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# MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
VISUAL BROADCASTING
ARTS AND INDUSTRY



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HANDY INDEX TO OUR 1949 NEWSLETTERS: Whether your primary interest be stations, receivers, tubes, movies-and-TV, color -- or what have you -- our Index to 1949 Newsletters [herewith] should be a valuable aid in tracking down major events, trends, facts and dates. Naturally, it's impractical to catalog everything we've published, but the big stuff is therein, pin-pointed for you. The index, of course, assumes you have maintained your file of 1949 Newsletters, Vol. 5:1-to-53.

Note: Also in the mails this week, but to full-service subscribers only, is our new 1950 AM-FM Directory -- listing all North American broadcasting stations, CPs, applications, etc., with facilities, by countries, states and cities; by frequencies, and by call letters. Next week, we'll send out our somewhat delayed TV Directory No. 10: Television Rates & Factbook. These fresh, up-to-the-minute references, with the weekly Addenda that follow, will equip your files with basic reference data unavailable elsewhere in such handy format.

MUCH BETTER TVs FOR MUCH LESS MONEY: It's still a seller's market for top brandname TV receiver producers and distributors -- an amazingly unprecedented hold over from last quarter 1949. Yet they're currently engaging in a <u>pricing duel</u> that's phenomenal for American enterprise.

Net result: Public is offered vastly improved product for much less money, has incredibly wide selection to suit every income level and taste, seems virtually certain to continue high rate of demand as long as telecasters provide programs.

Hope and expectation and confidence ran high in Chicago this week when, on eve of annual Furniture Mart, Philo and Admiral added faster pace to already furious price-product competition -- now so swift that big and little fellows alike are dizzy (for details on Admiral and Philo, see Trade Report).

Nobody foresees anything like debacle of last spring-summer, for this time nobody has much doubt about public demand at new 1950 prices. Big question is how many of the smaller producers, unable to enjoy quantity producer advantages, can stand up against expanded mass production and intense competition of big fellows.

At distributor-dealer levels, market assurances were so rosy that we even heard one distinguished manufacturer remark he wouldn't be surprised if the industry reaches 6,000,000 this year, possibly even better if components makers can come through. Tubes, it appears, will be plentiful.

Whether Admiral, Philco or RCA is No. 1 -- a matter of pride or conceit, as they will -- is unimportant as against bigger facts that (a) public is getting lot for its money, indeed much better product for half what it costs year or so ago; (b) continuing brisk sale of TV sets is widening telecasting "circulation" faster than fondest dreams of year or two ago; (c) TV is becoming enormously important in the national economy.

NEW YEAR'S STATUS OF AM-FM STATIONS: As against TV's mere 98 stations and 13 CPs as 1950 began, total AM stations authorized number 2246. Of these, 2045 are licensed (on air), 201 CPs. This is 115 more than the 2131 at end of 1948 (Vol. 5:2); there were 1961 at end of 1947, 1579 at end of 1946, 1056 at end of 1945. During 1949, 24 AM licenses, 38 CPs were given up; noteworthy were a few long-established sta-

tions. Thus, it's apparent that rate of increase of AM stations, which was fast and furious when wartime freeze was lifted, has decelerated considerably -- though fact remains that substantial number of new AM stations is still being built and sought. Applications dwindled to 553 from last year's 723: 309 for new stations, 224 for changes in facilities. Canada has 160 stations, Mexico 273, Cuba 94.

FM log is numerically imposing, too, despite current defections. Jan. 1 figures are 476 licenses, 315 CPs & CGs, 38 applications pending. Of these, 728 are on air, including 252 under STAs. Grants turned back to FCC during year numbered 7 licenses, 200 CPs & CGs.

Note: Foregoing recapitulations are based on 1950 AM-FM Directory, now in mails to our full-service subscribers. We've combined AM-FM stations under each city, so you can tell at glance number of aural stations in each city and whether an AM station has FM affiliate. This week, we begin new series of weekly Addenda, reporting actions of the FCC, applications, etc.; AM and FM activity will be reported in single Addenda (canary-colored sheets) covering both henceforth. For FM, as well as AM, there are sections listing stations and applications by frequency as well as by state and city.

PROGRESS REPORT ON THE COLOR SCENE: For purposes of allocation, color TV is no different from black-and-white. That's most significant of RCA's conclusions in its progress report filed with FCC this week. RCA's findings, if substantiated, would relieve one of Commission's prime worries -- that color might require station mileage separations different from those for black-and-white, knocking proposed allocation (Supp. 64) into a cocked hat. What's more, says RCA, offset carrier does color just as much good as it does monochrome.

It means FCC can tackle ending freeze without necessarily making color decision first -- if and when it's satisfied RCA is right.

RCA tested all 3 color systems -- CBS, CTI, RCA -- found them substantially alike from interference standpoint. It made subjective tests about same way JTAC did (Vol. 5:28,36). Its figures differ slightly from JTAC's; but RCA used 15 observers whereas JTAC used 100, so RCA thinks that may account for variations. Adjacent-channel study is under way, results to be filed in 2-3 weeks.

Offset carrier, for reducing co-channel interference, was extensively covered in report. Conclusion: Offset reduces interference just about as much as increasing station separation mileage by 50%. RCA also offset color systems against standard black-and-white and found conclusions still held true.

As for progress on its own system, RCA reported: (1) Experiments with 3.6-mc sampling frequency, instead of 3.8-mc, (2) Work on automatic color phasing, which RCA says system must have for home use, (3) It will demonstrate "status of the advances" made in research on single 3-color receiver tube, about 90 days from now, (4) Progress on portable equipment, (5) Twenty direct-view 10-in. sets under construction. First goes to FCC labs Jan. 16, second to Condon Committee Jan. 23. More will be made after experience has been gained with first 20.

RCA has been transmitting color, off and on, from Washington's WNBW for past week. It begins hour-a-day telecasts Jan. 16, to continue a month.

FCC gave RMA fairly polite brushoff regarding its National Television Systems Committee plans (Vol. 5:47-50). In light of politics surrounding color, it was much as expected. Chairman Coy, in letter to RMA's Dr. Baker, said FCC feels it shouldn't take any position on an NTSC since such committee is "designed to serve the industry." "The Commission's position," explained Coy, "is dictated by its desire to avoid any implication that [an NTSC] is to be regarded as an advisory committee named by the Commission." But, he concluded, if committee is formed, it is welcome to testify in TV hearing.

What RMA is going to do about it will be discussed by TV Committee (Max Balcom, chairman), which meets in New York's Roosevelt Hotel Jan. 17. It's generally assumed it will go ahead with plans.

Latest on Sen. Johnson's and Comr. Jones' color thinking came in articles they wrote for Jan. 4 Variety. They haven't changed much. Says the Senator: "It

would hasten the day of paying audiences...open the field to the smaller operator...

I realize that manufacturers don't want their mass production operations disrupted
[but] color is inevitable...so why not now?"

Jones flailed the industry with customary vigor. Manufacturers are giving color hearing "the Vishinsky veto," he said, "by failure to build color receiving sets to determine public reaction, failure to schedule tests of the proponents' systems..." He pointed to Boulder and Grand Coulee dams, etc., as examples of governmental engineering feats, lamented that "the <a href="FCC">FCC</a> engineering bureau hasn't grown with the phenomenal use of the radio spectrum" and has had to rely on industry.

Johnson will express his latest ideas in speech at FCC Bar Assn dinner Jan. 12. He's due back from Panama Jan. 11. Jones will give American Marketing Assn the word Jan. 17 in New York's Hotel Commodore.

Color Television Inc. transmitted its signals over San Francisco's KPIX this week; CTI officials found pictures "encouraging." There's some talk about FCC staff going out there Jan. 12, but it's extremely doubtful (Vol. 5:52).

CBS is building up a crescendo in its public tests in Washington. So far, only sets are in FCC's hands and at Statler Hotel. Next week, CBS will tell where it's putting 15 more for public observation.

BIG VAULTS CLOSED BUT TV GETS FILMS: Feature films via TV, for immediate future at least, will continue to have a decidedly British accent. Ever since New York News' WPIX bought up and syndicated group of Korda films 2 years ago, more and more British oldies (a few not so old) have been brought into U.S. for telecasting. Recently, there's been an unusual flurry -- last week's Standard Television Corp. buy of J. Arthur Rank pictures (Vol. 5:53) and this week's Lopert Films acquisition of rights to another group of Rank films.

But what about American-made features? Are recent showings of some top-star Hollywood products denoting a trend? Are major producers opening their vaults to TV?

The answer is, No! -- not yet.

Even if they were disposed to do so, and they aren't, the major producers are forbidden to offer their wares for TV. Aside from fear of antagonizing exhibitors (and TOA already issues a periodical "black list" of films released to TV), there's Petrillo's 1946 ban on letting TV have any films with music -- and that means practically all of them, for it means background music, too.

Feature pictures currently being telecast are mainly pre-1946 items, long since "milked" of their theatre exhibition value and sold to independent distributors who bought up rights -- sometimes even before they thought of TV. Eager for markets, rights-holders have turned to TV in increasing numbers, finding it just as lucrative as rentals from "last run" houses in the tenderloin or the sticks.

Right now, rush is on to secure rights to more recent pictures. One independent distributor we interviewed was frank: "If you had asked me 10 years ago if we'd be able to get more pictures, I'd have said you're nuts. But we did. Now nobody knows where we're going to get more products. But I'm sure we will."

But everyone agrees they're not going to get them from vaults of the major producers -- from MGM, Paramount, 20th Century, RKO, Universal, Columbia, Warners or any other top Hollywood producers. Yet in so competitive an industry, anything might happen. Even Phonevision has excited some Hollywood big-wigs, we're told, though so far as we know Zenith's president E. F. McDonald had none on dotted line after his Hollywood visit this week.

You might expect networks to be in vanguard in moves to acquire feature films, but they aren't coming up with anything exciting. NBC has series of 34 Hopalong Cassidy pictures it syndicates to affiliates. CBS has 52 big-star British films -- from Pathe Ltd., Grand National, Eagle-Lion. ABC screens pictures, tells its affiliates what's good and available.

Held by independent distributors are some good properties. Commonwealth Film & Television Inc.'s current list of 20 features includes such titles as Stage Door Canteen, Abraham Lincoln, some grade B pictures with such stars as Buster Crabbe,

Jack LaRue, Johnny Mack Brown, several serials, many westerns (including 9 Ken Maynard and 4 Hopalong Cassidy features), 10 Frank Darro thrillers, old Charlie Chaplins and various musicals, cartoons, shorts. Standard Television's catalog includes such items as Tawny Pipit, Nicholas Nickleby, Waterloo Road. Lopert, known as dealer in foreign films, offers among others Henry V, Great Expectations, Blithe Spirit.

There are hundreds of others. Directory of TV Program Sources, contained in our TV Directory No. 10, due out next week, has more than 70 firms offering such wares, among some 400 syndicators of live or film shows listed.

HORROR STUFF: 'LET'S USE SOME SENSE': "Vox populi" has curious way of making its demands heeded, particularly by the broadcasting fraternity -- and right now the hue and cry in TV concerns its admitted plethora of "horror" programs. The wave of antipathy is becoming too clear for telecasters to dismiss merely as frothings of cranks and crackpots. One management is reported to have ordered switches pulled when it deems the gut and gore stuff too much to take; another has realigned programs so that, as in radio to large extent, programs come after kids' bedtime.

Newspapers have shown little of antagonism toward TV that they manifested toward radio in its early days (industry is already a top advertiser, and newspapers have been in forefront of TV licensees and applicants). But they gave big play to complaints against TV shows featuring violence recently issued by "Southern California Association for Better Radio and Television" (Vol. 5:50). Now, adding to the refrain, come critics Jack Gould (New York Times) and John Crosby (Herald Tribune).

Wrote Gould, Jan. 1: "Television is coming under the influence of the same formula thinking which for so long has been the curse of radio. This influence currently has found expression in the excess of the horror shows and variety items. Indeed, the point could be made that television did a more exciting job before it became so big. In its younger days it was willing to try almost anything."

Said Crosby, in Jan. 5 column: "The prevalence of blood on TV is explained by the single word 'circulation'. Even the people who disapprove of it listen and look -- if only to disapprove. It's the cheapest and surest circulation stunt of them all...It's a terrible competition for the industry to engage in. The outcries are already being heard throughout the land. Sooner or later censorship, either self-imposed or by law, will be imposed and we'll all be the poorer...For heaven's sake, let's use some sense."

