.S. versions**



would be manufactured in new Fountain Valley, Cal. plant and U.S. NTSC version would be unveiled at this year's Winter Consumer Electronics Show.

Parameters of LVR don't place it near top of list in tape economy; it uses about 17 sq. ft. of tape per hour of recording, which puts it between 2-hour VHS & 2-hour Beta—position it shares with Toshiba's developmental LVR which uses 13.7 sq. ft. per hour (Vol. 19:23 p14, 19:31 p7). Many features are similar to those of Toshiba LVR, but there's one major difference—Toshiba unit uses endless-loop tape, doesn't reverse direction when head changes track.

We aim to bring you on-the-spot report on LVR from Funkausstellung, as we did on developmental model 2 years ago (Vol. 17:35 p7). Other Berlin show highlights will include debut of Philips & Grundig Video 2000 format VCRs, possible new developments from Japanese to counter Philips and perhaps latest version of Sony videodisc.

\* \* \* \*

RCA revised its May line, dropping 2-4-hour low-end & programmable VCRs, adding leader 2-4-6-hour model with \$1,095 list price—\$55 below last May's suggested list for model without 6-hour speed (Vol. 19:21 p8). Programmable 6-hour unit, unpriced in May, was tagged at \$1,350, up \$50 from 4-hour predecessor. Tiny Hitachi-built portable VCR was priced at \$1,200, varactor tuner-timer module outboarded at \$329, alternate power supply-battery charger at \$149 (making AC-battery portable recorder outfit \$1,350 without tuner-timer). New 5- & 6-lb. color cameras with 2/3" vidicon tubes are \$900 (through-lens viewer) & \$1,049 (electronic viewfinder).

"Don't Wait Rebate" program, to be advertised on network TV, shaves \$100 from 6-hour VCR prices. What happens to 4-hour units still in pipelines? Vp-Gen. Mgr. Jack Sauter estimates they'll generally be sold at \$100-\$150 below longer-playing counterparts, but some dealers think differential could be greater. (RCA is understood to have conducted large-scale selloff campaign for VCRs 2 weeks ago.) Sauter stuck to forecast of 555,000 industry VCR sales this year, but said this was "far below what we would have estimated had we been in an expanding economy." RCA's record VCR ad campaign will heavily feature programmable unit, which Sauter forecast will represent "over 50% of our sales this year."

RCA lost one customer for VCRs and U.S. gained another VCR brand name—its 19th—as J. C. Penney switched from buying RCA units to direct procurement of Matsushita VHS-format recorders. Line includes standard start-stop-timer model at \$995, programmable \$1,195, portable \$995, with tuner-timer \$399 extra. Lightweight color cameras are \$995 for thru-lens, \$1,095 for electronic-viewfinder model.

Postscript to last week's report on videodiscs and Philips-MCA rivalry (Vol. 19:33 p7): North American Philips is understood to be planning U.S. videodisc-pressing plant soon. It currently has pilot pressing plant in Eindhoven.

**COLOR SUPPLY OFF FOR HALF, QUARTER:** Industry string of 13 consecutive quarterly increases in new color TV supply snapped in 2nd quarter as modest rise in domestic factory production fell far short of compensating for near-50% drop in complete-set imports, our analysis of EIA & Commerce data shows. Decline in quarter was steep enough to drag first-half color total below results of same year-earlier period.

Percentage gain for U.S. output was lowest for any 2nd quarter, and 2nd lowest for any quarter over that 13-quarter period. Some growth slowdown in domestic production was anticipated, but considering record pace of sales, it wasn't expected to be quite so steep. It's known industry is looking for slackening in sales rate later this year, so is holding output down (Vol. 19:33 p8), but new production output from Toshiba plant in Tenn. and announced plans for higher production by RCA, Mitsubishi & Sony were seen compensating for much of that.

Even with color decline, total first-half new TV supply of 8.32 million was 2nd highest ever, though only by whisker. Record of 8.67 million was set in 1973. On cumulative basis, domestic production figures for b&w seemed to have straightened out. Last May, our figures showed 50% U.S.-output rise for first quarter, and we said we didn't believe it (Vol. 19:20 p9). For 2nd



quarter, they show 81.5% drop, and we don't believe that either, although full-period total appears to be reasonable. We've investigated and conclude that EIA b&w total-supply figure was about right for both periods. Problem seems to have stemmed from imposition of color quotas on Taiwan & Korea last Feb. Difficulties with new reporting procedures instituted by Customs at that time apparently resulted in under-reporting of b&w imports in first quarter, over-reporting in 2nd. Bear in mind that quantities involved in domestic production are relatively small and difference of just 50,000 would swing percentage change by 25%.

U.S.-based production of Japanese continues to have beneficial impact on color market share held by domestic factories. U.S. plants accounted for 86.9% of new supply in quarter, up from 75.7% in same 1978 period, and held 85.4% for half, up from 76.7%. Comparison of import & production data also shows U.S. plants decreased reliance on use of imported kits & complete chassis. In 2nd quarter, only 24.8% of U.S.-made sets were assembled from kits & chassis, down from 30.1% last year. For half, however, total was 25.9%, up from 25%. So essentially U.S.-made sets with 50% or better U.S.-value added accounted for 65.4% of 2nd-quarter supply (up from 47.2%) and 63.3% of first half supply (up from 57.2%). U.S.-made color market share should show further improvement in 3rd & 4th quarters as output from Hitachi, Sharp & Tatung plants here are fed into market. Here is our picture of first-half & 2nd-quarter TV market at new-supply (production-plus-import) level:

### FIRST-HALF U. S. TOTAL TV SUPPLY

		U. S. Produced*	% change	Imports	% change	Total Supply	% change
Total TV	1979. . . . .	4,903,000	+9.4	3,422,000	-10.5	8,325,000	+0.2
	1978. . . . .	4,485,000		3,824,000		8,309,000	
Color TV	1979. . . . .	4,433,000	+10.7	755,000	-37.8	5,188,000	-0.5
	1978. . . . .	4,001,000		1,213,000		5,214,000	
B&w TV	1979. . . . .	470,000	-2.9	2,667,000	+2.1	3,137,000	+1.4
	1978. . . . .	484,000		2,611,000		3,095,000	

### 2ND QUARTER

Total TV	1979. . . . .	2,252,000	0	1,828,000	-12.2	4,080,000	-5.6
	1979. . . . .	2,252,000		2,083,000		4,335,000	
Color TV	1979. . . . .	2,216,000	+7.7	332,000	-49.6	2,548,000	-6.2
	1978. . . . .	2,057,000		661,000		2,718,000	
B&w TV	1979. . . . .	36,000	-81.5	1,496,000	+5.2	1,532,000	-5.3
	1978. . . . .	195,000		1,422,000		1,617,000	

\*Includes TVs assembled in U. S. at domestic & foreign-owned plants from imported kits, chassis & subassemblies. Imports are complete receivers only.

Three-tube projection TV system was introduced last week by Video Concepts, Wilkes-Barre, Pa. to top complete line. Two-piece unit uses Schmidt optics, remote chassis, has 7-ft. screen, lists at \$3,995, with low coffee-table projection unit. VC's single-tube 2-piece projectors, also emphasizing furniture styling, have 6-ft. screens, are priced at \$1,995-\$2,995. Company says it's aiming at 4% of projection market immediately, will be able to produce 50 units weekly without increase in personnel, has facilities for 100. In Japan, meanwhile, these were published projection TV production estimates: Mitsubishi, now making 2,000 monthly (75% going to U. S.), potential for 3,600, predicts total sales of 20,000 by Sept. 1980 (15,000 for export). Sony's current production also is

2,000 monthly (90% to U. S.) as is Matsushita's industrial projection output. Sony estimates it has sold more than 10,000 to date.

Frank DiLeo, ex-Admiral operations vp, is now pres. of Samsung Electronics America, which has moved North American hq to Oakbrook, Ill. DiLeo, who last year headed group which unsuccessfully sought to buy Admiral's Taiwan plant & TV business, told us that Samsung plans to import 30,000 color and 100,000 b&w sets this year from its Korean parent for sale under its own name through rep organization and 100,000 color (quota permitting) and 150,000 monochrome in 1980. He said company plans to add electronic watches, calculators & housewares to its U. S. line of TVs & refrigerators.



**RCA BUYS CIT:** RCA & CIT Financial agreed to RCA takeover at week's end at \$65 per share of CIT common, in quick climax to resumption of broken-off talks (Vol. 19:28 p9, 19:29 p11). Subject to approval of boards & stockholders, RCA will acquire 49% of CIT shares for cash, remainder for package of new RCA straight preferred & convertible preferred stock. Based on 20.75 million CIT shares outstanding, transaction will have total value of \$1.35 billion. RCA Pres. Edgar Griffiths said CIT would remain separate & independent company with own board, with Chmn. Walter Holmes joining RCA board. Holmes pointed out he's been officer of RCA or CIT for virtually all his business career (he resigned as RCA controller in 1962 to join CIT). Griffiths said purchase will add stability as "offset to the cyclicity of some of RCA's traditional businesses."

In last week's other merger & joint-venture news: (1) North American Philips confirmed that it's seeking "significant minority equity position" in Pertec Computer Corp., L.A. (2) Conrac sold Turner Div. (microphones, antennas) to Telex Communications Inc., Minneapolis subsidiary of Telex Corp., Tulsa, for undisclosed amount. Turner had 2nd-quarter operating loss of \$152,000, and Conrac has set up \$4.3-million reserve to cover losses on sale. (3) Amax Inc. completed purchase of Wilbur B. Driver (metals) from GTE. (4) Sony & Prudential have established 50-50 insurance venture in Japan, formalizing agreement announced earlier. (5) Troubled German TV scene saw more merger explorations among giants, as Grundig said it was negotiating with Philips concerning "product development." Pres. Max Grundig was quoted as saying he had proposed Philips acquisition of 25% of Grundig, with Grundig getting 8% of Philips.

**LEXICON GETS BACKER:** Nixdorf Computer Personal Systems Inc., (NCPS) Burlington, Mass. subsidiary of Nixdorf Computer of West Germany, has reached preliminary agreement with Lexicon for exclusive right to manufacture & market handheld language computer worldwide, Lexicon Corp. announced. If agreement is ratified by Lexicon stockholders, Lexicon would continue R&D, with Nixdorf making & marketing products. Matsushita recently concluded pact for exclusive manufacturing rights to Craig's similar translator-computer (Vol. 19:22 p13). Lexicon translator currently is being built under contract by Lectronics in Malaysia, with modules assembled by Lexicon in Miami.