NBC'S BIG SATURDAY NIGHT HITS SNAG: NBC-TV was going great guns with its big Saturday night plans -- solid 8-10:30 "jamboree" on all 22 interconnected affiliates -- until it ran up against DuMont.

<u>DuMont raised cain</u>, complained to FCC that NBC plan is <u>monopolistic</u>, constitutes <u>unfair practice</u>, is contrary to FCC's chain broadcasting regulations and long-standing policy against time brokering.

At week's end, FCC was asking NBC for details -- which stations have been approached, which have accepted, terms of agreements. It appears NBC may "water down" idea somewhat.

What NBC is aiming to do is to buy 2½ hours every Saturday for initial 13-week period (beginning Feb. 4), at stations' half-hour card rates, and sell it in blocks of 30-minutes. There would be 3 one-minute commercials each half-hour and sponsors would get different time period during each week of 13-week cycle.

Plan is substantially that outlined by Pat Weaver at White Sulphur Springs affiliates' convention (Vol. 5:37). It's NBC's idea for getting smaller advertisers into network TV, bolstering stations' financially weak Saturday nights. It has to have at least 15 stations before it can begin.

DuMont's principal gripe, apparently, is that plan would tie up Saturday nights in 16 one-station markets: Buffalo, Erie, Grand Rapids, Lancaster, Milwaukee, New Haven, Pittsburgh, Providence, Richmond, Rochester, Schenectady, St. Louis, Syracuse, Toledo, Utica, Wilmington. This would hit: ABC, with Paul Whiteman's TV Teen Club, 8-9, Roller Derby, 9-11:15; CBS, with Ken Murray, 8-9, Ed Wynn, 9-9:30; DuMont, with Cavalcade of Stars, 8-9.

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January 14, 1950

Lasalle St. ON THE BUSINESS OUTLOOK: "Business has another year of high volume and good profits ahead. That is consensus [of] professionals who direct the investment of billions of dollars for trust companies, estates, endowment funds, banks, insurance companies, business corporations and individuals -- men who must size up business prospects before they weigh individual investment projects."

Thus does Chicago Journal of Commerce (Jan. 11) sum up industry-by-industry analysis, based on poll of 40 Chicago investment counselors, in which conclusion is: "TV provides the highlight...Construction and related activities provide solid substance. Ebbing farm income throws a slight shadow."

Summary of TV-radio prospects: "Brightest spot in the outlook is TV. Radio has more friends because of its surprisingly good performance in 1949. Consensus: TV has just started, radio not through." The vote: 20 said TV will have better year, 12 same, 2 less good, 3 TV better [but] radio less good."

As for motion pictures: "A victim of TV enthusiasm, movies score poorly..."

CBS SHOWS COLOR TV TO THE PUBLIC: Washington dealers and distributors were in something of a tizzy this week as CBS began showing its TV colors to some 500 people a day. Whether CBS is really "taking its case to the people," or merely trying to comply with FCC's request for information on public reaction preparatory to next comparative demonstrations Feb. 23-24, town is beginning to buzz.

CBS opponents naturally think this is its all-out pitch. They point to such things as full-page ad in Jan. 10 Washington Post (in color, \$1346) inviting public to come and look, quiet but perceptible activities of recently-hired public relations counselor Ben Sonnenberg (Vol. 5:49), distribution of booklets reprinting hearing testimony of Frank Stanton and Smith, Kline & French's J. N. DuBarry.

Whether color demonstrations are actually depressing local TV sales, it's too early to tell. Merchandiser talk ranges from "only nominal effect" to loud wails from George Wasserman, head of George's, town's biggest chain dealer. Cried Wasserman: "I'm cancelling 55% of my orders, all because of this color business; 3 out of 5 potential customers say they'll wait for color."

One solid distributor laughed at that: "I respect George's ability in this business, but you can discount at least 99% of that." Another distributor was disturbed enough to send ad to factory and ask for advice on what to tell customers.

But impact can't be ignored. Mingling with crowds during early shows, we heard this general reaction: "Wonderful." From people who have TV sets, there was this fairly consistent reaction: (1) "I've had too much enjoyment out of my set to regret buying it or to worry about color." (2) "I understand I can convert my set to color whenever it comes along."

From those without sets: "I'd love to have one of these, but I wouldn't wait indefinitely for it if I really wanted television."

Newspaper coverage of demonstrations further upset set-sellers. They're uneasy about such headlines as: "Color TV Makes Hit With Public As Demonstrations Start Here"; "Test of Color Video Pleases Audience." Stories quite accurately reported uniformly enthusiastic public response, quoted results of CBS's first-day survey, which found that about 90% of viewers said: color is more enjoyable than

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monochrome; overall quality is good, very good or excellent; detail is very good or excellent; fidelity is good, very good or excellent. Brightness was "just about right" to 57%, "a little too bright" to 39%.

Dealers also complained to WOIC that color signals were fouling up demonstrations of sets. It's clear that not only CBS but local WTOP, owned jointly by Washington Post and CBS, have <u>created antagonism</u> among the makers and sellers of TVs which could hurt their time sales. CBS folk have already hinted at "boycott."

This much seems apparent: (a) People will be inclined to hold off buying if they are led to think color is just around the corner. (b) Surprisingly many expect color converters will take care of them when necessary.

CBS is using 8 Smith, Kline & French sets, feeding them from master set getting signals from WOIC. This gives good control, since operator at master set can keep all in proper alignment. Showings in downtown Walker Bldg. run 11 a.m. & 1 p.m. daily except Sunday until end of month. Demand for tickets is so heavy, demonstrations are booked up through next week.

Each viewer is given questionaire to check reactions in overall quality, comparison with monochrome, brightness, detail, fidelity, etc. Most viewers are greatly impressed, offer little or no criticism. Pictures carry same appeal and showmanship evident in earlier demonstrations (Vol. 5:41,48).

**COLOR ISSUE ALIVE AND KICKING:** Color TV was very much topic of concern elsewhere than at CBS showings during week. RCA had its top brass -- including Sarnoff, Folsom, McConnell -- in town to observe progress on its compatible system, claimed to be considerable. After closed session in Silver Spring lab, impression was given that proper color-phasing (to keep colors from changing) is just about licked; also tri-color tube is coming along nicely. If so, one of RCA's biggest problems is over.

JTAC also saw RCA's latest pictures this week. And several FCC people will get a look next week. JTAC was closeted with Commission Friday afternoon, was asked to continue studies of color and monochrome interference ratios. Apparently, majority of Commission is more willing to listen to JTAC than is Comr. Jones, who called it a "pseudonym of the RMA...here today and gone tomorrow" (Vol. 5:50).

That automatic switch invented by FCC staffmen (Vol. 5:46-49), permitting set to receive either standard 525-line or CBS 405-line without manual control, can now be made and tested by CBS. It had asked permission, and FCC granted non-exclusive rights for 6 months, waived royalties, asked for report when hearings resume.

Latest claimant to new color system is Theodore A. Wetzel, 2027 N. 47th St., Milwaukee, radio amateur. Many have come to FCC with ideas, but he's first in months to ask to participate in hearing. He offers no clue how he does it, but claims his system is entirely compatible, all-electronic, allows for conversion of stations and receivers at low cost.

At Chicago merchandisers' meetings, assurances were heard on all hands that color won't disturb present production. As one manufacturer put it to his convention, "Color is years off; it would be 2 or 3 years away even if we had a satisfactory system now, which we haven't."

But they may be reckoning without the psychological impact not merely of CBS's publicity but Senator Johnson's apparent conviction that color is just around the corner. The Colorado Senator reiterated his desires in speech before FCC Bar Assn dinner Thursday night -- with commissioners and members of his powerful Interstate Commerce Committee present. It's manifest his mind is made up, for he said:

"The essential thing is a decision for the long pull; not something that will please a few powerful interests for today's profits. I am confident the [Condon Committee] will fortify and bolster the Commission's decision that we are ready for color television now...

"It is in the public interest, therefore, to promulgate quickly broad and sufficiently general standards for color so that this delightful improvement may be developed naturally in the American free enterprise, non-monopolistic manner."

Still puzzling everyone is what "broad and sufficiently general standards" he conceives (Vol. 5:46).

THEATRE-TV ASSURED FCC HEARING: Motion picture industry got FCC notice this week (No. 5041, Doc. 9552) that preliminary <u>fact-finding hearing</u> will be held to determine whether to allocate frequencies for theatre-TV. Date wasn't set, but <u>Feb. 27 deadline</u> was fixed for comments, March 15 for replies to comments. It's unlikely hearing will come off before fall, or until TV color and uhf issues are out of way.

FCC wants to know why common carriers can't do relaying job. It's no secret AT&T will insist it can. But movie folk say costs would be prohibitive, quality of picture on narrow-band phone company circuits would not be as good as on wide-band microwaves. Telecasting industry, too, may be expected to have its say; attitude isn't clear yet, but may depend on how vigorously theatre-TV proponents push idea of exclusive programming (Vol. 5:46).

TOA board heard news of Commission action of Jan. 11 while meeting in Washington. Elated, executive director <u>Gael Sullivan</u> called it "most significant and heartening" to theatre owners. Board heard attorney Marcus Cohn and TV committee chairman Mitchell Wolfson (WTVJ, Miami) discuss strategy for hearings, urge coordinating committee for entire industry so that <u>all-industry presentation</u> can be made.

INTEGRATION ENDS AT NBC; 3 DIVISIONS: "Mr. Radio," they dubbed NBC's popular chairman Niles Trammell at Wednesday's meeting of network's Stations Planning & Advisory Committee in "heartfelt appreciation" for his efforts on behalf of broadcasting and affiliated stations. It was a sort of farewell to integrated AM-TV operation, for Trammell has consistently clung to belief TV won't develop at expense of AM -- subject of strong disagreements not only within industry but within company.

Next day, NBC president Joe McConnell released new pattern of divisional operation whereby AM network, TV network, owned-and-operated stations will operate with own complete staffs as separate and, whether it's admitted or not, inevitably competitive businesses -- not unlike the autonomous operation of General Motors or Procter & Gamble units. Setup is result of Booz, Allen & Hamilton survey.

Already top RCA-NBC executives are getting 4 separate monthly P&L statements: for AM and TV networks, for AM and TV stations. It's an open secret that TV network losses are mounting, due mainly to line costs, and that company's 5 TV stations are narrowing losses to point where they may emerge from red this year.

NBC divisional plan is opposite of integrated plan operating at top level of CBS. CBS owns only one TV station, however, and 49% of another.

Until new v.p. is picked to head radio network division, executive v.p. Charles Denny is in charge. Pat Weaver heads TV network, James Gaines all NBC-owned stations (AM-FM-TV). Just appointed to staff level is new v.p. for administration, Victor T. Norton, recently president of American Home Products Inc., ex-Kenyon & Eckhardt v.p. Reporting to him are William S. Hedges, now titled v.p. for integrated services -- or services common to all divisions; John McDonald, finance v.p.; O. B. Hanson, engineering v.p.; Hugh Beville, research; Ernest de la Ossa, personnel.

Reporting to Denny are Gustav Margraf, v.p. and general attorney; Sydney Eiges, press relations v.p.; Sidney Strotz, Hollywood v.p.

In TV network division, v.p. Pat Weaver has reporting to him: Carleton Smith, operations; Fred Wile, production; George Frey, sales; Norman Blackburn, Hollywood. Under Smith are J. R. Myers, controller; N. Ray Kelly, film syndication; Sheldon Hickox, station relations; Robert Shelby, technical operations. Under Frey are Edward Hitz, Eastern sales; Eugene Hoge, Chicago sales; Robert Sarnoff, program sales; James Nelson, advertising; Robert McFadyen, research. Under Wile are Ernest Walling, program manager; Carl Stanton, program procurement; Francis McCall, news.

Reporting to Gaines are all managers of NBC's AM-FM and TV stations, but it's good guess their now-integrated managements will eventually be separated in line with basic policy. Local sales and program staffs are already being separated.

In radio network division, v.p. Harry Kopf heads sales; Tom McCray, programs; Wm. Brooks, news-special events; George McElrath, technical operations -- reporting to Denny for time being. Reporting to Kopf are v.p. Charles Hammond, advertising; Easton Woolley, station relations; George Wallace, sales planning; and sales chiefs Walter Scott, East; Paul McCluer, Chicago; Frank Berend, West Coast.

New TV committee of NAB didn't have much time for purely TV matters at meeting this week, did draw up list of 24 projects, is holding mail ballot to determine members' views on what subjects should be given priority—among them set census, sales aids, program idea exchange, publication of directories of film, program and commercial sources, etc. Committee, headed by Eugene Thomas, WOIC, Washington, includes Hugh Beville, WNBT, New York; George Burbach, KSD-TV, St. Louis; E. K. Jett, WMAR-TV, Baltimore; Dwight Martin, WLWT, Cincinnati; John Outler Jr., WSB-TV, Atlanta; Robert Swezey, WDSU-TV, New Orleans; Donald Tatum, KTSL, Los Angeles. Alternates: Roger Clipp, WFIL-TV, Philadelphia; B. J. Rowan, WRGB, Schenectady; J. Gorman Walsh, WDEL-TV, Wilmington.

Sen Johnson dug into subjects other than color (see page 2) in Bar Assn speech, asserting: (1) Congress regards the Commission "as an extension of ourselves," not of the Executive; it might be better if House Speaker appointed commissioners, with Senate confirmation. (2) AM clear channels should be duplicated as soon as possible. (3) UHF must be allocated before freeze is lifted. "Easily identified selfish interests are laboring day and night to lift freeze now and do nothing more." (4) To relieve foreign pressure on our AM system, it might pay us to subsidize conversion of Cuba and other countries to FM, including replacement of AM sets. (One banquet wag commented, "He wants to give FM to the Indians.")

Complications arising from death of Thomas S. Lee, owner of Don Lee network and stations, who jumped to his death Friday in Los Angeles: (1) Contents of will, if any. (2) Validity of any will, since he was adjudged "mentally incompetent." (3) Who are heirs or beneficiaries; only known close relatives are Los Angeles aunt, his legal guardian, and Seattle uncle. (4) Whether radio properties and Cadillac dealerships must be sold to satisfy will's provision (if will exists and is valid). Lewis Allen Weiss and Willet Brown, trustees, continue in that capacity until disposition of estate is decided.

Unusually sarcastic is wording of FCC public Notice No. 50-51, ordering Richards stations to hearing in Los Angeles March 13 on charges of news slanting, etc. (Vol. 5:31). Order said FCC doesn't want to jeopardize Dick Richards' health by forcing him to appear, but added "we are not unaware that during most or much of the time of [his] chronic illness...he has maintained a certain amount of physical activity." Comr. Hyde dissented, Hennock didn't vote. Hearing comr. will be named later.

Elimination of trafficking in licenses is objective of proposed rule issued by FCC this week (Docket 9553, FCC Notice 50-44). Proposal would make AM, FM or TV grantee forfeit CP if contract for its sale was entered into before station went on air. Existing stations holding CPs for "major modifications" (to be determined in each case) wouldn't be permitted to transfer such CPs before beginning of program tests. Comrs. Hyde and Jones dissented, said proposal is inconsistent with Communications Act, asserted: "Good faith, unforeseen conditions and happenings, no matter how onerous, would be no basis for relief." They pointed out, further, that FCC can deal with trafficking as it comes up, since it scrutinizes and authorize all sales. Deadline for comments is Feb. 17.

Ban on test pattern with music background, proposed by FCC (Supp. 69), this week brought dozen comments asking relaxation. They range from mild request for 15-min. music warmup period before day's telecast schedule to demand for virtually no restrictions. Several say Commission's proposal isn't altogether clear, wondering whether music can be used with Multiscope, for example.

Personal Notes: Ernest Walling promoted to NBC-TV program mgr., with Leonard Hole, ex-DuMont, named production mgr. under him . . . Kenneth Craig, ex-radio director, McCann-Erickson, Chicago, now executive asst. to CBS central division v.p. Leslie Atlass; John Ackerman succeeds Frank Falknor, now program operations v.p. in New York, as asst. gen. mgr. of WBBM . . . Geraldine B. Zorbaugh, ABC lawyer, promoted to asst. gen. attorney . . . Michael J. Foster, handling CBS color TV publicity, now asst. director of CBS press information. ... Forney A. Rankin, NAB govt. relations director, has resigned to rejoin State Dept. . . . James E. Hanna succeeds H. L. McClinton as radio-TV v.p. of N.W. Ayer . . . Neville Miller newly elected president of FCC Bar Assn; Wm. Porter, 1st v.p.; Arthur Scharfeld, 2nd v.p.; Thad Brown Jr., secy; Reed Miller, treas.

Telecasting notes: Lever Bros. president Charles Luckman told newsmen last week that to be near centers of TV was one of reasons for moving executive setup to New York, disclosed Lever will spend about \$2,000,000 on TV this year ... It's unofficial, but probably reasonably close, that NBC's TV network-plus-station income was about \$10,000,000 this year . . . Separate sales and program staffs for TV and radio, remaining under mgr. Wm. McAndrew, set up this week by WRC & WNBW Washington (NBC) . . . Motorola distributor B. H. Spinney Co., Syracuse, buys daily new show on WSYR (AM-FM) to promote TV, in anticipation of greater sales when city's second station, WSYR-TV, opens in March . . . Chicago Tribune's WGN-TV buys up rights to all Cubs' home games from P. K. Wrigley Jr. . . . CBS-TV starts Robert Q. Lewis' The Show Goes On Jan. 19, Thu. 9:30, but following Thursday it's on at 8-unique alternating pattern that will be permanent; on Jan. 20 TV show will be carried on AM at 9:30 as recorded playback of sound portion . . . Crosley deal to sell WINS, New York, to Il Progresso-Italo Americano is off.

Network accounts: Lucky Strike has booked Robert Montgomery to produce, direct and narrate new series on NBC-TV, every other Mon. 9:30-10:30, starting Jan. 30; film star has quit Hollywood for fulltime TV work, for present, has been named an executive TV producer at NBC . . . Doubleday & Co., publishers, sponsoring John Gnagy's You Are an Artist on NBC-TV, Tue. 11-11:15 ... Ford Dealers Assn to sponsor Jan. 22 & 29 Super Circus on 12 ABC-TV stations, 5:30-6; Canada Dry still sponsoring 5-5:30 segment . . . Knomark Mfg. Co. (Esquire boot polish) on March 16 begins sponsoring Blind Date, with Arlene Francis, on 20 ABC-TV stations plus 5 via kine-recordings, time not yet set . . . Walter H. Johnson Candy Co. (Powerhouse candy bar) on Jan. 23 begins sponsoring Captain Video on 5 DuMont stations, Mon.-Fri. 7-7:30 . . . Philip Morris discontinuing Herb Shriner's 5-min. shows on CBS-TV after Feb. 4 . . . Packard reported planning new TV variety show, no details . . . Ford Dealers of America buy one-shot of The Front Page on CBS-TV, Thu., Jan. 26, 8-8:30, which moves The Show Goes On to 8:30-9 and Escape to 9:30-10.

President Leonard Goldenson of United Paramount Theatres Inc., successor to Paramount Pictures theatre chain (Vol. 5:52), announced this week UPT was going ahead with plans to install theatre-TV equipment in its key theatres (Vol. 5:43), also affirmed company's plans to go ahead with TV station applications in Boston, Detroit, Tampa, Des Moines. Robert H. O'Brien, UPT secy-treas, is TV chief, with Robert Weitman, managing director of New York City Paramount theatres, TV talent and programming consultant; Jason Rabinowitz, ex-Chase National Bank, is O'Brien's special TV asst.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
VISUAL BROADCASTING
ARTS AND INDUSTRY

WITH AM FM REPORTS

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January 21, 1950

2,837,500 TV SETS MADE DURING 1949: December's 350,500 TV output brought 1949 total to 2,837,500 -- well in excess of our 2,750,000 estimate. And it brings cumulative postwar TV production to 3,995,000, which is comfortably in excess of Jan. 1, 1950 estimate of 3,950,000 sets-in-use (see p. 4).

Slowdowns just before and after Xmas, plus tooling up for new lines, accounted for decelerating weekly rate of production reported by RMA for December: first week 91,424, second 87,336, third 68,323, fourth 44,978. This totals 292,061, but we've added conservative 20% to account for non-RMA and arrive at round figure of 350,500. December figure compares with 5-week November's 497,000 and 4-week October's 365,000 (Vol. 5:52).

The 2,837,500 TVs for 1949 compare with RMA's count of 866,832 in 1948, 178,571 in 1947, 6476 in 1946 (when industry resumed, postwar), and 10,000 estimated for all prewar. In other words, even if RMA figures were projected to include non-RMA, more than twice as many TVs were made in 1949 as in all other years combined.

December radios of all kinds totaled 998,993, including TVs, according to RMA. This compares with 1,324,359 in November. Thus RMA alone reports 9,680,773 in 1949, which compares with 14,132,625 in 1948, 17,695,677 in 1947, 13,326,985 in 1946. RMA's December TV breakdown: table models, 167,752 (8083 with AM and/or FM); TV-only consoles, 91,739; combination consoles, 32,570 (22,960 with phonos, remainder with AM and/or FM-only).

RCA SOLVES ITS MAJOR COLOR PROBLEM: That big sigh of relief you hear comes from RCA. Simply stated, its color system now works. With the most significant development since color hearing started, RCA's engineers have tied colors down so that they don't drift willy-nilly all over the color spectrum (Vol. 6:2). Receiver is turned on and colors stay put without adjustment. Competent engineers had seriously wondered whether it could be done.

Frankly skeptical, after RCA's unquestionably poor performances in previous demonstrations (Vol. 5:42,48), we went out to Silver Spring (Md.) laboratory Wednesday and saw for ourselves. They've done it, no doubt about it.

Pictures still aren't perfect. We'd judge color fidelity slightly below CBS's. Definition is considerably superior to CBS's and the compatible black-and-white reception on standard sets is improved, if anything.

<u>Clear whites, yellows and browns</u> -- missing from the other demonstrations -- showed up and stayed true. Elated, Dr. George Brown said: "Look, no hands!" as technicians kept away from controls. Dichroic-mirror type sets were used, projections having been shoved into background, temporarily at least.

Defects were still evident: Red shades sometimes tinged bottom of picture; occasional red fringing (objects outlined with thin line of red).

RCA achieves stability by transmitting 3.6-mc "bursts" for each line, every 63 microseconds. These keep receiver exactly in step with transmitter. We suspect RCA might have done this before, except that it wanted to make capital of fact it proposed absolutely no change in standards.

Achievement still leaves RCA with 3 jobs, as we see it: (1) Further improve color quality. (2) Bring picture out of that dichroic mirror "tunnel," with single direct-view tube. (3) Reduce receiver complexity, cost and bulk.

Proper single tube could solve many of RCA's problems (as it could for CBS and CTI), and we have a strong suspicion RCA really hopes to have it for Feb. 23-24 comparative demonstrations -- even though spokesmen say merely that they'll demonstrate "status of advances" within 90 days (Vol. 6:1).

Ten sets are currently in production. First goes to FCC next week, second to Condon Committee shortly thereafter. Balance will come through, about 2 a week, Commission's receiver distribution committee to decide where they go. Commissioners themselves haven't seen latest pictures, though staff has (Vol. 6:2).

Whether public showings will be made is undecided, though RCA feels it has a picture it can display without fear. <u>Life Magazine</u> has been shooting pictures of RCA as well as CBS color for as yet undecided publication date. Like CBS's, RCA test telecasts have been on daily afternoon and evening schedule.

Color adjacent-channel study was submitted to FCC by RCA this week. Conclusions are same as those it found for co-channel interference (Vol. 6:1): For purposes of allocation, color TV is no different from black-and-white. RCA's engineers haven't submitted study on how other kinds of interference (diathermy, oscillator, etc.) affect color, but they say that day-to-day work with color leaves little doubt problems are same as for monochrome.

**COLOR STILL 'THE WASHINGTON STORY':** While RCA was quietly sweating over its color system in suburban Washington lab (see p. 1), CBS continued to whoop it up downtown -- strutting its stuff with customary program and promotional brilliance.

CBS sets have been placed in additional strategic spots. Homes of <u>President Truman</u>, Senators Johnson and McFarland, Comr. Hennock now have them, in addition to other 6 commissioners. More will be spotted as fast as they arrive, presumably in homes of other VIPs.

Senators, Supreme Court, Cabinet and White House aides are scheduled to see demonstration Monday. Next 2 days, Congressmen are invited; Jan. 30, bigwigs of military and other govt. agencies. Demonstrations end Jan. 31, resume at FCC hearing Feb. 23-24.

Even facade of Washington's Walker Bldg., where public demonstrations are being held (Vol. 6:2), is emblazoned with colored signs about color TV inside.