Lexicon Pres. Michael Levy says company has shipped 30,000 translators for sales of \$4 million. Company has introduced "Personal Program" module to allow consumers to do own programming, plans interface to permit use of device as low-cost terminal with other computers. "Winter Olympics" & "Summer Olympics" handhelds will contain all records & scores of games and built-in stopwatches.

**Newspaper supplement** sponsored by EIA Consumer Electronics Group showing industry's product lines is being distributed to over 4,000 daily & weekly newspapers, themed to "What's New in Audio & Video." Papers in 19 major metropolitan markets plus 137 additional areas used last year's supplement.

**MVC CUTS PROGRAM PRICES:** 20th Century-Fox's Magnetic Video Corp. last week cut videocassette program prices \$10 across-board and introduced 50 new titles, leaving some dealers grumbling and threatening to touch off price war in prerecorded software. Meanwhile, Paramount Pictures prepared to test-market its own videocassette distribution next month in Phoenix & Denver, perhaps one other area.

Largest video program distributor, MVC, cut prices on 2-cassette features to \$64.95, one-cassette features to \$44.95, one-hour subjects to \$34.95 and cartoon programs to \$24.95, after promotional limited-time reductions announced at CES by MVC & competitors. Pres. Andre Blay told us cuts were made possible largely by expected efficiency increases at new Mich. plant. However, some dealers complained that margins had been lowered, and one talked of incipient "revolt" against MVC product.

Last Nov., when Fox acquired MVC, 20th Century-Fox Telecommunications Pres. Steve Roberts told us goal was \$29.95 movies in one year, even though MVC had just increased prices \$5 on all products (Vol. 18:48 p7).

In addition to cutting prices, MVC told dealers of Sept. 15-Nov. 1 promotional offering of free 30-min. cartoon program with purchase of any movie and was preparing magazine & newspaper ad campaign. The 50 new titles are from Fox, Avco Embassy, Burrud Productions; features include "Butch Cassidy & the Sundance Kid," "Poseidon Adventure," "Dutchess & Dirtwater Fox," "In Praise of Older Women," John Wayne's "Undefeated." Featured are first MVC originals—four 2-hour historical programs based on edited newsreel footage.

All 36 titles in Paramount's market test are included in Fotomat's rental & sale package—Paramount will sell, not rent. Robert Peters, pres. of Paramount Non-Theatrical & Educational Distribution Div., in charge of test, told us all distribution channels would be explored—direct-to-dealer, distributors, rack jobbers. Prices will be \$79.95 for 2-cassette features, \$59.95 for single-cassettes—\$15 above MVC's new prices. Paramount duplication will be by MVC.

Meanwhile, MVC started business in England, distributing 27 titles, mostly features, through Granada TV rental outlets, bookseller chain W. H. Smith and video-audio-photo chain Dixon's. Feature prices will be about \$70 & \$83.

For first time, videotape will be recognized by Venice Film Festival this year. Nov. 1-3 session on new technology will feature talk on filmmakers & VCR by ITA Exec. Dir. Larry Finley. Columbia Pictures & Warner Communications are latest ITA members.

**Personal computer market** will get new service entry this week with announcement by Compuserve of system to interface personal computers with its large-scale computer system through its new Micro-net network. . . Radio Shack said delivery of TRS-80 Model II computer systems had been delayed from July to mid-Aug., reported 9% gain in its U.S. store sales for July.



**RCA'S HOT COLOR YEAR:** Forecasting "unusually strong" sales for balance of color's 25th anniversary year, even in economic downturn, RCA last week pledged to maintain its leadership position, backed by 23% increase in national advertising rest of year and 2 hot color TV promotions. As indicated last week, price changes were "selective" & minor (Vol. 19:33 p10), suggested tags on 9 color sets increased \$10 and 3 lowered \$10.

As we reported last May, RCA's "Preview '80" will reprise trade-in theme (Vol. 19:21 p11), running Aug. 16-Oct. 13 and featuring \$25-\$100 trades for all 22 Colortrak consoles. At height of selling season, Nov. 1-Dec. 24, RCA will give \$20-\$100 rebates on entire line of remote sets, from 13" up. Both promotions will be supported by national advertising and are in addition to \$100 VCR rebate Sept. 22-Nov. 30 (see p. 7).

RCA Consumer Electronics Vp-Gen. Mgr. Jack Sauter said company's color sales to dealers this year are more than 12% ahead of 1978, and forecast record sales year for RCA, strength resulting from large replacement market (60% of console buyers, 33% of portable buyers) and "sizeable pool of buying prospects who are more established in their jobs" and less likely to be affected by economy. RCA expects to double its remote-control business from 1978 level, he said.

Color sets raised \$10 were high-end 13" to \$370, remote version to \$440, step-up 17" to \$430, remote to \$500, five 19" sets to \$470, \$540 (remote), \$530, \$600 (remote), programmable to \$570. Reduced \$10 were 19" Dual-Dimension Sound models to \$550 & \$620 (remote) and both 25" table models to \$690 & \$770. New b&w sets are 12" AC-DC at \$117 and open-list top-end 19".

Sony filled in hole in 17" series with what may be first of series of models using 90° Trinitron tubes with new electron gun said to provide sharper forum (other models have 120° tubes). Pushbutton-tuned set becomes leader at \$580, former \$480 & \$560 sets having been phased out.

Sharp introduced new 19" color leader plant at \$400 and auto-color version at \$480—first sets to be produced at Memphis plant. Both have Sigma 3000 chassis and mechanical tuners. Previous leader was \$480. New Sharp b&w minis are 4" AC-DC at \$150 and 5" AC-DC mini-combo with AM-FM stereo & cassette recorder with Automatic Program Search System, VU meters, continuous varactor tuning, sleep switch at \$530.

MCA will supply programming to any home system "we believe is likely to succeed," Pres. Sidney Scheinberg is quoted in interview with him and Vp Tom Wertheimer in "prototype issue" of Triangle Publications' new TV magazine, Panorama. "There have been conversations" with RCA, he says, adding he's concerned about public confusion by too many systems. MCA isn't putting programs on cassettes because "we don't want to supply guns for people that shoot our children." He says Philips & Magnavox have assured MCA there will be more than 20,000 Magnavision players available in 1979.

**SUPERSCOPE LOSS GROWS:** Superscope's 2nd-quarter loss deepened to \$7.3 million, up from \$4.3 million year ago, despite 17.5% increase in sales (see financial table). For first half, net loss rose 64% on 18% revenue gain. Company said \$4.5 million of 1979 loss resulted from writeoffs of deferred items, higher addition to accounts-receivable reserves, phaseout of "vorsetzer" Pianocorder attachment for standard pianos (but not pianos with unit built-in), continuing cut-price sales of audio products and yen-to-dollar fluctuations. It said severity of loss would decline in 3rd quarter. Company is talking with banks on debt restructuring, has contracted to sell Chatsworth, Cal. hq to private investor to reduce debt by \$13 million or more, will continue to occupy portions of property for up to 6 years.

Philips of Eindhoven foresees 6-7% growth in sales volume this year, with productivity increases keeping earnings up—decline from 8% increase formerly predicted—after first-half volume rose only 2.3% with 3.9% profit increase. Second-quarter profit dropped 11% on unchanged sales, with TV set sales lower than expected.

Sanyo consolidated sales, including 232 affiliates & subsidiaries, totaled \$1.6 billion (at 206 yen to dollar) for first half, up 3.2% from last year. Net profit of \$38.35 million represented increase of 6.3%. Export sales at \$737.9 million declined 9.9%, while \$869 million domestic sales were up 17.7%. Color TV exports were down, but audio recorders, VCRs & stereo sales grew. Overseas operations suffered foreign-exchange loss of \$70.4 million. In other financial news, ITT said "losses in the consumer appliance segment increased by \$14 million in first half." TDK Japan reported audio & video tape sales for 6 months to May 31 gained 29.6%, now represent 43.3% of its sales (or \$29 million for 6-month period).

Soundesign board has authorized purchase of up to 100,000 of its common shares (about 38% of total outstanding) and \$1 million face value in debentures.

Problems are piling up for Korean electronics industry as result of inflation, general economic conditions and U.S. TV quota. With wage increases averaging 50%, some Japanese firms are pulling out of joint ventures or canceling plans to expand or invest there, according to report of study team sent to S. Korea by EIA-J. Showa Musen Kogyo, major maker of mechanical parts for electronic equipment, will withdraw from its joint venture there, following similar move by quartz oscillator maker, Kinsekisha Lab. Alps has canceled plans to expand its joint tuner venture with Gold Star and Nippon Chemical Condenser is considering cutting back Korean operation, according to EIA-J. However, Korean govt. recently announced these expanded ventures: (1) Additional \$1.6-million investment by Philips in its 100%-owned component venture. (2) Increase of \$1.4 million in Fuji Electric's investment in Gold Star-Fuji instrument-appliance plant. Devaluation of Korean currency is widely expected.

H1-f1 sales training workshop for Baltimore-Washington area Sept. 11 in Silver Spring, Md. will be conducted by EIA Consumer Electronics Group, with NARDA & ERA as co-sponsors.