Big publicity windfall came Friday, and CBS promoted it to hilt, when one Forrest Killy, electrician of Roselle, N.J., was reported to have rigged up CBS color converter out of old phonograph motor and cellophane -- for 30 cents. N.Y. Herald Tribune gave it front-page picture play, 3 columns wide. AP and UP put long story on wires. Saturday, Washington papers reported WTOP, FCC and Naval Research Lab technicians had done similar conversions for a few cents or dollars.

\* \* \*

Color Television Inc. has begun its pitch in San Francisco. Last week, it showed newsmen off-the-line pictures. This week, it telecast over KPIX, 1-2 p.m. daily. Wrote George Voigt in Jan. 9 Chronicle, which operates KRON-TV:

"It was a successful showing. The colors were true and pretty. The picture clear. To me, it was actually exciting to view. Here was beautiful color television on a screen as distinct as any black-and-white. But I'm not going to hold my breath until I have color television in my home. And I'd advise you not to either. It will be a long spell of breath holding."

CTI has 7 sets, is building more as it gets tubes. Plans are to have equipment in Washington by Feb. 10; arrangements for telecasting are being made.

\* \* \*

JTAC came away from session with FCC last week (Vol. 6:2) "tremendously encouraged," as one member put it. Comrs. Coy, Jones, Sterling and Webster and all 8 JTAC members were present. Comr. Jones still has jaundiced eye for anything JTAC might do, because of members' industry affiliations. But Commission majority urged group to continue work, cooperate closely with FCC staff.

Hint of "anti-trust" action against industry for "holding back" color was contained in Comr. Jones' speech before American Marketing Assn in New York Tuesday. Afterward, he made clear to reporters he was speaking for himself, didn't know

whether rest of Commission thought same way. [Editor's note: It doesn't; Jones is obviously minority of one, with one possible adherent, in his suspicions of "bad faith" on part of industry; moreover, he's Republican, and even that minority party isn't disposed to heckle industry unduly.] Burden of speech was that he doesn't believe FCC can rely on industry itself for optimum TV-radio development.

New National Television Systems Committee was established by RMA at Tuesday's New York meeting (Vol. 6:1). GE's Dr. W. R. G. Baker is chairman, Electronics Magazine's Donald Fink (also JTAC chairman and Condon Committee member) and Philco's David Smith (also JTAC), vice chairmen. Committee will study freeze and uhf in addition to color, submit reports to FCC and be available to FCC for chores.

\* \* \* \*

Color pot bubbled elsewhere, too: One Elman Meyers, Pompton Lakes, N.J., who has worked on color newsreels for Fox, is reported having "something worth investigating," according to major manufacturer, though it's added his ideas have theoretical limitations... FCC wrote Prismacolor Pictures, Chicago firm asking to join hearing (Vol. 5:47), that it hadn't shown sufficient evidence to warrant consideration, but that Commission would be glad to get real information and reconsider... Those Rensselaer Polytechnic Institute men who claim new system (Vol. 5:50) haven't told anyone yet what they have, including an inquiring FCC. But they're scheduled to read paper on "Electro-Optical Filters for Color TV" at IRE convention in March. Title is clue to what they're thinking about -- something engineers have dreamed about for years... CBS's Dr. Goldmark speaks to Washington IRE Jan. 24.

GOOD START FOR LANSING & KALAMAZOO: Before end of March, possibly earlier, 2 more of Michigan's most populous areas will be opened up as TV markets -- Lansing and Kalamazoo. Thanks to service already obtainable from Grand Rapids' single station, and to lesser extent from Detroit's 3, these cities and their contiguous areas have quite a few receivers already. Fact is, Kalamazoo's WKZO-TV already claims 46,640 sets among the 1,587,600 people it claims it will cover.

Within 40 miles of Kalamazoo, for example, are such towns as Battle Creek, Allegan, Coldwater, Dowagiac; within 60 miles are Grand Rapids, Holland, St. Joseph, Lansing, Jackson, South Bend, Elkhart, Goshen. Nearest other station on its Channel 3 is in Milwaukee, 130 mi.

As for Lansing's WJIM-TV, which has asked FCC for STA to start tests Feb. 21 (with temporary 500 watts), its 40-mi. radius will include Jackson, Owosso, Charlotte; 60-mi. will embrace Grand Rapids, Saginaw, Battle Creek, Flint. Nearest other occupant of its Channel 6 is in Indianapolis, 217 mi.

Both new Michigan outlets plan own relays for network interconnections. Kalamazoo is tying into AT&T coaxial at South Bend, 59 miles away, with one relay via Marcellus, claims this is first such interconnection authority sought since FCC lifted ban (Vol. 5:47). Lansing will interconnect from Detroit, 82 mi., via Oakland.

Definite commercial starting dates of both remain to be announced, depending on progress of transmitter, tower and relay installations.

TEXAS, IOWA GUTLETS NEXT; FOX DRGPS: Next to start, among the even-dozen CPs still on tap, will be San Antonio's KEYL on Channel 5 and Iowa State College's WOI-TV, Ames, on Channel 4. Former is now testing, begins regular schedules Feb. 1, will be nation's 99th station. Iowa's first outlet, covering Des Moines and other populous new markets (Vol. 5:49), was to begin testing this week end or early next week, now plans T-Day either Feb. 14 or 21.

San Antonio's second station began tests Jan. 10, exactly 63 hours, 28 minutes after arrival of transmitter -- claims this is installation record. Good reception of 9-5 daily test patterns has been reported as far away as Corpus Christi, 128 mi. As of Feb. 1, it begins daily Multiscope and test patterns for dealers 10-2, patterns 2-5:30, regular programs 5:30-9:30 or later. Kine commercials will come from 3 networks, starting with Fred Waring from CBS, Lone Ranger from ABC, Morey Amsterdam from DuMont.

Prospective advent of Iowa State's WOI-TV has raised some policy questions, which Board of Education has resolved. Like its AM counterpart, WOI-TV must be

"non-commercial." But it needs programs, and Board of Education has authorized it to accept network service (kine recordings until interconnection next October) and apply revenues to purchase of more equipment. It will carry no local or other commercials. Having no camera chain yet, it will rely for time being on films and is committed to relinquish any network arrangements as soon as commercial stations are built. (There are no Iowa CPs, so nothing is in prospect until end of freeze.) It will operate Mon. thru Fri. 6-9, with test patterns Mon. thru Sat. 3:30-5:30.

Since Des Moines market is new, set makers are planning heavy sales -- particularly in nearby towns and rich farm area. RCA already has 60-man installationservicing crew headquarters in Des Moines. Notes on other upcoming new stations:

Looks now like Feb. 15 testing date for WHAS-TV, Louisville, whose tower was up to 350 ft. Thursday, same day GE shipped 12-bay superturnstile called "largest of its kind in the world"; it weighs 4 tons, will radiate from 48 bat-wing-shaped antenna elements spaced in groups of 4 about every 6 feet. "Our own picture is much brighter, and so is TV's," says Courier-Journal in formal statement that "no further bids will be entertained" for purchase of WHAS and WHAS-TV.

Two more months are needed to get WCON-TV's 1056-ft. Ideco tower up, tallest TV mast yet. That means about April 1 for tests of Atlanta's third station... WSYR-TV, Syracuse, begins installing 200-ft. antenna Jan. 23 week. NBC-TV announces it is 27th interconnected as of Feb. 15, but tests aren't likely before March 1.

Dropping all 5 of its station applications, 20th Century-Fox gave as its reason that it wants to concentrate on theatre-TV, more in its line. It had gone to hearing on San Francisco, had also applied for Boston, St. Louis, Kansas City, Seattle. Gearing for FCC theatre-TV hearing (Vol. 6:2), 20th Century has renewed contract with RCA for theatre-TV equipment (Vol. 6:1).

CP for WRTV, New Orleans, is now permanently off rolls, FCC this week finalizing proposed decision against extension (Vol. 6:1)...FCC general counsel filed opposition to Raytheon petition for rehearing on denial of extension of WRTB, Waltham (Vol. 5:6,7,26,52), and final decision due momentarily...Uhf experimental station W2XMT, New York (Ira Hirschmann), dropped from rolls this week because FCC found it hadn't been operated since February...Uhf experimenter John H. Poole (KM2XAZ, Long Beach, Cal.) authorized by FCC to buy 1-kw AM daytimer KWKW, Pasadena, for \$57,500.

## Count of TV Sets-in-Use by Cities

As of January 1, 1950

Sets-in-use rose to 3,950,000 as of Jan. 1, according to NBC Research's monthly "census" report estimating families and sets within 40-mi. service area (.5Mv). January report embraces non-TV served Norfolk. It represents 453,000 increase over Dec. 1 count (Vol. 5:52).

represents,			
	Interconnected	Cities	
	No.	No.	No.
Area	Stations	Families	Sets
Baltimore	. 3	450,000*	124,000
Boston	2	1.175.000*	248,000
	1	323,000	62,200
Buffalo	4	1,438,000	337,000
Chicago	· 3	384.000	67,000
Cincinnati	- ຊັ	695,000	137,000
Cleveland	- ຈັ	225,000	33,900
Columbus	. ຈຸ	291,000	31,300
Dayton	4 3 3 3 2 2	839,000	145,000
Detroit	. ĭ	112,000	15,000
Erie	7	182,000	9,500
Grand Rapids		85,000	25,200
Lancaster		327,000	72,200
Milwaukee		557,000	66,500
New Haven			1.015.000
New York		3,597,000	350.000
Philadelphia	- 3 1	1,184,000	64,000
Pittsburgh		742,000 *	
Providence	. <u>‡</u>	1,011,000 *	27,000
Richmond	. 1	130,000	20,900
Rochester	<u>.</u> 1	208,000	21,200
Schenectady	_ 1	258,000	52,000
St. Louis	_ 1	474,000	77,800
Syracuse	. 1	199,000	24,600
Toledo		241,000	33,000
Utica	. 1	127,000	5,600
Washington	. 4	384,000*	91,000
Wilmington	. 1	183,000	24,100
Total Interconnected	_ 53		3,180,000

	Non-Interconnected	Cities	
Albuquerque	1	22,000	2,000
Atlanta	2	233,000	22,300
Binghamton	1	131,000	4.000
Birmingham	2	196,000	10,400
Bloomington	1	104,000	2,000
Charlotte	1	171,000	10,200
Davenport	1	133,000	6,300
Fort Worth-	1	269,000*	15,400
Dallas	2	277,000*	18,900
Greensboro	1	165,000	8,200
Houston	1	217,000	13,000
Huntington		132,000	4,200
Indianapolis	1	281,000	18,000
Jacksonville	1	94,000	6,000
Johnstown	1	250,000*	11,500
Kansas City	1	275,000	25,100
Los Angeles	7	1,372,000	335,000
Louisville	1	188,000	20,600
Memphis	1	177,000	14,100
Miami	1	117,000	15,400
Minneapolis-			
St. Paul	2	333,000	61,900
New Orleans	1	225,000	14,300
Norfolk	·	196,000	1,200
Oklahoma City	1	138,000	16,000
Omaha	2 1	132,000	12,400
Phoenix		49,000	3,000
Salt Lake City	2	93,000	9,800
San Antonio	1	130,000	2,500
San Diego	1	113,000	20,100
San Francisco		825,000	33,800
Seattle	1	307,000	19,700
Tulsa	1	125,000	10,500
Others	Name of Street		2,200
Total Non-			
Interconnected _	45		770,000
			112,300
Total Intercon- nected and Non-			
Interconnected			3,950,000
interconnected	50		3,330,300

<sup>\*</sup> Family figures are based on estimates of 1948 population. Note that Boston-Providence, Dallas-Fort Worth, Baltimore-Washington, Pittsburgh-Johnstown coverages (hence total families) overlap. In case of Washington, total families embraces only D. C. metropolitan area. In case of Baltimore, total is claimed coverage of local stations, including overlap into Washington.

<sup>+</sup>WTAR-TV due to start scheduled operation in April, 1950.

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AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING ARTS AND INDUSTRY



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January 28, 1950

DALLAS NEWS BUYS TOM POTTER'S KBTV: Deal has been closed for sale of Dallas' 4-month-old KBTV to Dallas News (WFAA) interests, subject to FCC approval. Price is \$575,000, just about what oilman Tom Potter has spent on project. Dallas News agrees to underwrite KBTV losses up to \$25,000 monthly from Jan. 1, pending transfer. KBTV is now about \$120,000 in red, has had succession of managers in its short career, is headed by son Jack Potter who has shown little interest in the business.