## Financial Reports of TV-Electronics Companies

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

Company & Period	Revenues	Net Earnings	Per Share
<b>Acton</b>			
1979-6 mo. to June 30	53,680,000	2,125,000	.81
1978-6 mo. to June 30	51,030,000	2,214,000 <sup>a</sup>	.83
1979-qr. to June 30	28,195,000	1,450,000	.55
1978-qr. to June 30	28,675,000	1,615,000 <sup>a</sup>	.61
<b>Advance Ross</b>			
1979-6 mo. to June 30	15,021,884	223,271	.06
1978-6 mo. to June 30 <sup>c</sup>	10,590,587	(370,346)	--
1979-qr. to June 30	8,418,264	184,385	.05
1978-qr. to June 30 <sup>c</sup>	5,692,284	(195,070)	--
<b>Ampex</b>			
1979-qr. to July 28	105,139,000	7,166,000 <sup>a</sup>	.63
1978-qr. to July 29	87,171,000	5,609,000 <sup>a</sup>	.49
<b>Comcast</b>			
1979-6 mo. to June 30	10,090,725 <sup>d</sup>	765,929 <sup>d</sup>	.45
1978-6 mo. to June 30	7,539,091	535,403	.33
1979-qr. to June 30	5,445,028 <sup>d</sup>	454,167 <sup>d</sup>	.26
1978-qr. to June 30	3,924,154	303,597	.19
<b>Electrohome<sup>e</sup></b>			
1979-26 wk. to June 29	59,890,000	1,660,000 <sup>a</sup>	.54
1978-26 wk. to June 30	44,871,000	(711,000)	--
<b>Lloyd's Electronics</b>			
1979-qr. to June 30	16,338,000	(1,152,000)	--
1978-qr. to June 30	21,588,000	(839,000)	--
<b>Meredith</b>			
1979-year to June 30	318,091,000 <sup>d</sup>	16,332,000 <sup>d</sup>	5.28
1978-year to June 30 <sup>c</sup>	286,820,000	14,539,000	4.73
1979-qr. to June 30	77,149,000	3,994,000	1.29
1978-qr. to June 30 <sup>c</sup>	72,752,000	3,113,000	1.01
<b>MovieLab</b>			
1979-26 wk. to June 30	16,046,262	886,993 <sup>a</sup>	.59
1978-26 wk. to July 1	14,613,324	393,091 <sup>a</sup>	.27
1979-13 wk. to June 30	7,941,159	384,098 <sup>a</sup>	.25
1978-13 wk. to July 1	7,835,995	295,703 <sup>a</sup>	.20
<b>Philips NV<sup>f</sup></b>			
1979-6 mo. to June 30	7,740,000,000	160,300,000	--
1978-6 mo. to June 30	7,560,000,000	154,400,000	--
1979-qr. to June 30	3,990,000,000	79,900,000	--
1978-qr. to June 30	3,970,000,000	89,800,000	--
<b>Superscope</b>			
1979-6 mo. to June 30	98,000,000	(9,000,000)	--
1978-6 mo. to June 30 <sup>c</sup>	83,000,000	(5,500,000)	--
1979-qr. to June 30	47,000,000	(7,300,000)	--
1978-qr. to June 30 <sup>c</sup>	40,000,000	(4,300,000)	--
<b>Tandy</b>			
1979-year to June 30	1,215,483,000	83,229,000	3.23
1978-year to June 30	1,059,324,000	66,146,000	2.75
1979-qr. to June 30	281,114,000	20,002,000	.76
1978-qr. to June 30	250,089,000	17,021,000	.71

Notes: <sup>a</sup>Includes special credit. <sup>b</sup>Adjusted. <sup>c</sup>Restated.

<sup>d</sup>Record. <sup>e</sup>In Canadian dollars. <sup>f</sup>At guilders' current rate.

**RCA Taiwan was No. 1 exporter from Taiwan** last year, its shipments totaling \$154 million, according to Taiwan govt. Among others, in rank: (3) Timex \$99.6 million. (4) Admiral \$87.91 million. (5) Nan Ya Plastics \$84.5 million. (8) Zenith \$69.3 million. (9) Tatung \$67.2 million. (10) TI \$66.8 million. Survey by Taiwan's Economic Daily News named Tatung as country's biggest company in terms of revenues in 1978 (\$372.2 million); no other electronics firms were in top 10.

**Uniform guidelines for co-op ads** are being developed by IHF Co-op Ad Committee under BSR's Vince Wheeler.

## Consumer Electronics Personals

**Marilyn Watts**, RCA mktg. services staff vp, adds responsibility for ad & media services activities... **Edwin Dodd**, Owens-Illinois chmn., heads new executive office, also including International Operations Pres. **Robert Lanigan** & Domestic Operations Pres. **William Spengler**; Spengler & Lanigan have swapped posts... **Alfred Viebranz** promoted from vp to senior vp, GTE corporate communications... **Stanley Seltzer** resigns as Yorx Electronics vp, says he has no specific plans... **Julian Aronin** quits as sales & mktg. senior vp, Daytron Electronics Div. of Daewoo Industrial.

**John Healy**, ex-corporate planning vp, joins new ABC Video Enterprises as vp, product development & acquisitions... **Paul Birmingham** promoted to Paramount exec. vp of non-theatrical/educational distribution... **Thomas Johnston**, ex-Paramount home video dir., heads market development at WNET N.Y. Corporate Affairs Div., assigned to seek new outlets for station's productions... **Seth Goldstein** joins Television Digest's N.Y. staff Aug. 27 as assoc. editor; he's succeeded as managing editor of Home Video Report and exec. editor of VU Marketplace by **William Kanner**, ex-Moped Publications & CB World.

**Peter Fry**, ex-Intel, joins Apple Computer as customer services mgr.; **A. Taylor Pohlman**, ex-Hewlett-Packard, named to new post of educational mktg. accounts mgr., handling major accounts, including Bell & Howell... **Paul Welcome**, ex-Central Dynamics, appointed technical services mgr. for E&O Systems Ltd., Santa Clara, Cal. (Barco)... **Peter Fredriksen**, Jensen Car Audio national sales mgr., named vp... **Dale Kauffman** promoted to Crown International consumer services dir., succeeding **John Haines**, now with Reproduction Technologies.

**James Newell** promoted from western regional sales mgr. to new post of national sales mgr., Altec Lansing; **Steve Girod** named national training mgr... **Allen Till** named Brands Mart national mktg. dir... **Jeffrey Martin** appointed Koss national stereophone sales mgr., **David McLeod** premium & national accounts sales mgr.

"First fully programmable audio cassette tape deck" was introduced by Sharp's Optonica last week, featuring "Automatic Program Music Selector," infrared remote and timer which accepts up to 42 different programming instructions. Priced at \$1,800, it lets user automatically play up to 15 selections of cassette in any order, repeat, cancel, etc. It automatically sets sensitivity & bias levels for 4 tape formulations, including metal. Timer section can accept programming up to week in advance, also controls 2 AC outlets. We counted 100 buttons, knobs & switches on control panel before we stopped counting. Optonica also introduced 3 other cassette decks, new line of slim "pancake" styled components, 4 receivers, 2 direct-drive turntables.

**Win at the races through electronics.** Cannella Corp., Box 6213, Syracuse 13217, introduces Kel-Co Class Computer, MPU-based pocket calculator dopping the ponies at \$100. Feed in data from Daily Racing Form, and you're off to the races.



WEEKLY

# Television Digest®

with  
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## SUMMARY-INDEX OF WEEK'S NEWS

### Broadcast

**FCC PREPARES HEAVY AGENDA** for special meeting in Sept.-Oct. First up is radio de-regulation, followed by UHF comparability, children's TV, STV, network inquiry. Stiffer EEO requirements. FCC to seek Supreme Court review of radio formats. (P. 1)

**BLACKS SPLIT WITH OTHER GROUPS** over Citizens & NCCB opposition to GE-Cox and Gannett-Combined mergers. Black media coalition 'distressed,' 'angry,' accuses others of deliberately keeping black group uninformed. (P. 2)

**MEDIA GROUP EXTORTION** is charge of NRBA's Gabbert; San Francisco activist Wilcher demands FCC investigation. (P. 3)

**'FUTURISM' RTNDA THEME** for Sept. 6-8 conference in Las Vegas. Record crowd assured for appearances by Salant, Leonard, Cronkite, Chancellor, Smith, Laxalt, Mankiewicz. (P. 3)

**NEW CPB & BUDGET OKAYED:** Fleming budget and reorganization plans win. New CPB members vote as bloc. (P. 4)

**FCC PREPARING HEAVY FALL ACTIVITY:** Special meetings will be rule rather than exception at FCC during Sept.-Oct., as commissioners face heavy schedule of major matters postponed through summer. First up—and of major significance to industry—will be Sept. 6 meeting on radio de-regulation.

Chmn. Ferris had hoped to consider issue Aug. 1, was forced to postpone discussion by other commissioners (Vol. 19:30 p4). Bcst. Bureau has recommended that comments be sought on inquiry & rulemaking to abolish all ascertainment requirements along with regulation of commercial & program practices. Staff also has proposed separate rulemaking on program-length commercials, offers commissioners several alternatives if they don't approve recommendations.

On Sept. 11, Commission plans special meeting to hear from UHF Comparability Task Force, another Sept. 18 on children's TV inquiry. Other special meetings & subjects tentatively set for fall: Sept. 20 & Oct. 18, common-carrier matters; Sept. 25, 800-MHz standards and subscription TV; Oct. 16, report & recommendations of network inquiry staff. Regular meetings are scheduled every other week, mostly on Thurs.

Also in works at FCC are major changes and tightening of EEO requirements placed on licensees, although no meeting date has been set. Staff plan, being worked up by Policy & Rules Div. of Bcst. Bureau, is expected to include proposal to place networks directly under EEO requirements, even though they aren't licensees as such. Staff inquiry was motivated by report of Civil Rights Commission and determination to end normal procedure of "we get such a report

### Consumer Electronics

**BASF LVR DUE** in U.S. next year at \$850-\$1,000, company says at video-dominated Funkausstellung in Berlin. Sony shows Philips-MCA standard video-disc system. New Philips VCR format becoming European standard. (P. 6)

**COMPACT APPEALING** dismissal of District Court suit to force Treasury levy of full dumping duties on Japanese TV. Japan's July VCR exports to U.S. set record for year; TV slide continued. (P. 7)

**TV OUTPUT HALT** planned for Dec. by Canadian Admiral. Spokesman says company may buy sets from others, continue as marketer. (P. 9)

**SYLVANIA ENTERS GAME** business, will make & market Intellivision game-computer system under license from Mattel. AT&T launching test of home video information terminal. (P. 10)

**MORSE IN BLACK** in opening quarter, though still showing operating loss. Advent audio & video sales down. Ampex reports increased tape market penetration. (P. 11)



and it just sets there with no action," according to FCC official. To be revisited as part of same proceeding will be earlier proposal that licensees be required to report staff titles ranked by salary, along with possible alternatives.

Other major subjects expected to be considered by Commission by year end—although not necessarily for final decision—for which no dates have been set, include: AM stereo, FM quad, TV stereo, reduction in AM bandwidth to 9 kHz, VHF drop-ins, AM-FM cross-ownership, retransmission consent. Also, as promised by House Communications Subcommittee Chmn. Van Deerlin (D-Cal.), Commission faces long oversight hearings in Congress (Vol. 19:32 p5).

On court side and after 3-week delay (Vol. 19:33 p5), FCC will ask Supreme Court to review radio format case. En banc D.C. Appeals Court ruled 7-2 that Commission must consider proposed changes of "unique" formats; FCC decision to join appeal (on 5-2 vote) will be welcomed by industry. NAB already has hired outside counsel for appeal (Vol. 19:33 p2). In dissent against going to Supreme Court, Comr. Fogarty (Brown also dissented) noted that "overwhelming majority" of Appeals Court viewed Commission decision on formats as "obstreperous, disrespectful, and in flagrant disregard of the constitutional principle of judicial supremacy. I wish to have no part in this needless and unseemly confrontation."

**BLACKS SPLIT WITH OTHER GROUPS:** "We are indeed friends and have been for sometime. We hope we all can keep this in mind as our remarks unfold." With that, National Black Media Coalition Chmn. Pluria Marshall began 11-page letter to half-dozen public interest groups—including NCCB and Citizens Communication Center—bitterly denouncing their opposition to Combined-Gannett and Cox-GE mergers (Vol. 19:30 p3).