Newspaper will change call to WFAA-TV, operate it under same management as its 50-kw AM (Martin Campbell), drop own pre-freeze application. It was apparently impelled to hasten entry into TV by fact rival <u>Dallas Times-Herald</u> (KRLD & KRLD-TV) began TV operations with big splash in December (Vol. 5:48); and <u>Fort Worth Star-Telegram</u> (WBAP & WBAP-TV) has operated TV since September, 1948. Already, manager Martin Campbell boasts Dallas TV sales are running 60-40 ahead of Fort Worth.

Note: St. Louis Post-Dispatch, now operating its 3-year-old KSD-TV in the black (Vol. 5:48), reports "TV has created an entirely new source of advertising revenue -- the sale of newspaper linage to sell receiving sets and remote programs." During 1949, Post-Dispatch carried 512,102 lines of "strictly TV" advertising, representing \$241,971 revenue -- 60% more than preceding year.

SET SALES WIDENING TV 'CIRCULATION': Your "circulation department," Mr. Telecaster, is going great guns -- faster than fondest dreams. Short of war or depression, despite prospect of continued confusion in public mind about color-uhf-allocations, it's good guess that the set makers and distributors will sell nearer 5 than 4 million TVs this year. You're in best position to calculate your own locality's share.

When TV set prices break to point where almost any family can feel they're within reason, when Admiral and Philco boast in terms of around 1,000,000 sets each this year (Vol. 6:1), when RCA says it will do even better, when DuMont says 1950 output will double 1949 -- even allowing for wishful thinking or braggadocio, you know this business is on the march. As one veteran of the merchandising wars put it:

"It's the genius of American enterprise, or maybe it's simply the luck of American business, that something comes along periodically to fire the public imagination and evolve into something big. Earlier in the century it was the <u>automobile</u>, the <u>airplane</u>, the <u>movies</u>, the <u>phonograph</u>, the <u>radio</u> -- and now it's television. The future of TV as an industry, to say nothing of it as an art, is just as certain as any of these."

If TV manufacturers and sellers do indeed put 4,000,000 or more TVs in public's hands this year, that means total of more than 8,000,000 at end of year -- or as many during 1950 as during entire 3½ years since mid-1946 when TV began its postwar emergence. (Prewar, only about 10,000 sets had been produced.)

<u>In terms of telecast "circulation</u>," we can only generalize in light of varying service areas -- but these conclusions seem fair:

Some 25,000,000 families out of country's 37,280,000 (U.S. Census 1948 estimate) will be within primary service areas of the 108 TV stations likely to be in operation by mid-year (98 now). Among these, a minimum of 8,000,000 receivers in operation by end of 1950. Allowing margin for receivers in public places, end of this year should find one out of 3 homes in TV areas with TVs.

Some areas will do better than others, of course. New York already has over

1,000,000, or better than one to every 4 families. Philadelphia has fewer sets but ratio is about same. (For "depth of penetration" figures, see Vol. 6:2; for Jan. 1, 1950 area-by-area receiver count, see Vol. 6:3.)

Over-all picture is indeed heartening alike to editorial (program), business (sponsorship) and circulation (audience) offices of the telecasters.

SOME KEYS TO WHAT MAKES JONES TICK: In addition to imputing bad faith, even "conspiracy" in violation of anti-trust laws on part of manufacturers "who wish to preserve an exclusive black and white receiver market," FCC's crusading Comr. Bob Jones now inferentially blames broadcasters as well (a) for FM's troubles, and (b) for providing multiple [broadcasting] service to well-populated areas and little service to sparsely settled areas. In short, he implies that broadcasters are also parties to a "plot" to hamstring radio as well as TV.

That's how we understand Jones' most recent utterances, notably his scathing public reply Jan. 24 to NAB president Justin Miller's letter of Jan. 19. Judge Miller, injecting himself into color issue after long remaining quite aloof, had written Jones to suggest he's sure Jones would not use "the power of the government to force assembly-line production before the laboratory work has been done which is necessary for the development of new industrial procedures."

Miller referred to Jones' crusade for color-in-a-hurry, of course, and particularly to Jones' recent speech before American Marketing Assn (Vol. 6:3). You can get text of their exchange of correspondence from FCC press room, also text of speech. If you're concerned about color issue, if you too wonder what makes Bob Jones tick, we recommend you read them; also read text of his similarly publicized and revealing exchange of letters with Paramount's Paul Raibourn (Vol. 5:50). But read them with these basic assurances:

- (1) That Jones is in minority, engaged in one-man crusade, with majority of his colleagues, several with far more technical training and experience, utterly unconvinced and unlikely to be convinced that any plot's afoot or that the industry is led by men of sinister motive.
- (2) That whatever Jones' goals may be, he's not carrying torch for CBS color system per se, though that may appear to be effect of his campaign. Indeed, he has gotten into that company's hair almost as much as others; witness his "open letters" to CBS president Stanton last fall (Vol. 5:35).
- (3) That men of the stature of JTAC and the Condon Committee, not to mention business men of the calibre and political influence of the manufacturers and broadcasters, can't be cowed.

Comr. Jones' methods are reminiscent of other "men with missions", who sat on FCC but were out of tune with the natural developments of the industry in their time. McNinch, Payne, Durr are good examples; they accomplished exactly nothing with their curious crusades -- one employing somewhat similar publicity methods.

And it's hard to reconcile Jones' hectoring tactics with his political party background. At least it's somewhat ironical that a New Dealer, as chairman of FCC, represents the realistic approach, and a Republican the synthetic "trust buster" approach to so highly competitive an industry. Apparently, Jones has yet to learn that govt. fiat can break, but not make, a radio service. In words of one veteran of the Washington wars:

"Maybe we worry too much about pressure by press release."

\* \* \* \*

Though nobody has ever regarded him as spokesman for TV, though NAB rank and file AM membership loses little love on TV, <u>Judge Miller took up cudgels</u> Friday in sharply worded reply to Comr Jones. Like FCC's, which Jones uses, NAB's mimeographs went into action, too, quoted Miller as saying Jones "misconstrued what I said...he <u>did not understand</u> either the intent or the meaning of my words...read into them such <u>fantastic implications</u>." Then: "I am happy, nevertheless, that this has provided an occasion for the Commissioner to make even more clear the philosophy which underlies his behavior as a member of a high government body."

NBC has revised 2½-hour Saturday night plan to meet objections stemming from DuMont complaint and FCC inquiry (Vol. 6:1), has sent new offer to affiliates for 13 weeks beginning Feb. 25. Biggest change is provision permitting stations in 19 markets with less than 3 outlets to take any half-hour portion of program, rather than all-or-nothing as originally. Also, where station is committed to alternate weeks for other programs, NBC says it will permit alternate-week order for its "jamboree" too. Among other details, new offer spells out fact station can reserve right to reject any portion for any reason. New plan contemplates 1½-hour New York origination, plus hour from Chicago. Whether this will meet DuMont objections and satisfy FCC isn't known.

Academy of TV Arts & Sciences awarded its 1949 "Emmy" counterparts to movie industry's "Oscars" at Hollywood dinner Friday to following: Ed Wynn and Ed Wynn Show, outstanding live personality in West Coast TV and best live program (it's kine in East); Texaco Star Theatre, best kine show (live in East); Milton Berle, outstanding kine personality; Time for Beanie, best children's; Life of Riley, best film; Lucky Strike, commercial films; Crusade in Europe, public service; KECA-TV, sports coverage; KTLA, station achievement; Harold Jury, technical award for developing synchronizing coordinator.

Interconnection between common carriers for TV intercity networking will be question heard March 6 by FCC examiner Johnson. This is continuation of hearing on interconnection ban, which resulted in Commission deciding AT&T had to hook up with privately-owned intercity microwave systems (Vol. 5:37).

FCC gave Crosley and Philco temporary extension of licenses to April 1 for their intercity TV relay systems this week (Crosley's ties Cincinnati-Columbus-Dayton together; Philco's, New York-Philadelphia), asked them to check with AT&T on status of its ability to meet their needs. Commission reminded telecasters that privately-owned intercity relays are only temporary authorizations until common carriers can meet requirements.

Looks like Zenith will get chance to test Phonevision after all. Understood FCC reversed itself this week, Comr. Hennock changing mind, joining Comrs. Coy, Sterling, Hyde in decision to let Zenith test out "pay-as-you-see" TV in Chicago before being called to justify system to FCC (Vol. 5:50, 53).

Personal notes: Edward Madden, onetime McCann-Erickson, recently head of American Newspaper Advertising Network, joins NBC Feb. 1 as asst. to president Joseph McConnell, is said to be slated to become AM network v.p. . . . Frank J. Reed promoted to head new NBC-TV sales service dept. . . . Halsey V. Barrett transferred by DuMont Network from spot to network sales; Arthur C. Elliot now spot sales, William Walters local sales . . . Albert B. Taylor, ex-William Morris, new v.p. of Naisht Productions Inc. . . . Robert W. Day, ex-H. B. Humphrey Co., now radio-TV director of Lynn Baker Inc. . . . James E. Hanna, succeeding II. L. McClinton as head of N. W. Ayer radio-TV dept., elected to board of directors . . . Charles A. Prince, ex-NBC, now TV director of Rogers & Smith agency . . . James Shelby promoted by McCann-Erickson to TV director, succeeding Kenneth Craig, now CBS . . . Emanuel Sacks quits as v.p. and director of Columbia Records Inc. to join RCA Victor as director of artists relations . . . Drew Van Dam now ABC personnel director.

Telecasting notes: Three temporary license renewals by FCC this week were for clarifications about: KING-TV, Seattle, plans for financing; KPIX, San Francisco, contract with local church; WXYZ-TV, Detroit, ABC's involvement in spot rep case (Vol. 5:45) . . . New rep of Kansas City Star's WDAF-TV is Harrington, Righter & Parsons; it's exclusive TV rep firm's fifth outlet, third to be weaned away from Petry-others being Buffalo News' WBEN-TV, Milwaukee Journal's WTMJ-TV. Petry will continue for WDAF-AM . . . Dallas News purchase of KBTV (see p. 1) is second TV sale in year, other being KRSC-TV, Seattle (now KING-TV), whose founder Palmer Leberman also found operation too costly to sweat out (Vol. 5:20, 23, 30); FCC approval seen certain since prejudice against newspaper ownership hardly exists any more . . . Los Angeles' KFI-TV, now daytime-only, in about 3 months will add about 30 hours per week, mostly night, to present 57-hour operating schedule; has signed up all home games of Los Angeles Angels, including night games . . . Remaining 12 Hialeah stake races to be televised via WTVJ, Miami.

CBS isn't selling black and white short, even though it's pushing color TV campaign hard (see story p. 3). In letter to advertisers Jan. 23, president Frank Stanton proudly boasts CBS-TV advertisers now number 30, sponsored hours 18 per week, time sales 20 times 1948's (figure isn't disclosed, but TV time sales believed running somewhat under \$5,000,000). Stanton also claims 4 out of 5 biggest audience shows, 6 out of first 10, 8 out of top 15, says CBS-TV has 11% higher evening average audience for sponsored programs than next network, obviously NBC. (Last year, similar claims touched off vigorous rebuttal by NBC's Niles Trammell; Vol. 5:10, 14). TV's cost per 1000 homes is now \$4.68, Stanton says, compared with \$7.21 in 1948.

Empire State Bldg. and NBC got together this week and structure will be used by 4 stations (WNBT, WJZ-TV, WABD, WPIX) as soon as antenna can be installed (Vol. 6:2). WJZ-TV got immediate go-ahead from FCC to transmit temporarily with already-installed 500-watt transmitter and single-bay superturnstile; 5-kw unit will be moved from Hotel Pierre site fast as possible. WABD and WPIX haven't signed yet but are expected to shortly. Final antenna design hasn't yet been chosen, nor has manufacturer to build it been selected. A 199-ft. tower is contemplated, with WNBT on top, WABD on bottom, other 2 between;—making building 1499 ft. high.

In addition to creating Frequency Control Board above FCC, new Sadowski bill (HR 6949) would: (1) Give FCC authority, in addition to present power of license revocation, to suspend stations for 90 days, issue cease-and-desist orders, impose \$500-a-day fines. (2) Render stations immune from any libel action based on political broadcasts. House subcommittee hearings begin Feb. 20.

Dreams of recording pictures on tape (Vol. 5.9), and avoiding deficiencies of kine recordings, are revived in February *Electronies*. It reports suggestion of CBS's Howard Chinn that 8 parallel tracks, on wide tape, each handling 500 kc, might conceivably do job.

Survey of TV news presentation techniques at all 98 stations is being made by Ralph Renick, news editor of Miami's WTVJ, under \$2000 H. V. Kaltenborn Foundation Fellowship. He expects to present findings in 6 weeks.