Marshall noted that groups' oppositions were made without consultation with Coalition, even though latter had negotiated major EEO and minority programming agreements with Gannett and GE; that mergers resulted in blacks acquiring VHF network affiliates in Rochester & Nashville and 5 radio stations. "We are greatly distressed, even angry," about groups' opposition to mergers, he said. "You exercised an uncanny silence with respect to us, one which it is hard to believe was unintentional by virtue of its completeness." Letter continued:

"In your desire to promote media diversification... you took a stand directly opposed to the goals of minority ownership, media access and affirmative action... The results of the challenges for the minority ownership struggle could be devastating, even crippling... We cannot seriously believe that... anyone can reasonably doubt that the listeners, readers and viewers will be better off after than before these transactions as we [Coalition] have restructured them."

Marshall also bluntly told Citizens & NCCB that "you stand on weak legal ground" in opposing mergers and that First Amendment concerns raised are "seriously blunted" by access-type programming agreed to by Gannett & GE in deals with Black Coalition. "Have you not boxed yourselves into a no-win situation?" Marshall asked.

In separate letter, Marshall wrote Citizens' Exec. Dir. Nolan Bowie canceling that group's legal representation of Coalition for all new matters—although Citizens will continue to represent Coalition in cases already underway. Marshall said that he hoped severance would be "temporary," that subject would be taken up at Oct. 4-7 annual meeting.

Marshall's split with NCCB & Citizens followed Aug. 10 meeting, during which Coalition gave groups 2 weeks to modify their opposition to mergers (actually, Citizens filed petition for reconsideration of FCC approval of Gannett-Combined merger; NCCB has filed opposition to proposed Cox-GE merger, not yet acted on by FCC). Bowie and Sam Simon of NCCB couldn't be reached for comment last week.

\* \* \* \*

In related development, GE reached agreement with Atlanta NAACP and ACLU on WSB-TV Atlanta (owned by Cox), thus removing major roadblock to FCC approval of merger. Groups had filed EEO & programming complaints against WSB-TV 3 years ago. In return for dismissal, GE has agreed (if merger goes through) to air separate prime-time programs weekly on public affairs and minority issues and to seek to upgrade minority employment at station to 24% (it's now about 20%, was 16% when petition was filed).



**MEDIA GROUP EXTORTION?** Angry letters are flying to FCC and elsewhere over allegedly improper tactics of San Francisco-based media activist Marcus Garvey Wilcher, chmn. of Community Coalition for Media Change (CCMC).

Complaining about Wilcher, NRBA Pres. James Gabbert cited payments to CCMC by broadcasters seeking to avoid renewal hassles. "It really appears that he has discovered a new way to extort," Gabbert wrote FCC Comr. Brown, copies to other commissioners.

In response to Gabbert letter, Wilcher wrote FCC Chmn. Ferris that Gabbert was attempting "to intimidate me and CCMC into 'backing off' in our efforts to have local stations be more responsive to the tastes, needs and interest of the black community." Wilcher asked FCC to investigate allegations in Gabbert's letter and Gabbert's "motives and conduct" as they relate "to his character fitness as a licensee."

Wilcher said Gabbert: (1) "Called a white friend of mine... to inform her that someone might put out a contract on me." (2) Used "various publications and reporters to attack me." (3) "Violated federal law by wiretapping my telephone." (4) "Had information as to why the San Francisco office of the FCC threatened me... by accusing me of illegally transmitting without a license."

Copies of correspondence have been sent to publications, members of House & Senate Communications Subcommittees, Ralph Nader, Nicholas Johnson, Benjamin Hooks, others.

**FCC just can't get out from under its 4-3 approval of Taft purchase of WDCA-TV Washington.** Back before agency last week was WATCH—seeking motion "for immediate order to rescind premature transfer pending final FCC order." Sale was consummated immediately after approval, and WATCH lost bid for "an immediate and emergency stay" (Vol. 19:34 p4). Now WATCH seeks stay because FCC order hasn't been released. Approval was given at special meeting Aug. 16; several commissioners immediately took off for vacations; most said they'd have statements.

**Standard Communications (George Hatch family) is buying Kansas State Network (KARD-TV-FM Wichita and 3 satellites, KTVJ Joplin, Mo.) for about \$63 million.** TCI of Denver, of which Hatch family owns 15%, now owns 24% of KSN, and Hatch plans stock exchange in KSN take-over. Standard also owns KUTV Salt Lake City and Ogden (Utah) Standard-Examiner.

**FCC has reaffirmed 1975 license renewals of KCOP & KTTV L.A.** D.C. Appeals Court had remanded renewals on grounds stations' employment of women in upper 4 job categories was below FCC guidelines. In renewing stations, Commission applied additional reporting requirements on EEO for renewal applications to be filed in 1980.

**Ch. 17 Atlanta is now WTBS,** changed from WTCG, carried on cable systems with some 5 million subscribers. New call letters mean "Turner Bcstg. System" and licensee name is now Superstation Inc.

**'FUTURISM' AT RTNDA:** Buoyed by assurances of its largest conference ever, RTNDA bases theme on "futurism" Sept. 6-8 in Las Vegas. Added last week as final major speaker was NBC News anchor John Chancellor. He'll join CBS anchor Walter Cronkite, NBC Vice Chmn. Richard Salant (who receives Paul White Memorial Award), CBS News Pres. William Leonard and ex-ABC commentator Howard K. Smith.

Added to agenda this year: Closing day management training session; panel on future of network radio news represented by 9 groups, including NPR Pres. Frank Mankiewicz; session on covering such disasters as Three Mile Island nuclear reaction, featuring Pa. Gov. Richard Thornburg, Shell Oil Pres. Frank Bookout and Harold Denton, head of Office of Nuclear Reactor Regulation. Sen. Laxalt (R-Nev.) and NAB Pres. Vincent Wasilewski speak opening day.

RTNDA pre-registration Aug. 22 had reached 665 active members, compared with total last year of 630 at start of convention, and total attendance record of 1,127 year ago is sure to be topped, based on exhibitors, spouses, et al. already registered for Las Vegas. All exhibit space has been sold to some 60 exhibitors, 900 rooms are reserved, in Caesars Palace Hotel. Booths sell for \$600-\$700 each, and several exhibitors took up to 4.

Sidebar meetings to NATPE include NAB Convention Committee, SPJ-SDX, AP Radio, UPI Audio, affiliates of 6 network news gathering organizations.

**Electronic spin-off of printed study guides for outstanding public affairs shows has been distributed to TV affiliates by NBC for Sept. 10-13 rerun of "Holocaust."** Titled "Echoes Without: The Holocaust," it relates human rights struggles of today (such as Vietnam boat people) with Jewish situation during World War II. NBC-owned stations will carry 30-min. program before repeat of "Holocaust"; network said it didn't have count of how many other affiliates planned to air show. Each affiliate also will be supplied with cassette for use at workshops, seminars, civic meetings, etc.

**Commercials via satellite experiment of John Blair is success,** company concluded, and announcement is likely soon that operational system is planned, with earth stations in top 50 markets. Blair Vp Jack Bray says almost all top market TV stations will have earth stations by mid-1980. Blair will fill gaps by building its own earth stations. Satellite distribution of political ads for fall campaign will be emphasized; later services may include syndicated program distribution. Separate operating unit—to be regulated by FCC as resale common carrier—must be formed.

**"Press & Bench I"—first in series of meetings to examine press-judiciary relations—is scheduled Oct. 13 at N.Y. Law School.** Designed to "examine the major sore spots" and apparent conflict between First & Sixth Amendments, conference is co-sponsored by Law School, Nation magazine and American Society of Journalists & Authors. Registration (payable to ASJA) is \$30 to Holly Redell, ASJA exec. dir., 1501 Broadway, N.Y. 10036.



**NEW CPB & BUDGET OKAYED:** Month-long battle over CPB reorganization and 1980 budget (Vol. 19:30 p5) ended last week with CPB management prevailing. But new board members made clear there's independence on board, and rubber stamp approvals won't be commonplace.

Board adopted reorganization 11 to 1, with 3 members absent. Reorganization splits CPB into 2 sections—one to handle management, other for programming. Move is meant to increase insulation of CPB board from specific programming decisions. Officials of Program Fund within CPB will make those decisions. Board will only set general guidelines.

Board adopted 1980 budget of \$152.2 million, giving TV \$107.3 million and public radio \$31.6 million, rest going to CPB for administrative costs and other services to PTV & radio. Radio level is \$5 million less than NPR sought in unprecedented lobbying effort. New board members pushed to give NPR additional \$500,000, lost bid in 8-6, old-vs.-new-member vote, then voted for budget.

Passage of both reorganization and budget were first key tests of new administration under Pres. Robben Fleming, in office 8 months. He won in both, some believe, partially because some board members felt it was important to show him he has board backing. Indeed, at least one board member interpreted one Fleming comment during executive session as an implication he won't remain unless he gets that support.

**Machinists Union** plans nationwide TV monitoring project to check impact of TV on "sagging image of American workers in general and the unions that represent them in particular." Union will train 500 members in TV rules & regulations; these 500 will recruit and train other Machinists. "We think TV news reporting, both local and network, has been grossly unfair," said Machinists Pres. William Wimpisinger. "They report the strikes...but seldom the positive impact of a union contract on the local economy."

**FCC is moving** land mobile monitoring facilities from Park Ridge, Ill. to Powder Springs, Ga. in Oct., switching responsibility for project from Private Radio Bureau to Field Operations Bureau. Commission said move is being made because of planned expansion of land mobile monitoring and to consolidate function with other frequency monitoring at Powder Springs.

**Impact of govt. regulation** on advertising is theme of Sept. 13-14 seminar sponsored by AAAA at new Four Seasons Hotel, Washington. Participants, in addition to top ad executives, include Rep. Kemp (R-N.Y.), NTIA Dir. Henry Geller and Nina Cornell, chief of FCC Office of Plans & Policy.

**CRTC chided 7 Ontario TV stations** for not spending enough on Canadian programming. Stations' licenses expire in March, 1981, and CRTC said that if their budgets don't show increases of more than 10% for Canadian programming by time of license renewal it will consider setting quotas.

**Qube will make money** in Houston, Cincinnati and other cities, but not in original city of Columbus, according to Warner Cable Chmn. Gustave Hauser. Reason, he said, is that Columbus has always been considered "R&D," not profit center, for Qube. Construction has started in Houston, where 90,000 sq. ft. space is planned, and Cincinnati construction is due to start early next year. In Houston, 200,000 homes will be passed; in Cincinnati, 110,000. Qube will again carry 5 Ohio State home football games in Columbus—at \$5 each or \$19.95 for all.

**Lengthened NATPE convention**—to 6 days—was approved by board, starting with San Francisco meeting Feb. 16. Full-time conference dir. will be employed to handle extended sessions. Keynoting next NATPE will be Richard O'Leary, pres., ABC-owned TV stations. Reflecting controversy at earlier sessions, hospitality suites will be clustered in 3 areas of San Francisco Hilton; 2 floors will accommodate 60 distributors each. System also will be used in 1981 convention in N.Y. Las Vegas Hilton will be 1982 site.

**Christian Bcstg. Network Pres. Pat Robertson** says God has told him a 4th U.S. TV network is needed by public and that he hopes to form such network through CBN stations in Norfolk, Atlanta, Boston & Dallas. CBN now broadcasts religious programming (including Robertson's "700 Club") via satellite, will spend \$59 million on operations this year, Robertson said. Network reportedly is carried on 200 TVs, 200 radios, is on cable systems reaching 6 million homes, has assets of about \$93 million.

**Ark. Bcstrs. Assn. heard Sen. Wendell Ford (D-Ky.) say:** (1) Spectrum fee is "discriminatory, and quite likely, unconstitutional." A "processing fee" covering cost of regulation would be acceptable. (2) Cable royalties are "grossly inadequate...token contribution." (3) "De-regulation...will restore competition to the free & open marketplace."

**Broadcast Pioneers** have begun "revitalization" under Pres. Jerry Lee (WDVR-FM Philadelphia) and Exec. Dir. Ed Degray. Group is temporarily headquartered in BMI N.Y. offices, has about 350 members. Committees to increase membership and find speakers have been set up. Group seeks to affiliate L.A. group Pacific Pioneers.

**Motion to dismiss HBO's antitrust lawsuit** against Directors Guild of America was rejected by N.Y. Federal Judge Abraham Sofaer, who wants trial to begin in 2 months. Lawsuit, still in discovery stage, contends that DGA attempt to set wages of freelance directors employed by HBO is price-fixing.

**WNEW-TV N.Y.** is being sued by kidnap victim, Joan Dedrick, and her husband after station newsmen followed husband when he made ransom drop last month. Couple wants \$600,000 for "reckless and wanton disregard of the life, safety and well being" of victim.

**Pres. Carter** will answer call-in questions Oct. 13 in 2-hour live NPR broadcast.



## Personals

**Irwin Segelstein**, exec. vp-broadcasting, promoted to pres., NBC TV Stations/Radio, new post; **Theodore Walworth** moves to exec. vp, TV Stations Radio; **Robert Walsh**, exec. vp-NBC TV Stations Div., succeeds Walworth as pres. of Div.; NBC News Pres. **Lester Crystal** has confirmed to news staffers report that he'll be replaced, will remain in job until successor is chosen.

**Av Westin** moves to ABC News vp-program development, new post; succeeded as exec. producer of "World News Tonight" by **Jeff Gralnick**, ABC News vp for special events; **Herbert Mendelsohn** promoted to vp-ABC Video Enterprises, responsible for marketing plans of new Div.; **Ann Gray** to ABC treas. and vp-corp. planning, new post; **Jonathan Axelrod** to vp-dramatic development, ABC Entertainment; **Michael Sullivan** to program exec.-current drama series; **Ellen Endo**, ex-L.A. TV personality, to program exec. for comedy series; **Mike Perez** advanced to Latin America sales mgr., ABC Sports; he's succeeded as business mgr. by **Thomas Papini**.

**Richard Schaller** promoted to gen. mgr., KHON-TV Honolulu, succeeding **George Hagar**, now pres. of parent Register Bcst. Group; **Raymond Hunter**, ex-PGW in St. Louis, succeeds Schaller as KHON-TV gen. sales mgr.; **Fred Petrosino**, ex-WDCA-TV Washington, appointed vp-sales & marketing, New England TV, which has application pending to purchase WNAC-TV Boston from RKO General (Vol. 19: 30 p3).

**Peter Schmid**, ex-Blair TV, joins WNBC-TV N.Y. as sales mgr.; **Gregory Strauser**, also ex-Blair, named national sales mgr., KSD-TV St. Louis, succeeding **Gary Chapman**, now gen. mgr., WTEV Providence; both stations are owned by Pulitzer... **Robert Mahlman**, ex-KCST San Diego, named KNTV San Jose gen. sales mgr.; **Andrew Feinstein** promoted to local sales mgr., WABC-TV N.Y.

**Howard Glassroth**, ex-WIVB-TV Buffalo, appointed news dir., WJLA-TV Washington... **W. Michael Hoehn**, ex-WHAG-TV Hagerstown, Md., named program dir., WMDT Salisbury, Md., due to start early next year... **Bruce Cardwell**, CPB vp-management & administration, resigns Sept. 14 to join Blue Cross.

**Edward Zimmerman**, White House special asst. to dir., Office of Administration, is expected to be promoted to deputy chief of NTIA, succeeding **Paul Bortz**, now management consultant in Colo... **Diana Gurick**, ex-Girl Scout Council, appointed AWRT exec. dir., Washington hq... New AP broadcast executives: **Donald Blohowiak**, ex-WISN-TV Milwaukee, for Ohio & Mich., succeeding **Denny McBroom**, who replaced new AP El Paso Bureau Chief **William Greer** in Ill.; **James Williams**, ex-WTBC(AM) Tuscaloosa, for Ark., La. & Miss., succeeding **William Cook**, now general broadcast exec. for Central Div.; **Arlene Sposato** for administration west of Mississippi River.

**Peter Murray** promoted to exec. vp, Storer TV sales... **Helene Hollander** advanced to Chicago sales mgr., Field Spot Sales, succeeding **Jack Arslanian**, now midwest sales mgr... **Stanley Peterson**, NSI

Chicago, also elected a vp, Nielsen Media Research Group.

**Miklos Korodi** promoted to senior vp-new business development, Warner Cable; **James Fischer** to vp-technical development & planning; **Larry Wangberg** to vp-gen. mgr., Columbus, O. cable which includes Qube... **Charles Smith**, ex-Warner Cable, appointed pres., MSO Six Star Cablevision, succeeding **Stuart Harris**, resigned... **Carroll Wood**, ex-Communications Systems, named Showtime south central regional mgr., Dallas hq.

**Morrie Trumble**, ex-UPI Audio, appointed sports programming dir., NBC Radio Network; **Sam Rosen** promoted to UPI Audio sports dir., succeeding Trumble... **Jerry Wallace**, ex-Satellite Business Systems, named Mutual vp-finance & administration.

**Prime-time TV** this coming season will feature less schedule switching, fewer controversial programs says BBDO in 24-page analysis. It estimates one-min. in specials such as "Jaws" and Super Bowl will run up to \$400,000, and average 30-sec. prime-time spot will be \$67,000. Copies: 383 Madison Ave., N.Y. 10019.

**C-SPAN** coverage of House, criticized by Speaker O'Neill (D-Mass.) (Vol. 19:32 p4), probably won't result in end of coverage of "special orders" time when speechmaking is done, according to top O'Neill aides. Administrative Asst. **Gary Hymel** said committee studying matter hasn't made recommendation.

**WPRC(FM)** San German, P.R. has been fined \$10,000 by FCC Chief Law Judge Lenore Ehrig for shifting main studio to Mayaguez—where co-owned WPRA(AM) is located—without permission. At same time, Ehrig renewed licenses of both stations in initial decision.

**CTS** received \$2.4 million order for over-air STV decoders, its first, from National Subscription TV, Detroit. CTS is making decoders under license from Blonder-Tongue Labs.

**ABC News** high-school project kit is designed to help teachers integrate TV news with class study, describes news formats, will be sent to more than 700,000 educators in fall.

**Showtime** is opening regional offices in Dallas, San Francisco & Atlanta, plans to expand in Chicago & N.Y. by end of year.

**Arbitron's "SuperSweep"**—program ratings for May 2-May 29—based on survey of 102,154 households, is now out, available from company offices.

## Obituary

**Marion Armstrong**, 80, widow of FM inventor Major Edwin Armstrong, died recently in Nashua, N.H. She was principal financial backer of Armstrong Memorial Foundation, attended many NAFMB (forerunner of NRBA) conventions after husband's death several years ago.



# Consumer Electronics®

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## STATE OF THE INDUSTRY

Sales to dealers (total market), from EIA, for week ended August 10 (32nd week of 1979):

	August 4-10	1978 week	% change	July 28- August 3	1979 to date	1978 to date	% change
Total TV. . . . .	258,142	243,663	+5.9	322,426	9,023,479	8,834,744	+2.1
color . . . . .	150,054	156,847	-4.3	186,531	5,651,558*	5,593,658	+1.0
monochrome . . .	108,088	86,816	+24.5	135,895	3,371,921	3,241,086	+4.0
Home VCR . . . . .	9,899*	4,443	+122.8	10,592	225,149*	173,161	+30.0
Total radio . . . . .	519,501	675,276	-23.1	1,374,964	25,360,884	28,543,621	-11.2
home, portable .	325,014	443,085	-26.6	1,216,384	17,322,956	20,834,302	-16.9
AM-only . . . . .	91,243	159,087	-42.7	117,988	3,604,047	4,724,896	-23.7
FM & FM-AM .	233,771	283,998	-17.7	1,098,396	13,718,909	16,109,406	-14.8
auto . . . . .	194,487	232,191	-16.2	158,580	8,037,928	7,709,319	+4.3

Color TV 5-week moving average: 1979-172,412; 1978-186,090 (down 2.1%).

\*Record for period.

**LVR DUE IN U.S. IN '80 AT \$850-\$1,000:** Opening-day news at Berlin's giant Internationale Funkausstellung Aug. 24 was made by product largely developed & scheduled for production in U.S. for simultaneous introduction in both American & European markets. The 525-exhibitor TV & radio exposition, which runs all this week, is dominated by video and has, among other developmental products, new version of Sony videodisc system compatible with Philips-MCA.

That U.S.-Europe product is, of course, BASF's longitudinal video recorder (LVR), now slated for market introduction on both continents in 3rd quarter next year. Although version demonstrated to trade (but not to public) in Berlin was for Europe's PAL color standards (Vol. 19:34 p7), BASF says it will produce NTSC unit for U.S. market side-by-side with European PAL & SECAM versions in plant now being completed in Fountain Valley, Cal.