FCC chairman Coy's next scheduled speech is March 14 at U of Oklahoma's Annual Radio Conference, title not yet selected. Motion picture industry's long-sought opportunity to argue qualifications to hold radio-TV licenses in spite of anti-trust violations (Vol. 5:5, 11, 12, 51) will take place Feb. 13 before FCC en banc. Commission this week offered to hear all comers on question of establishing uniform policy regarding applicants who've run afoul of Federal laws. This would include also violations of such other Federal regulations as food and drug, unfair trade practices, taxes, financial, labor, lotteries, gambling—even, perhaps, moral turpitude. Commission wants to hear whether it has authority to consider such violations in determining applicants' qualifications, and if so whether there should be differences in its policy between convictions and consent decrees. Briefs are asked by Feb. 6.

Gauging potential set market for ensuing 6 months, Psychological Corp. queried 5000 people in 120 cities last November, including many without TV. Among results just announced: Those planning to buy amounted to 7.9%, even though there is no TV in some cities covered; of those planning to buy, 52% said they hadn't decided brand. Another phase of study covered 10,000 people, found 1130 owning sets with these brands: RCA 21.4%, Philco 15.5%, Admiral 8.8%, Motorola 5.8%, GE 5.4%, DuMont 5.1%, Emerson 4.1%, Crosley 2.9%, Westinghouse 2.1%, Magnavox 2%, Zenith 1.9%, Tele-tone 1.8%, Capehart 1.2%, Stromberg-Carlson 1.1%, Hallicrafters .9%, Transvision .5%, Pilot .5%, others 12.9%, don't know 6.1%.

Complaint about kinescope recordings arrived at FCC this week from Charles W. Curran, who identified himhelf as a viewer from Jackson Heights, L. I. In proper legal petition, he asks for amendment of Section 3.688 of Rules to require that stations identify program material as live, film or kine before program starts. Reason, he says, is that kines have about one-third the quality of live pickups and viewer spends time fruitlessly trying to adjust set for better picture. Chances are, if FCC sets subject for hearing, kine improvements (Vol. 5:51) will render matter moot by time of final decision.

In cleanup of experimental TV stations, FCC this week deleted stations held by Gus Zaharis, Charleston, W. Va.; Don Lee, Los Angeles; Philco, Philadelphia. In first case, Zaharis hadn't been doing anything with grant (like Metropolitan Broadcasting's last week; Vol. 6:3); in others, Don Lee and Philco had not changed to proper frequencies. Continuing policy of putting on temporary authority licensees involved in anti-trust cases (Vol. 5:10-12), FCC this week also temporarily extended licenses of experimental and relay TV stations of ABC, CBS, NBC, GE, DuMont, Paramount, Westinghouse.

First BAB retail information folder for TV, covering furniture advertising went out this week to NAB member stations. Folder includes data on national organization of industry, channels of distribution, gross and net income, inventory and turnover, seasonal trends, budgets, media preferences, etc. It is intended as guide for local stations in making own presentations. Future TV issues will deal with banks, automobiles, jewelry, laundries and dry cleaners.

Elaborate TV station-planning brochure (52-pages, 15 drawings) has been prepared by Dr. Walter Duschinsky of Van Doren, Nowland & Schladermundt, industrial designers, 205 E. 42nd St., New York. Dr. Duschinsky has worked on communications at UN headquarters.

Color hearing Exhibit 204, "Report of the Color Television Committee of the RMA Engineering Department," has been reprinted, is available at \$6 from Technical Secretary of IRE, 1 East 79th St., New York.

Network accounts: Packard Motor Car Co. ABC-TV show, as yet untitled, will start March 23, Thu. 9:30-10, featuring Edward Everett Horton as manager of mythical hotel . . . ABC-TV says Thu. night now sold out, including General Mills' Lone Ranger, 7:30-8; Admiral and Old Gold's Stop the Music, 8-9; Esquire Boot Polish's Blind Date, 9-9:30; Chesebrough and Blatz's Roller Derby, 10 to conclusion . . . Unicorn Press (Funk & Wagnalls' Encyclopedia) has purchased Fri. 8:30-9 edition of Headline Clues on 3 DuMont stations (WABD, WAAM, WTTG) . . . Pabst Brewing Co. starts March 1 to sponsor St. Nicholas Arena boxing on CBS-TV, Wed. 9:30-11; Marvel-Lens starts Feb. 7 to sponsor St. Nicholas wrestling, Tue. 10-11.

Station accounts: Additional local sponsors of ABC-TV second release of Crusade in Europe (27 stations, 11 sponsors so far) include Hot Point, on WJAC-TV, Johnstown, Pa.; Daniel Construction Co., WAFM-TV, Birmingham; Godchaux Dept. Store, WDSU-TV, New Orleans ... Bromo-Seltzer buys spots before all Brooklyn Dodgers home games on WOR-TV . . . Bruno-New York (RCA distributor) with Sunset Appliance Stores sponsoring 12 N.Y. Rangers hockey games from Madison Square Garden on WPIX . . . Petri Wine renews film spots on KTSL, Los Angeles, thru Young & Rubicam . . . Banner Specialty Co. (coin-operated machines) buys weekly sport show on WCAU-TV, Philadelphia . . . Additional sponsors currently using or reported planning to use TV spots: New York Central R.R., thru Foote, Cone & Belding; Quaker City Chocolate & Confectionery Co. (Good & Plenty bar), thru Adrian Bauer Adv. Agency; Pequot Mills, thru Jackson & Co.; Brown Shoe Co., thru Leo Burnett Inc.; Goodyear Tire (Neolite), thru Compton Adv.; Owens Krass Inc. (Sark crossword cards), thru Hutchins Adv.; I. Newman & Sons (Sarong girdles), thru Silberstein-Goldsmith Inc.; Regina Cigar Co., thru Gresh & Kramer.

Potent testimonial to TV's potency, as quoted from talk by Saks-34th Street's sales promotion chief Arthur M. See, at recent NRDGA convention in New York, cue being end of 10-week successful sponsorship of Your TV Shopper on New York's WABD (Vol. 5:44): "I can say with dead earnestness that TV looks to me like a natural for retailers who want to sell merchandise hard, and want to move merchandise quickly. Radio could never do an effective job for retailers in spite of the best efforts of networks and merchants to utilize the medium."

Right of FCC to turn down newspaper applicant when in its view grant would permit news monopoly was upheld by U. S. Court of Appeals in Washington this week. Court denied appeal by Mansfield (O.) Journal from 1948 FCC denial for stations in Mansfield and Lorain on grounds Journal boycotted radio advertisers, refused to carry local station's log. Publisher has been charged with anti-trust law violations by Justice Dept. (Vol. 5:39).

Engineering personals: LaVerne M. Poast new partner in Washington consulting engineer firm of Craven, Lohnes & Culver . . . Philip Merryman takes over general managership of WLIZ, Bridgeport, Conn., 1 kw on 1300 kc., pending application to purchase control; he is continuing radio consulting practice . . . Carl E. Smith, engineering v.p. of Cleveland Plain Dealer stations (WHK, WHKC, etc.), has written Communications Circuit Fundamentals, second volume of his technical series published by McGraw-Hill . . . Paul J. Larsen, longtime TV chairman of SMPE before joining Los Alamos atomic energy labs, now director of civilian mobilization of National Securities Resources Board.

THE PARAMOUNT-DumONT PICTURE: Rumors that Paramount is about to sell its DuMont holdings, well within realm of possibility, are unconfirmable from any authoritative source. This much seems clear, though:

- (1) That Paramount's hierarchy would be willing to cash in its DuMont chips, if they can get \$10,000,000 or more for them. Paramount Pictures Corp. owns 43,200 Class A shares out of 1,483,652 outstanding, 560,000 Class B (entire issue).
- (2) That DuMont corporation itself is logical customer, for Class B shares at least, just to "get Paramount off its neck" -- but isn't inclined to pay today's market price for the shares since they don't involve control. Class B entitles Paramount to 3 of 8 directors.
- (3) That other customers are hard to come by -- though there have been "some negotiations" over last few years and others may now be in secret progress -- because of practical inability of any purchaser to secure control.
- (4) That Paramount would be in stronger position in applying to FCC for theatre-TV facilities, let alone more TV stations, if it divested itself of DuMont holdings. FCC has frowned on "interlock" despite avowals that Paramount doesn't and can't control DuMont.

Except that there may have been more "bites" lately, due to more intriguing TV market and excellent progress record of DuMont, situation appears to be much same as in spring of 1948 when Paramount v.p. Paul Raibourn told FCC his company had invested \$164,000 in DuMont in 1938-43 but would sell for \$10,000,000 (Vol. 4:22).

Raibourn then valued stock at \$16 (it's above that now), and it was manifest neither he nor DuMont was very happy about "partnership." Dr. DuMont has strongly entrenched control group, though he personally owns only about 45,000 shares.

Both DuMont's and Paramount's applications for new TV stations have been held in abeyance ever since, and were caught in freeze. Since then, too, Paramount has agreed with Dept. of Justice to split up -- producing company taking DuMont stock and TV station in Hollywood, keeping application for San Francisco; exhibiting company retaining TV station in Chicago and applications for Boston, Detroit, Tampa, Des Moines (Vol. 5:52).

If Paramount president Barney Balaban and his group follow example of Warner Bros. (which pulled out of purchase deal for the Thackrey Los Angeles station, dropped applications for others) and 20th Century-Fox (which withdrew 5 applications for TV stations), they might even consider selling their Los Angeles KTLA. Particularly, if they come to conclusion TV is competitor whose encroachments can best be met via theatre-TV.

COLOR ACTIVE, BUT NOT DISRUPTIVE: CBS was still going strong, still playing to full houses, as it neared end (Feb. 1) of its run of public color demonstrations in Washington which has thus far played to 11,885 viewers.

But it was exciting much less concern among manufacturers and telecasters, who are almost unanimously opposed to Goldmark system, than did first promotional bursts (Vol. 6:1-3). CBS is considering another round of pre-hearing public demonstrations, probably in Washington, possibly in New York, after surgical showings in Atlanta Feb. 6-8.

<u>In preparation for FCC's Feb. 23-24 comparative</u> demonstrations, CBS, RCA and Color Television Inc. met with FCC's Ed Chapin Friday, laid preliminary plans. CTI solo showing Feb. 20 and the comparative will be held at FCC Laurel (Md.) labs, permitting FCC engineers to subject systems to interference tests, etc.

Washington Star's WMAL-TV will transmit CTI's signals; studios may be set up in Hotel Statler rather than at station. No coaxial or microwave tests are scheduled, though CTI is expected to use coaxial in its own show.

Color Television Inc. has been getting kudos for its showings which began Thursday at The Emporium, big San Francisco dept. store. Retailing Daily reporter wrote: "Some reflections of blue background tinted white areas, and hair shadows and eye hollows particularly appeared bluish in tone." But, he went on: "Both long shots and close-ups were telecast and a highly colored scarf appeared in sharp clear

colors. Successful colorcasting of motion was demonstrated by the waving of a flag.

FCC hasn't asked DuMont to show its black-and-white again; DuMont hasn't asked permission to and apparently won't.

We hear RCA is thinking about public demonstrations, now that it has cleared up major bug in its system, locked color phasing (Vol. 6:3). Though it won't disclose progress, it seems pretty clear RCA will show something in a single tri-color tube during comparative tests.

Into color act came DeWald Radio this week, claiming new color system that's all-electronic, compatible, requiring inexpensive receivers, allowing conversion of monochrome for less than \$100. Inventor is chief engineer Mark Glaser.

President David Wald admits they haven't produced picture yet, but says:
"The principle is so simple it almost astounded me. You do it with your present kinescope; you put nothing in front of it. We developed it as far as we can. We have the patents pending and we want the big manufacturers to come to us now." But he says system isn't in shape to be proposed to FCC.

Getting into gear with new National Television System Committee, chairman W. R. G. Baker announced that <u>18 participants</u> have been invited so far: Electronics Magazine (Don Fink), Philco (Dave Smith), DuMont, Crosley, Zenith, IRE, CBS, TBA, Bell Labs, RCA, GE, NAB, CTI, Hazeltine, Admiral, Motorola, Westinghouse, John Hogan. More to come.