U.S. & European versions will have same appearance (called "compromise between American & European styling"), resemble slim-line audio component. PAL picture viewed in Berlin on pre-production prototype flown in from Cal. provided excellent color. Demo was marred only by some picture noise, described as "normal prototype problem." BASF's LVR uses 2-reel, auto-reverse format, and turnaround time of tape (1/10-sec. using AC power supply) was noticeable but not objectionable, about like scene change on TV program. When LVR is used with own one-lb. battery, or automobile 12-volt power supply, glitch between tracks lasts 5 or 6 times as long, we were told. We didn't see battery operation.

BASF says NTSC version in U.S. should sell for \$850-\$1,000, including both 11-lb. portable VCR and companion 99-day programmable timer-tuner. It will be marketed through BASF tape distribution system, may also be offered to OEMs. Bell & Howell still has license to make or market LVR. BASF's VCR plant in Fountain Valley has 250,000-sq.-ft. under roof, now employs about 400, eventually could have 600 more, according to company officials. They told us their production goal is about 25,000 LVRs in 1980, 100,000 in 1981, with distribution among NTSC, PAL & SECAM units to be determined by demand. Despite standards differences, 3 units are actually quite similar, as BASF uses own "SAM" color system (derivative of SECAM). Company says any version will play on good-quality color TV of any standard, although it will not necessarily produce optimum picture.

BASF says pre-recorded software will be available, and it's talking with program suppliers



now. Although it hasn't yet developed duplication system, officials say they don't envision major problem. At real time, 3-hour tape could be replicated in 2-1/2 min., and this could be cut in half using double-speed replication. A 72-head duplicator (one head per track) isn't considered formidable problem, particularly if heads are staggered.

Behind-scenes talk at Funkausstellung centered on now-suspended LVR development agreement between BASF & Blaupunkt. Latter built own incompatible LVR VTR, called "Mini-Maz". It's about half size of BASF's, has 8-mm tape with 46 parallel tracks, each running for 4 min. (vs. BASF's 2-1/2 min.) for same 3-hour recording time. Complete tape transport measures less than 2.9 x 4.3 x 2.4 in., can easily be held in palm of hand. Scheduled demonstration of Mini-Maz at Funkausstellung was canceled amid talk of legal action by BASF. BASF, however, denies it's going to court, says it's discussing matter with Blaupunkt. Blaupunkt promised statement later. Even with Blaupunkt's unit scratched, there were still 2 LVRs at show; Toshiba, as expected, brought along NTSC endless-loop cartridge version that was hit of June CES in Chicago (Vol. 19:24 p7).

New Philips-Grundig "Video 2000" 8-hour VCR system is rapidly gaining adherents in Europe, although not demonstrated to public showgoers by either company at their exhibits (both are still selling their older "SCR" system). New standard has already been adopted by companies representing about 50% of Europe's TV market—ITT Schaub-Lorenz, Loewe Opta, Metz & Koerting of Germany and Salora of Finland, in addition to developers. Europeans are obviously getting together to challenge threat of Japanese domination of home VCR market, and Japanese are rising to it. At show, they are bringing in biggest artillery, exhibiting their best & most advanced models. Sony is featuring SL-C7, European version of its deluxe Japanese J-7 programmable, remote Beta home deck.

As forecast here last week, Sony demonstrated new version of optical videodisc system. As displayed by Disc Development Engineering Mgr. Senri Miyaoka (also credited with development of Trinitron color tube), it was completely compatible with Philips-MCA format in both 30-min.-per-side & hour-per-side modes, has MPU-equipped random-access remote. Sony showed non-compatible optical disc system at IEEE Spring Conference in Chicago last year (Vol. 18:24 p13). Miyaoka claimed player is smaller & simpler, and Sony disc duplication system superior, to those of Philips & MCA. He stressed that Sony was not backing optical system at this time, and has also developed players & discs for capacitance & mechanical systems. He indicated Sony wouldn't move ahead on videodiscs until standards are established in Japan.

Meanwhile, Philips, which is cementing its relationship with Grundig through venture arrangement (see p. 9) says Grundig will start producing videodisc players under Philips license in 1982. Spokesman also told us that license agreement giving Sharp Japanese manufacturing & worldwide marketing rights to optical disc system (Vol. 19:26 p7) is no cosmetic arrangement, and that Sharp is expected to go into production.

**COMPACT APPEALING DUMPING SUIT DISMISSAL:** Notice of appeal of lower court dismissal of TV dumping suit was filed in D.C. Appeals Court last week by labor-industry group COMPACT. In ruling last June, D.C. Dist. Court Judge Thomas Flannery said COMPACT had legal standing to challenge Treasury's handling of Japan TV dumping case but should have brought action in Customs Court (Vol. 19:27 p8). EIA Tube Div. Imports Committee is co-plaintiff in appeal, as it was in original case.

In appeal brief, due for filing by Sept. 30, COMPACT will ask case be ordered back to Dist. Court for ruling on merits. It's also likely COMPACT will ask for injunction to keep Treasury from ruling on Japanese dumping assessment protests and liquidating entries until after Appeals Court issues decision.

Treasury currently has special task force working on protests Japanese filed covering proposed dumping levies on sets imported before June 1973. Agency hopes to start issuing liquidation notices by mid-Sept. (Vol. 19:32 p8). First batch of rulings, covering basic Japanese complaints over size of assessments and way they were computed, will form basis for handling later entries, and could lead to clearing up massive backlog of unliquidated entries by end of year.



Appeals Court injunction would wreck that timetable, create additional problems for Treasury. Verdict on COMPACT appeal might not come until next year, and any Treasury antidumping decisions issued after Jan. 1 are covered by new Trade Act signed into law earlier this year. Act overhauls Customs Court regulations to ease standing requirements and, for first time, gives court right to look at confidential materials in Treasury & Customs files.

\* \* \* \*

First shipments of new portable and multi-speed home Beta & VHS VCRs, which are due to start showing up on retail shelves early next month, are signaled by sharp jump in Japan's July exports to U.S. Finance Ministry reports July shipments of 51,900, highest monthly total of this year and up 40.1% from same 1978 month. Increase pushed cumulative total ahead of 1978 level for first time this year, though just barely; 7-month figure of 297,300 was up 0.8%.

TV exporters, however, suffered 11th straight down month in U.S.-bound shipments (10th in row for color, 13th for b&w). July total TV shipments of 114,200 were down 64.4%, with color down 69.7% to 60,100, b&w off 55.9% to 54,100. For full period, total TV was down 63.7% to 709,500, with color off 56.2% to 412,900, b&w down 70.7% to just under 296,700. In color, month's exports of complete sets dropped 75.1% to 43,900, for 7-month total of 335,100, down 59.4%. Color chassis & kit shipments were down 26.1% in July to 16,200, were off 33.1% for 7 months to 77,700.

Japanese are expecting worldwide VCR sales to start taking off, are expanding production accordingly. Matsushita opened new VCR plant, its 3rd, on outskirts of Osaka, where it's producing portables. Plant is starting at 5,000-monthly rate, has capacity for 30,000, giving Matsushita overall monthly capacity of 100,000, about 15,000 more than Sony. Matsushita subsidiary, JVC, is currently operating at full 50,000 monthly capacity, due mainly to European demand. Hitachi says it will double production rate to more than 25,000 monthly in Oct., crediting move to RCA orders for portable VHS models. Sharp says its output is being hiked to 10,000 monthly from 5,000. Teruo Tanii, Matsushita Video Div. chief, says he expects VCR market will be up more than 50% this year to more than 2 million, rise at least 30% next year to about 2.7 million.

Winter CES exhibit space is sold out and there's waiting list. Show runs Jan. 5-8 at Las Vegas Convention Center, Hilton & Jockey Club. Exhibitor backlog is due, in part, to cutback in space at Hilton. As result, WCES next year will have just over 800 exhibitors, occupy about 450,000 sq. ft., against 836 exhibits, 460,000 sq. ft. last Jan. Also, Hilton exhibit area will be open hour longer Jan. 5-7, be closed on Jan. 8, because of scheduling conflict with another event. NARDA will tie annual convention to WCES for first time, holding it at Aladdin Jan. 8-10.

TV-stereo survey report is being made available by GTE through EIA. Covering 600 consumers, survey shows 87% would like stereo audio in next TV they buy (Vol. 19:19 p9). Copies of 44-page report "Consumer Reactions Toward Stereo Sound" from: E. M. Tingley, EIA, 2001 Eye St. NW, Washington, D.C. 20006.

Color sales slowdown, widely anticipated for late 3rd quarter, may be at hand. Figures due from EIA next week are expected to show sales-to-dealer in week ending Aug. 17 of about 144,000, down 24% from same 1978 week, steepest fall-off in more than 5 years. VCRs were also down in week.

Memorex will produce audio cassettes in Ireland next year in 40,000-sq.-ft. plant being built near Dublin by local development agency. Output will be for markets in Europe, Africa, Mideast.

Quasar dropped in 5 new 25" color consoles, including swivel-base model with one-knob tuner at \$640, trio with Audio Spectrum (pseudo-stereo) sound, MPU-controlled on-set touch-button tuner at \$870, remote with keyboard control at \$780. New b&w AC-DC 5" are \$155 & \$180, last with FM-AM. New 6-hour VHS VCR home decks are \$1,100 for mechanically tuned model (\$5 over similar RCA unit), \$1,325 for programmable (\$25 below RCA). Quasar priced portable at \$1,150. Portable is \$50 below price RCA placed on version it buys from Hitachi. RCA home VCR decks and all Quasar VCRs are sourced from Matsushita.

Hi-fi dealers who feel need to sharpen sales skills have choice of attending pair of upcoming sessions. First is training workshop "New Ways to Close More Sales" Sept. 11, Sheraton Inn, Silver Spring, Md., under joint sponsorship of EIA CEG Audio Div., NARDA & ERA. Other is IHF Audio Conference, Oct. 2-4, Statler Hotel, N.Y. Sessions at IHF event cover: "Challenges Facing Branded Audio," "Markets of the 80's," "Selling Women's Market," "High End Merchandising," "Co-op Advertising," "Digital Audio," "Financial Management."

Korea color exports to U.S. Dec. 1-July 31 totaled 219,300, govt. reports. Figure is equal of 76% of basic export quota of 288,600 that Koreans agreed to for 11 months to Oct. 31, leaving them just 69,000 for remainder of period.



**EUROPEAN CONSOLIDATION:** Consolidation continues to be European color industry's answer to soft market, looming threat of increased Japanese competition. In move that also involves RCA's European interest, France's Thomson-Brandt and Germany's Telefunken agreed to combine color R&D and tube production, form French holding company, Europacolor. Agreement is subject to govt. approval. Also last week, Philips & Grundig reached terms for planned joint production in Germany.