\* \* \* \*

### CBS was pitching from several angles this week:

- (1) <u>Congressional attendance at showings</u> was light but enthusiastic. CBS gathered <u>highly favorable quotes</u> from Senators Tobey, Williams, Gillette, Thye and Reps. Dolliver, Case, Feighan, Elston, Murdock. Steady stream of releases kept press aware of demonstrations and reactions.
- (2) Amateur color converter makers were called upon, through announcements during demonstrations, to notify CBS of their work.
- (3) Reprints of full-page Washington Post ad announcing tests (Vol. 6:2) were distributed with covering note giving these reasons for the exhibitions: "To gather information for the FCC; and as part of our continuing responsibility to the public to clarify the significance of the vital development in which CBS has actively pioneered."
- (4) Tuesday night, Dr. Goldmark spoke to packed meeting (about 1200) of Washington IRE and AIEE groups, outlined characteristics of color in general and of the 3 systems, stressing advantages of his system.

\* \* \* \*

A confusing ad appeared Thursday in Washington Star: 3-columns wide by 16-in. deep, it was headed "Color Television...When?" and at bottom said "This Advertisement Published in the Interest of the Television Industry." Last 3 words were in large type, making it appear it was placed by industry. Then, in small letters, it read: "Please address comments to I. T. Cohen, Advertising."

Body of ad read, in part: "It is up to the industry to tell the public the truth -- that general transmission of color television will not come this year or next, but is something for the future; that, until color does come, viewers may enjoy black-on-white [sic] television with ever-increasing enjoyment..."

Inquiry developed it was an out-and-out hunt for publicity by agency with some local dealer accounts, obviously seeking more. Cohen said he ran ad on his own to get industry to relieve public's mind about imminence of color.

Washington public appears unworried, if set purchases are the index. Major distributors, at least, report they've sold first quarter quotas. "If we weren't selling all we can get," said one, "we'd be looking for things to blame; undoubtedly, color would be one. As it is, we feel no impact whatsoever."

Nevertheless, RMA is preparing question-and-answer pamphlet for dealers. Burden of text is that color isn't here now, should be compatible when it comes -- and that CBS system has basic disadvantages of incompatibility, deficient definition, limited size, mechanical disc.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING ARTS AND INDUSTRY



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HOW TV AFFECTS FAMILY HABITS: Startling, to say least, is TV's effect on family habits, if results of Washington, D.C. study by public relations consultant Robert Alldredge may be taken as indicative. Here's essence of what this former aide to Secretaries of Interior Ickes and Krug, engaged by 3 local movie exhibitors and 3 TV stations to do job, found in interviews with 400 families owning TV sets:

Movie attendance before TV averaged 4.51 times per month, after TV 1.27 times. Children went to movies 5.13 times per month before TV, 2.7 times after TV.

After 2 years of set ownership adults go only 1.5 times per month, children 3 times.

Radio listening before TV averaged 3 hours 36 minutes daytime and 3 hours 42 minutes evenings. After TV, listening went down to 2 hours 54 minutes daytime, only 24 minutes evenings. After 2-year TV ownership, radio listening remains only 1 hour 55 minutes daytime, 15 minutes evenings. Some 17% said they preferred radio to TV when both were available, citing superior radio newscasts as major reason.

Sports attendance went down, too: football, 40% less; baseball, 36.7%; boxing and wrestling, 44.7%. After 2 years, football was still down 30%; baseball, 30.9%; boxing and wrestling, 53.7%.

Magazine reading declined 22.6%; books, 29.1%; newspapers, 4.7%. After 2 years, magazine reading was still down 18.9%; books, 33.7%; newspapers, 4.7%.

PROGRESS REPORT ON BRIDGEPORT UHF: It's still early in the uhf game, but net impression we brought back from visit this week to RCA-NBC "guinea pig" uhf station KG2XAK, Bridgeport, Conn. (Vol. 5:53), is that it's quite likely to come up with satisfactory answers to questions:

- (1) Can uhf provide, in fairly near future, an acceptable TV service?
- (2) Is an economical satellite operation feasible?

Affirmative answers to portions of those questions are already available. For example, they've operated a <u>l-kw transmitter on 529-535 mc</u> from 9 a.m. to 11 p.m., 5 days a week since Dec. 29, with no trouble at all save failure of one small tube -- and that because it wasn't properly soldered.

Then, there seem to be very few problems in rebroadcasting Channel 4 signals picked up direct from New York's WNBT, 50-odd miles away. As for operating costs, two operators are the staff.

Receivers seen to be no great worry. If they get a decent signal, they produce a decent picture.

Getting adequate signal to receiver is biggest question, of course. Here's experience to date in Bridgeport: Of 18 sets installed so far (RCA Anniversary models with 500-700 mc tuners added inside cabinet, about 50% get good or very good reception, 25% fair, 25% poor or unusable.

We had time to look at only 4, all very good, but all within 8 miles of station. As everyone knows, reception is likely to be poor in valleys or behind obstructions. Farthest location is 32 miles, but it gets good picture because it's virtually line-of-sight. Others, nearer in, can't even get audio because they're blocked out by natural or man-made obstacles.

There are a lot of tricks to learn, but the experimenters are learning them. In receiving antennas and transmission lines, particularly, field is wide open. They're using dipole fans ("bow-ties"), double Vs, rhombics. Vs and rhombics seem best so far. And NBC engineering chief O. B. Hanson keeps throwing new designs at the boys, for tryouts at his home 12 miles away. Latest is rhombic about 12 ft. long, 5 ft. wide. He also has copper-tube helix in mind.

Weather affects transmission lines, too. Rain cuts down twin-lead effectiveness, doesn't faze coaxial. Summer will bring foliage, which cuts signal.

These vagaries don't trouble men on the job. As one of them, veteran of 15 years with RCA, put it:

"We had the same worries about vhf in 1939. There's no question about it, however, shadows get worse as you go up in frequency. Height is far more important than power. But I think uhf will serve an awful big percentage of people in a town."

How eagerly Bridgeport people want TV, is readily apparent in number of expensive arrays put up to get New York stations. There must be 10-15,000 in area. But pictures aren't anything to brag about, generally; almost all have flurry of "snow." In home of one family serving as "guinea pig," they're crazy about uhf because diathermy nearby ruins vhf, doesn't touch uhf.

Amateurs are having field day with signals, usually making own converters. Other manufacturers are beginning to move in for tests; DuMont has some receivers there, Philco is now making measurements, GE is reported testing tuner.

RCA-NBC is in project with both feet, no question about it. Installation is true showcase, housed in neat Cape Cod structure, and it seems to be "selling" uhf to those who have come to see. Several potential telecasters, in medium-sized New England cities, with no vhf in sight for them, say they're actually ready to buy just as soon as FCC gives word on allocations and standards.

RCA spokesmen say they think \$125,000 will cover cost of prototype transmitter, antenna and control console. Since Bridgeport station is true satellite (can originate audio only), it has no cameras, projectors, studio equipment. A 2000-mc microwave has also been installed which we thought picked up somewhat better picture than Channel 4 direct. But company's aim is to concentrate on out-of-the-air signals, nevertheless, to keep cost of package down. To duplicate entire installation -- building, tower and all -- might run \$200,000.

Transmitter is basically a standard RCA 500-watt vhf unit -- with a uhf "heart". This heart comprises eight 150-watt tubes, running at cool 120 watts, feeding 8 more. Video and audio sections each have a set. Tower rises 330 ft. above average terrain; 40-ft. antenna atop 210-ft. tower, with gain of 17, radiates 11.4 kw. RCA is working on galvanized wave-guide to replace coaxial transmission line, increase efficiency, reduce cost.

REPORTS ON SYRACUSE & JACKSONVILLE: Syracuse's WSYR-TV starts tests on Channel 5 Thursday, Feb. 9 -- and if all goes well will begin commercial schedules Feb. 15. City's second TV outlet will interconnect with NBC from outset, will program 7 days per week 5-11 p.m., with morning and afternoon test patterns through first month.

Station opens with \$15,000 monthly billings on books, according to Col. Harry C. Wilder, director. Base rate is \$200, which will be increased shortly in view of current high rate of TV set sales in area. As of Jan. 1, Syracuse was credited with 24,600 sets in use (Vol. 6:3). Owned by Newhouse Newspapers, WSYR-TV has tieup with Syracuse U whereby it pays operating costs, carries 3 hours of live programs per week by Prof. Kenneth Bartlett's classes, has full use of campus studios (with their 3 camera chains and film unit) due to be completed in March.

Jacksonville was assured second TV outlet this week when FCC examiner Blume recommended city-owned WJAX get extension of CP for TV. WJAX-TV was cited for delay last May (Vol. 5:19), went to hearing in September (Vol. 5:39). Examiner's report is regarded as tantamount to reprieve, and municipality (which has long operated highly profitable AM) has promised to proceed with construction. Presumably it will aim for start in September, when coaxial hookup is ready.

TV-Film Reports February 4, 1950

IS TV TO BLAME FOR LESS MOVIEGOING? Whether attributable to TV's inroads or to poor pictures, or something else, fact is that motion picture attendance is declining -- and no relief in sight. If it's due in part to TV (which we do believe), and if decline is so great now with only 4,000,000 TVs, what will it be at end of this year with 8,000,000 or more sets in use? Or later, with most homes TV-equipped?

Audience Research Inc., Princeton, N.J. (Gallup), in survey released this week, presumably film-sponsored, estimates that average of 52,500,000 tickets to movie theatres were sold weekly during December, 11% less than 59,200,000 during same month of 1948; also, that attendance in 1949 as whole ran some 9% below 1948 when it sagged 13% below 1947. Even allowing for fact pre-Xmas traditionally means lull, attendance pattern is too clear to be blinked:

During first quarter 1949, average weekly admissions were 65,800,000 vs. 72,900,000 in same 1948 period; 2nd quarter, 56,500,000 vs. 66,200,000; 3rd quarter, 66,800,000 vs. 66,400,000; 4th quarter, 58,700,000 vs. 65,600,000. Note that third quarter 1949 showed slight increase. But drop resumed in fourth quarter.

Easiest way to determine whether TV is affecting movies: Ask yourself, if you're a moviegoer, or ask your audiences if you're a telecaster or theatre operator: "Do you go to the movies as often since you installed a TV set?"

Note: Motion Picture Assn (Eric Johnston office), minimizing seriousness of implications of Gallup survey, notes that Treasury Dept. estimates 1949 admission taxes were less than 1% under 1948 when taxed admissions were \$1,386,000,000. But 1947 admissions were \$1,417,000,000 and 1946 were \$1,493,000,000. However, MPA also noted that 20th Century-Fox survey of 1,000,000 New York TV owners showed their moviegoing declined 20%.

KINES' & 'OLDIES' FIND READY USE: Transcontinental TV hookups aren't in prospect for 2 years at very least, probably 3, so it's no surprise to see top Hollywood talent gravitating to New York and Chicago network studios in increasing numbers. Robert Montgomery's new venture for Lucky Strike on NBC-TV is case in point, to say nothing of foremost stage and screen stars working more or less regularly on such major TV dramatics as Studio One, Philco Playhouse, Ford Theatre, etc. Also, those who make it a point to guest on variety shows to establish "television identity."

Pending extension of coaxial-microwave links to West Coast -- they'll reach as far South as Greensboro-Charlotte-Jacksonville-Atlanta-Birmingham by next September, as far West as Davenport-Des Moines-Omaha by October -- non-interconnected TV stations' chief source of material must continue to be kine-recordings and films. Even network stations want feature films for local sponsorships.

Quality of kines still leaves much to be desired (Vol. 5:51), though folk who haven't seen much of anything else don't seem to mind. Most desirable <u>feature</u> films are to large extent tied up by (1) <u>Petrillo ban</u> on TV's use of films with music, and (2) <u>unwillingness of major producers</u> to open their vaults, nurture a competitor, alienate their exhibitors (Vol. 6:1).

Yet hundreds of little companies, and a few big ones, are offering feature films and short subjects to TV stations, mainly so-called "oldies," and rights to more and more fairly recent ones are being bought up for TV syndication (for list of such syndicators, see pp. 77-83 of TV Directory No. 10). And quite a few producers, notably Jerry Fairbanks and Hal Roach, are making or planning low-budget films for TV -- though market, due to paucity of stations, isn't very lucrative one yet.

Only this week, Bing Crosby Enterprises announced ten 26-minute films under production deal with big sponsor <u>Procter & Gamble</u> (Fireside Theatre), one to be turned out every 2 days on \$12,000 budget per picture.