Europacolor will be 51% owned by T-B, 49% by Telefunken. Main assets will be Telefunken's tube plant in Ulm, Germany, T-B's 51% interest in Videocolor S.A., a tube producing venture with RCA. Videocolor has production facilities in France & Italy. RCA's interest in Videocolor will be cut to 42% as result of arrangement.

Videocolor, at 1.4-million annual tube capacity, and Telefunken, at 800,000, are Europe's 2nd & 3rd largest tube makers, trailing 4.6-million output of Philips. Telefunken makes tubes under Philips license which expires soon. T-B estimates Europacolor would have annual tube sales of \$350 million.

Behind move is necessity to increase efficiency level to survive in European color tube market which is already hotly competitive and is going to get even hotter. In addition to Big 3, Philips's U.K. subsidiary Mullard and 20% Hitachi-owned govt. plant in Finland also make color tubes in Europe. Joining in current scramble for customers are U.S. & Japanese tube makers. Next year, RCA-Corning-built integrated tube-glass operation in Poland goes on stream with 300,000 annual capacity, and Japanese can be expected to step up their export sales effort. Because Japanese set makers use U.S.-made tubes in most color TVs they're assembling here as substitute for complete-set exports, this year Japan's domestic tube makers will sell them some 800,000 fewer tubes than in 1978, as many as 2 million less than in 1977. Current and planned local tube production in Korea, Singapore & Taiwan will put even more pressure on Japanese to boost sales in Europe.

Manufacturing consolidations, however, are complicating everyone's sales effort by creating shortage of free-floating potential customers, with most recent being Philips-Grundig pact. In addition to deal with Telefunken, Thomson holds controlling interest in German set maker Nordmende. In U.K. last year, first Toshiba & Rank, then GEC & Hitachi, agreed to form joint set-making ventures. They, along with wholly-owned U.K. operations of Matsushita, Mitsubishi & Sony, will be getting bulk of their tubes from affiliated plants in Japan.

Philips-Grundig plan, which has received clearance from German Govt. and is subject to further negotiation, calls for Grundig to be absorbed by new company which will retain Grundig name, be 24.5% owned by Philips, 76.5% by Grundig family. Philips said transaction has \$202 million overall value.

**Lafayette** plans to move back into video this fall. Chain retailer & mail order house says it will handle VCRs, blank & recorded videocassettes, projection TV.

**ADMIRAL CANADA PHASE-OUT:** Canadian Admiral will get out of TV production by year end, making it 5th domestic producer there to quit field in last 2 years, leaving only RCA & Electrohome as long-term industry survivors, with RCA last integrated manufacturer.

Only thing keeping Admiral's 300-man workforce at Port Credit, Ont. TV plant employed is order for 8,500 color sets from Simpson-Sears, long-standing private label customer. Delivery on those sets is due in mid-Dec., then operation will be shut down.

Production halt doesn't necessarily mean Admiral will quit TV business altogether, spokesman told us. Company is currently looking at outside supply sources for complete sets, but has apparently abandoned plan to buy chassis for sets it would have assembled in house (Vol. 19:26 p9). Spokesman said TV hasn't been profitable because of intense price competition from imports. Parent Rockwell's sale last year of Admiral's U.S. TV business and Taiwan chassis plant, which also supplied Canadian unit with parts & subassemblies, created additional engineering & sourcing problems.

Rockwell's sale of Canadian Admiral to York Lambton for \$34.4-million (Vol. 19:30 p9) is still under negotiation but is expected to be completed soon; Rockwell's fiscal year ends Sept. 31. Closing of TV plant is unrelated to that transaction, we're told.

Since 1977, GE, Philips, Quasar & Sylvania (formerly Fleetwood), have stopped manufacturing TV in Canada, and Electrohome buys chassis for all color it assembles there from Japan Victor. Japanese have fleshed out Canada's color production ranks, with Hitachi, Sanyo, Toshiba & Matsushita all assembling there. RCA is Canada's sole remaining picture tube producer.

No refunds will be given those who bought \$4 CB licenses under proposal for Phase II of FCC compliance with 1976 D.C. District Court ruling. Agency must base fees on actual cost of services rendered and must return excess collected since 1970. FCC suspended all fee collection Jan. 1, 1977, started refunds under Phase I to broadcasters & CATV operators this year. Under Phase II, which covers many small fees, FCC plans to set \$3 refund minimum. Agency says it cost \$2.01 to process CB license application leaving excess of just \$1.99, meaning no payments to some 8 million who paid for CB license in 1975-76. Some 1.3 million who paid \$20 CB license charge in 1970-74, will be entitled to seek \$17.99 back. Phase II schedule calls for FCC to return \$31.2 million, or 41% of \$75.5 million collected for various services.

PCM audio adaptor market is beginning to sprout in Japan, thanks to recent EIA-Japan agreement on standards (Vol. 19:24 p9). Half dozen manufacturers now have units on market; Mitsubishi unit will appear in fall. Prices (converted to dollars at 210 yen) vary widely: Hitachi, \$4,765; JVC, \$7,145; Matsushita, \$3,800; Sharp, \$2,800; Sony, \$3,335 & \$7,145; Toshiba, \$3,575. Except for non-standard Sony unit available here since Nov. (Vol. 18:45 p11), U.S. subsidiaries haven't finalized marketing plans.



**SYLVANIA TO TV GAMES:** Sylvania becomes 2nd TV manufacturer in video game business Oct. 1 when it starts marketing Mattel-General Instrument developed Intellivision. Other TV name in field is, of course, Magnavox, which launched video game industry with first Odyssey model in 1972. Right to market cartridge programmable game under Sylvania, and eventually Philco brand, is under license agreement between Mattel & GTE Entertainment Products.

Games for Mattel & Sylvania are being produced by Sylvania Circuit Products, which was elevated to divisional status within GTE Consumer Electronics last May. Both Sylvania & Mattel will hit market with game at about same time, with Sylvania selling through existing distributor organization, Mattel via reps. Companies say they expect no serious sales overlap problems. Timing is something of slowdown for Mattel, which had said it would be on market by late Aug. Mattel says 4-market test of "Playcable" game-CATV system, in cooperation with GI's Jerrold, is still planned for early Oct. (Vol. 19:21 p13).

Sylvania hasn't put price on game yet, but it should be about same as \$250 tag planned by Mattel. Keyboard attachment, which turns game into computer and is priced same as basic game, is due from Mattel by year end, will be offered by Sylvania in early 1980. APF, which has similar game-keyboard system, expects to have complete package on market in Oct. at \$599.

Full production of games is scheduled to start next month. Long-term tie-up for cartridge production is being negotiated with several potential suppliers by Mattel, it's understood, and about dozen cartridges will be available at about \$25 each, when game is introduced. GI supplies ICs for games & cartridges.

Mattel will be primarily responsible for cartridge supply, and, for this year at least, will be doing all national game sales promotion. Mattel's 4th quarter TV & print campaign stresses Intellivision logo which Sylvania also will use, plays down brand identification.

Move to home video terminal is natural for GTE which is heavily involved in communications through telephone, CATV and other related units and will soon be test marketing Viewdata videotext service (Vol. 19:25 p10). Importantly, GTE is getting in cheap. Extensive hardware & software engineering & development costs are essentially all being picked up by Mattel & GI. GTE's entry price into futuristic field will be little more than actual hardware manufacturing cost.

Just how natural that move is was spotlighted by AT&T's announcement last week of experiment with phone-fed videotext Electronic Information Service. AT&T said about 100 subscribers in Albany, N. Y. area will be loaned video terminal & keyboard for several weeks. Users will have direct access to AT&T computer with directory listings and public-service data, such as sports, weather & time.

\* \* \* \*

Color sales increases of 17% this year were claimed for both Sylvania & Philco brands by Thomas

Shepherd, GTE Entertainment Products senior v-p-gen. mgr. Speaking at press meeting to announce tie-in with Mattel, he predicted industry will sell 550-600,000 home VCRs this year. Sylvania's fall ad campaign will be repeat of consumer preference survey. New version will show that 50% of 1,000 consumers participating in blind test thought Sylvania set provided better color picture than similar sets from RCA & Zenith.

Phone companies are being robbed blind by consumers who are stealing instruments and service, according to study by Venture Development Corp. Venture says 30% of owners of Western Electric-made phones are using "hot" instruments, 10% of phone owners have obtained at least one phone illegally and more than 50% of all phones bought legally are hooked up by consumers who don't report installation to company. Thefts are actually spurred by phone company policies, study says. Consumers are encouraged to take phones with them when they move, and new modular plugs make installation simple, so users feel they'll have no problems jacking in illicit instruments. Customers get \$5 credit for moving phone, but that's much less than price of legally purchased extension phone, making it cheaper to steal than buy. Companies don't track down stolen phones because it's cheaper to replace them than conduct search, especially when consumer moves out of operating area. Situation is resulting in lost revenues, power problems for phone companies. Review of FCC equipment registration program is needed, study concludes. Report also contains telephone sales forecasts by product type, analysis of consumer purchase behavior, new technology impact assessment. Details: VDC, 1 Wash. St., Wellesley, Mass. 02181. Separately, AT&T said 80% of some 2 million non-Bell phones to be purchased legally this year will be hooked up without notification to phone companies. It estimates it lost about \$4 million in revenue last year from monthly charges it normally would levy on residential extension phones.

FCC cleared way for introduction of electronic induction cooking ranges next year by setting certification standards. New rules, which become effective Feb. 1, limit strength of RF radiation below 90 kHz to 1,500 uv/m at 30 meters, 300 uv/m at 30 meters for higher frequencies. Ranges transmit RF energy to set up eddy currents within cookware. Pots get hot, range surface stays cold. System is safer, uses less energy than conventional electric stove, is more adaptable to electronic control. AHAM, meanwhile, reports July microwave oven sales rose 21.1% to 242,100, for 7-month total of 1.21 million, up 4.3%.

**Mergers & acquisitions:** National Semiconductor is holding business relationship discussions with a major customer, computer producer Intel. Companies said talks could lead to NS acquiring all or part of Intel's computer operation... RCA said board is expected to vote on planned acquisition of CIT Financial at Sept. 5 meeting... Belden buys Magnum Electric, Erie, Mich. manufacturer of terminal strips, for undisclosed amount of cash. Magnum had sales of \$3.5 million last year.



**HIGH EARTH-STATION PRICES:** FCC's quiet approval of first private satellite home earth stations last week (Vol. 19:34 p2) opens way for growth of legitimate home earth station industry—but don't expect under-\$1,000 units on market soon. Also Comsat's direct broadcasting intentions (Vol. 19:32 p2) are viewed with skepticism in satellite industry.

All 3 private earth stations FCC approved last week are \$20,000 4.6-meter S-A dish Homesat (Vol. 19:17 p3) installations for remote rural areas. High Homesat price tag may not hold up for long: Newton, Mass., firm Channel One offers complete 3-meter setup for \$15,000, and Gardiner's new Starscan Div. plans complete 3-meter package for \$11,000. Avcom, Richmond, Va., has announced \$4,000 unit but price doesn't include installation.

Even "do-it-yourself" option won't reduce price for adequate 4-GHz receive-only station much below \$5,000, says Bernard Mirowsky, RCA Americom advanced technical systems mgr., who recently completed study of business. C-band (4-6 GHz) stations require at least 3-meter antennas for good video reception, he adds.

Possibility of small stations with dishes under one meter and prices less than \$1,000 depend on availability of K-band (12-14 GHz) satellites. Prospects for U.S. direct-broadcasting satellites increased with recent Comsat announcement but earliest such satellites can be launched is 1983, and industry sources are doubtful of Comsat's desire to follow through.

NEC America spokesman said that half-meter home earth station could be made in Japan and sold in U.S. for \$500 if manufactured in quantities of 10,000, \$350 for 100,000 or more. But he added that no production plans have been made. Canadian firm SEDC Systems, Saskatoon, is making small stations for limited Canadian market, claims it could match NEC's prices in similar quantities.

Starscan Gen. Mgr. Sanford Freeman has proposed "national earth station registration board," voluntary private association where private earth station licensees would register stations and pay charge (similar to cable fees) for satellite programming. Freeman, ex-HBO, seeks to prevent conflict between earth station owners & manufacturers and programming suppliers, stave off possibility of scrambling satellite signals to discourage freeloaders.

**NEW DUTY RATES:** Duty rate cuts on consumer electronics & parts imports, which become effective Jan. 1 as result of President Carter's signing of trade bill, follow exclusive preview we ran here last June (Vol. 19:26 p9), with few exceptions.

Here's more complete rundown on new rates for key industry products, with current rates in parentheses: Color TV, chassis & kits 5% (5%); b&w TV, chassis & kits 3.7% (5%); TV tuners 5% (5%); most other TV parts & subassemblies 3.7% (5%); color tubes 15% (15%); b&w tubes 7.2% (15%); tubes & semiconductors 4.2% (6%).

Car radios 8% (10.4%); other radios 6% (10.4%); 47-MHz walkie-talkies 2.4% (6%); CB 6% (6% regularly,

temporarily at 18%); speakers, amps, microphones 4.9% (7.5%); home & auto audio & video tape players 3.7% (5%); audio & video recorders 3.9% (5.5%); TV & recorder combinations 4.9% (7.5%); radio-phonos 4.4% (6.5%); phonos, changers, turntables, arms 3.9% (5.5%); blank audio & video tape 4.2% (6%); calculators 3.7% (5%); microwave ovens 4% (4%).

**MORSE IN BLACK:** Morse showed small profit in opening quarter to June 30 (see financial table) as result of debt forgiveness of \$2.74 million. Company stayed in red on operating basis, with loss of \$2.43 million. Sales in period were down 35.2%.

Advent, as expected, reported loss in quarter ending June 30 as sales slipped 27.2%. Earnings in same 1978 period were bolstered by \$159,000 credit representing shares returned to company by founder Henry Kloss in settlement of lawsuit. Advent said video product sales in period dropped 20.7% to \$3.34 million, audio volume declined 33.8% to \$2.78 million. Advent also announced it has arranged new source of secured financing, enabling it to complete planned \$1-million debenture sale.

Ampex increased penetration of both consumer & industrial magnetic tape markets last year, annual report says. Tape was fastest growing sales area, with income up 40% to \$100.7 million, pre-tax income up 47.5% to \$5.9 million. Audio-video product sales rose 9.2% to \$131.6 million, with net up 18.6% to \$24.2 million. Sales of data & memory products increased 16.2% to 140.1 million, with net up 86.1% to \$14.7 million. Overseas sales, including both exports and those of foreign subsidiaries, rose 16.7% to \$171.5 million, to account for 46% of consolidated volume, down from 46.5% last year. Domestic sales rose 18.9% to \$200.9 million.

**Shows & seminars:** Society of Photo-Optical Instrumentation Engineers holds 23rd International Technical Symposium and Instrument Display at Town & Country Hotel, San Diego, Aug. 27-30. Among scheduled sessions: Recent Advances in TV Sensors & Systems (CCD TV cameras & image sensors); Laser Recording & Information Handling (videodisc & other laser devices); Laser Applications in Materials Processing (laser etching, including use in semiconductor & solar-cell manufacturing); Advances in Display Technology (LCD, EL & plasma flat screen displays; developments in U.S. & Japan; 3D; holography)...**International Video Music Conference**, to examine "role of the recording industry in the video entertainment era," will be sponsored by Billboard Nov. 15-18 at Sheraton-Universal, L.A. (213-273-7040)...**N.Y. Home Video Festival** is Nov. 23-25 at Madison Sq. Garden, sponsored by Video Expo and Morton Dennis Wax & Assoc. (914-694-8686 or 212-247-2159)...**Home Information Utility & Office Information Utility** seminar Oct. 14-25 in N.Y. will discuss video access to central computers. Information: Yankee Group (617-742-2500).

**Casualty of stereo slump,** L.A.-based 16-store Cal Stereo filed Chapter XI petition, is seeking arrangement to keep operating.



## Financial Reports of TV-Electronics Companies

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

Company & Period	Revenues	Net Earnings	Per Share
<b>Advent</b>			
1979-qtr. to June 30	6,116,000	(802,000)	--
1978-qtr. to June 30	8,402,000	353,000 <sup>a</sup>	.14
<b>Athena Communications</b>			
1979-6 mo. to June 30	5,042,000	18,880,000 <sup>a</sup>	5.19
1978-6 mo. to June 30	3,622,000	6,042,000 <sup>a</sup>	1.76
1979-qtr. to June 30	2,625,000	72,000	--
1978-qtr. to June 30	1,840,000	(272,000)	--
<b>Morse Electro Products</b>			
1979-qtr. to June 30	14,291,000	305,000 <sup>b</sup>	--
1978-qtr. to June 30	22,044,000	(1,452,000)	--
<b>Sega Enterprises</b>			
1979-year to June 30 <sup>c</sup>	101,000,000	12,500,000	1.92
1978-year to June 30	37,200,000	1,900,000	.34 <sup>d</sup>
<b>Tele-Communications</b>			
1979-6 mo. to June 30	42,036,000	19,428,000 <sup>a</sup>	3.47
1978-6 mo. to June 30 <sup>e</sup>	30,116,000	2,487,000 <sup>a</sup>	.42
1979-qtr. to June 30	21,558,000	1,716,000	.29
1978-qtr. to June 30 <sup>e</sup>	15,212,000	1,416,000 <sup>a</sup>	.24

Notes: <sup>a</sup>Includes special credit. <sup>b</sup>After extraordinary item. <sup>c</sup>Preliminary. <sup>d</sup>Adjusted. <sup>e</sup>Restated.

## Consumer Electronics Personals

**Myrddin Jones**, former Electrohome Consumer Mktg. Div. gen. mgr., appointed pres., GTE Consumer Electronics (Sylvania, Philco mktg. organization), succeeding **Thomas Shepherd**, who held post on interim basis since June 1 promotion to Entertainment Products Group senior vp-gen. mgr. . . **Anthony Mirabelli**, Quasar VCR mktg. mgr., adds responsibility for audio product line to be introduced next year; **Jerome Hellman**, color & projection TV mktg. mgr., assumes Mirabelli's former b&w mktg. duties. . . **Joseph Goetz** promoted at Panasonic Video Systems Div. from CCTV national mgr. to govt. mktg. mgr.

**Peter Dyke** advanced at Toshiba Hi-Fi Products Div. from national sales mgr. to national mktg. mgr. . . **Tom O'Mara**, ex-Superscope east region mgr., moves to comparable slot with Pioneer Electronics (car stereo, Centrex audio), succeeding **Don Lombardi**, advanced to Centrex national sales mgr. . . **James Dowling** joins TDK as personnel dir., new post. . . **William Delmonico**, **Patrick Flynn** & **Gary Vaccarello** appointed Gusdorf dist. mgrs. . . **Al Dolgosh** promoted at Antenna Specialists Professional Products Div. to product mktg. mgr., succeeding **William Randall**, retired; **Mike Sciulli** advanced to OEM sales mgr., replacing **Dolgosh**; **Robert Beebe** retires as ad & sales promotion dir. . . **Sid Silver**, former Panasonic Technics & Home Audio Div. mdsg. coordinator, named Technics Dept. PR & show mgr.: **Paul Foschino**, ex-Sam Goody, joins as Technics tape recorder asst. national sales mgr.; **Kenneth Wipfler**, ex-Harvey Group, named for Technics turntables, **Richard Del Guidice** for electronics & speakers. . . **Michael Cassettari**, ex-Gillette, to BASF Systems as audio/video asst. product mgr.

**Walter Glowczynski** advanced from RCA international & corporate office financial controls dir. to

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with  
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(Editorial & Business)

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**Solid State Div.** finance vp, succeeding **Edward Garrett**, being reassigned to corporate post; **Al Key** appointed memory & MPU operations product engineering dir.; **Joseph Paradise** named applications engineering technical staff leader for memory, MPU & time products. . . **Michael Troy** advanced at GTE to Metal Laminates Div. industrial relations mgr., succeeding **Felix Hrusovsky**, retired. . . **Chi-ning Liu** promoted at Hewlett-Packard to new post of China market development mgr. . . **Terry Barker**, ex-Corning, joins AVX Ceramics as customer service mgr. . . **Charles Huber** joins Applied Magnetics as Magnetic Head Div. operations vp. . . **Dan Sowin** appointed National Semiconductor Div. MOS/LSI mktg. dir.

**Safety record** of consumer electronics products is improving but antennas are becoming more dangerous, according to Consumer Products Safety Commission product hazard index. Index, which covers both frequency & severity of reported accidents, ranked outdoor antennas 157th on list of 376 products, up from 247th last year, while indoor antennas rose to 228th from 252nd. Rankings of other industry-related items on list (with 1978 rankings in parentheses): TVs 85th (74th), telephone & sound equipment 89th (75th), TV stands 215th (185th), calculators & adding machines 304th (262nd), fire & smoke alarms & detectors 317th (307th).

**All-purpose scanning monitor radio** from Bearcat is pre-programmed for 2,138 frequencies in 7 VHF & UHF bands covering 11 services. It scans channels on service-by-service basis, can be programmed by user to scan any 50 channels in groups of 10. Priced at \$500, model features digital time-frequency display. Scanners are now in 5% of U.S. homes, company estimates.