Meanwhile, TV and film trade grab what they can for TV exhibition. They've done fairly well with British subjects, very well with westerns, and are doing incasingly well in acquiring domestic subjects. A few scattering reports:

ABC-TV has acquired 23 features, including John Ford's "Stage Coach" and features with such stars as Gene Tierney, Carol Lombard, Jack Benny; ABC announces it will shortly publish 3000-title directory for its affiliates, listing pictures, where available, etc. Commonwealth Film & TV Inc. (Vol. 6:1) reports 18 more features on tap for TV, with such stars as Massey, Colbert, Bergner, Stanwyck, Young, Durante. Toby Anguish's Television Pictures Distributing Corp., 3123 W. 8th St., Hollywood, plans to make 3-chapter serials out of its more than 400 westerns, padding each out with star and guest to make each showing run 30 minutes.

Even the redoubtable David O. Selznick is reported preparing to release some of his old successes to TV.

\* \* \* \*

As for impact on boxoffice (see p. 1), Variety stated Jan. 25 that independent exhibitors aren't as concerned as they were year ago, quotes <u>Col. A. H. Cole, of Dallas (Allied States)</u>: "My only fear about TV [is] that it is going to kill the picture business because of those terrible films the stations are using. I'm afraid some audiences, after seeing them, will swear off ever seeing pictures anywhere."

Less facetious, Monogram president Steve Broidy told Jan. 19 Film Daily that TV has certainly affected boxoffice, though it's impossible to ascertain how much. Said he: "Even in video areas where the boxoffice holds up, how can you tell how much better it might have been in the absence of TV? We do know that TV provides entertainment...people stay in their homes to see programs like Milton Berle, and if you're home you can't be at the movies? Will they go to see the picture the next night? Maybe yes, and then maybe not."

Same publication carries Hollywood report quoting Irving Lesser, president of Producers Representatives Inc., saying sale of TV rights to old films is the "answer to the independent producer's prayer for additional revenue."

WHAT SOME ARE DOING ABOUT 'TV THREAT': Newspapers decided, after desultory and unsuccessful fight against commercial radio in late 20's and early 30's, that "if we can't lick 'em we might as well join 'em" -- with result that many of today's radio stations are newspaper-owned.

Film folk, cognizant of TV "threat", are casting about in various ways to "join up" with TV, or bend it to their needs, though as yet there's only handful of TV stations film-owned: Paramount's KTLA, Los Angeles; Balaban & Katz's WBKB, Chicago; Kallett's WKTV, Utica; Wometco's WTVJ, Miami. Here's latest on what some are doing about TV:

Theatre Owners of America meeting last week heard TV chairman Mitchell Wolfson (Wometco) urge producers to make 20-second trailers specifically for TV to promote boxoffice...ITO of California & Arizona has recommendation of its public relations counselor W. G. McKinney that distributors allot portion of ad budgets for TV. He said, "Visual selling is generally considered to be the most productive; we believe TV audience, through proper presentation of what theatres have to offer, can be pried away from their TV sets long enough to see current, worthwhile attractions ...Paramount is making 30-second TV trailers for spot campaign on Hal Wallis' "Paid in Full"...For his picture "Thelma Jordan," Hal Wallis plans personal appearances on TV stations by star Wendell Corey.

To test effect on boxoffice, 20th Century-Fox plans special series of TV trailers, feature picture as yet unchosen, to be placed on New York stations. Reactions to various types of commercials will be measured, attendance figures studied.

In Washington, use of regular theatre trailers for TV is cause of controversy between Kogod-Burka chain and local exchanges. Former wants to use National Screen Service "coming attractions" trailers on local TVs to advertise current billings, but all except United Artists said No. Kogod-Burka manager Frank Boucher is demanding showdown. Trailers for TV used by some exhibitors are compiled from stills rather than actual cuttings from features.

MOUNTING CAMPAIGN ON FREEZE FRONT: Pressures on FCC to end freeze really haven't been as heavy as you'd expect, up to now, but apparently they're beginning to develop a head of steam.

Commission gets a continuous dribble of letters asking "why doesn't our city have TV?" or "why do we have only one station?" But there hasn't been a deafening clamor. Individual citizens, boards of trade, chambers of commerce, etc. have been principal source of complaints. Commissioners haven't been greatly harassed.

But 17-month-old freeze, now prolonged by color issue, is beginning to worry some people in and out of the industry. Manufacturers eager for new markets, telecasters concerned about slowed-down growth of their business, have often urged freeze-lifting -- but they've done little more than voice private opinions or offer an occasional "urge" at hearings.

Radio broadcasters aren't in any hurry, naturally. Most remain quiet, many are evidently quite pleased.

Lately, however, some new voices have piped up. New York Times' radio editor Jack Gould, scarcely an industry spokesman, got worked up and cut loose in his Jan. 26 column. Then Joseph Keenan, director of Labor's League for Political Education (AFL) wrote FCC that labor is worried lest freeze begin constricting set market, curtailing employment.

Finding industry at "virtual standstill" in orderly development of stations, networks, audience and advertising, Gould concludes that "FCC by its 'freeze' has exacted a high price from the public as it pursues 'perfection' in color..."

"No matter which color system the FCC endorses," he went on, "it is obvious that there is going to be a transitional period in TV when pictures will be sent out in both color and in black-and-white...No broadcaster in his right mind is going to disenfranchise the present audience of 10,000,000 persons just to accommodate the FCC's enthusiasm for color. This being the case, there is no earthly reason why new monochrome stations cannot be constructed, adding color when the technical and competitive considerations dictate.

"The Commission probably is right in its belief that the manufacturing end of the industry has engaged in <u>delaying tactics in color</u>. But at the same time the FCC cannot overlook the fact that the manufacturers and the broadcasters must <u>back</u> their deeds with cash, not just press releases. The FCC should remember that an idealistic and noble approach means little if that approach is not translated into practical action which realistically serves the public interest.

"What the FCC needs most of all, however, is some real gumption and backbone to reassert its proper authority. It has been altogether too susceptible to the beck and call of Sen. Edwin C. Johnson [who] persists in issuing communiques on what the Commission should or should not do in highly technical matters."

\* \* \* \*

Manufacturers have begun to supplement their "urgings." Dr. 'Allen DuMont this week went at it in characteristically direct fashion. He announced that he will meet with New Jersey members of Congress Tuesday, ask them for action. He asserted that thousands of jobs may be jeopardized if freeze continues, and added:
"If freeze drags on as it now threatens to do, its adverse economical effects can be tremendous. The big fellows can probably survive but the hundreds of little companies [are] going to experience some very tough going. The long delay has opened the door to monopoly in both broadcasting and manufacturing and we at DuMont are not interested in monopoly."

Philadelphia's Franklin Institute and IRE. He reasserted that color isn't here yet, should be compatible when it comes, that freeze can and should be lifted quickly. He figured that freeze has restricted availability of TV to two-thirds number of people who should be getting it. Further, he pointed out, 20% of viewers can get only one station, should be getting more.

There will undoubtedly be more campaigning from now on. A lot of manufac-

turers have talked about seeing their Congressmen. Chances are there will be a lot of actual visiting on Capitol Hill soon.

What many forget, in calling for "immediate" lifting of freeze, is that there's still a job of vhf-uhf allocation to be done, competitive hearings to be held among applicants in most cities, before new stations can even be started. It will take almost as long to unwind freeze, in terms of actual new TV service, as it's taking to wind it up. Our guess is still not before end of year.

MORE COLOR PLANS, SHOWINGS, CLAIMS: Next comparative color demonstration, Feb. 23 at FCC lab in Laurel, Md., will be a quickie -- running merely 9 a.m. to 1 p.m. FCC apparently sees no point in many hours of programs. Participants say this one will be "more scientific" than last. It comes off after Color Television Inc. demonstrates Feb. 20, and then comes resumption of hearing Feb. 27. Lengthy cross-examinations are expected to prolong hearing into full month at least.

CBS resumes Washington demonstrations Feb. 13-21, same place, same times, after next week's surgical showings in Atlanta where WSB-TV will transmit its color. RCA is mulling possibility of advance showings to select groups, but may wait for more receivers. It has delivered one each to FCC and Condon committee. To FCC it has submitted details of new color synchronization techniques (Vol. 6:3). But work on tri-color tube is really hush-hush.

<u>Vhf-uhf allocations hearing</u> has been waiting so long that FCC decided to permit filing of <u>more comments</u> until March 24. But these must be on proposed channel allocations only (pp. 66-73, TV Directory No. 10). Opposition to comments may be filed until April 7, indicating FCC doesn't expect to open that phase of "freeze" hearings before then. Allocations hearing will probably extend over 6 months.

\* \* \* \*

From San Francisco comes word that CTI created something of flurry with its 2 demonstrations at The Emporium. Dealers and distributors were somewhat panicky at first, same as they were in Washington (Vol. 6:2-3), but calmed down as experimental nature of demonstrations was emphasized.

We haven't seen CTI system yet, but have this report from a layman who's a good observer: "Quite bright. Absolutely no flicker or crawl. But color fidelity, particularly in pastel and skin tones, might have been better."

Not so complimentary was reaction of an engineer: "Colors are fair, but I believe you'll see definite crawl just as soon as registration is brought up somewhere near to what it should be. Definition is very poor, particularly in the black-and-white received on standard sets."

\* \* \* \*

Inventor Elman Myers (Vol. 6:3) brought his "black box" to Washington this week, visited FCC and Capitol Hill, demonstrated his "compatible, all-electronic" principles to Comr. Hennock, then to Ed Cooper of Senate committee staff. Cooper sent him over to Comr. Jones. Staff members Willoughby, Plummer, Plotkin, Dobin also saw it.

As demonstrated for us, light is projected through his secret "color gate" and through a black-and-white picture on film originally photographed through another color gate at camera. Picture shows up in colors.

Myers isn't planning to show at hearings, though he says equipment at transmitter would cost only about \$250, at receiver \$2 -- latter merely gelatinous screen in front of tube. DuMont is exploring system. Research chief T. T. Goldsmith says it has some possibilities, though he's hardly excited about it.

Does Myers have something? Here's evaluation by an engineer who has explored every color system proposed: "It's one of those optical systems which work beautifully until you introduce television [actual radio transmission] into them. Like most others, it has enormous registration and phasing problems. It's conceivable those problems could be licked, given sufficient time and money."

# MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
VISUAL BROADCASTING
ARTS AND INDUSTRY



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February 11, 1950

THE MONOPOLIES NOBODY WANTS: Tenor and tempo of this week's annual meeting of the Television Broadcasters Assn, some 250 registered, might best be described as state of "suspended animation." Uncertainties derive mainly from FCC freeze, retarding as it does the normal growth of TV structure and slowing down commercial pace of existing stations and networks.

Local monopolies, yes -- and some getting somewhat profitable. But they're monopolies nobody wants, not even pioneer stations in one-station markets. Everyone's agreed that to thrive TV needs more outlets, more interconnections, more competition, more service to more people justifying higher rates and better programs.

There you have sense of TBA's one-day session Wednesday in New York's Waldorf-Astoria. But there were some happy notes. For example, the report by Edward Lamb that his WICU, Erie, and WTVN, Columbus, have been in black since they opened. Without divulging which, he said one has income of \$30,000 per month, expenses of \$17,500. Latter is broken down into: wages, \$4500; depreciation, \$4000; films, lines, promotion, maintenance, taxes, etc., \$9000. Depreciation rate is 20% a year. Each is "one-camera-only" station, has 17 employes, goes in heavily for local shows.

Fort Industry's George Storer, in corridor conversation afterward, also revealed his WJBK-TV, Detroit, and WSPD-TV, Toledo, were in the black, but barely so. Storer made point, echoed by other telecasters publicly and privately, that expense of expanding schedules in order to gain additional income was too great to make it worthwhile yet; biggest cost item is labor. Still a loser is his WAGA-TV, Atlanta.

Basic gripe of interconnected stations is same one as in radio's early days—they need network service but get only about 30% of card rates. Kine recordings aren't as bad as painted, said Jack Boyle, WAVE-TV, Louisville, but even when interconnection next fall brings network programs and forces present 97 spots per week to dwindle to 43, he admitted "We'll just have to relax and enjoy it." Admen's chief gripe against TV rate cards wasn't so much about rates (admittedly high and going up as set sales go up) but against "hidden charges" that sponsors and agencies sometimes don't learn about until show has gone on air.

POLITICAL PRESSURES TO LIFT FREEZE: Dr. Allen DuMont's trip to Capitol Hill this week and his speech attacking Sen. Johnson and Comr. Jones as IV's "greatest problem" got tremendous play in press. But New Jersey Congressional delegation, impressed though members were with outspoken Dr. DuMont's fears about curtailed employment developing from freeze, are moving cautiously, for present at least.

First action of members was to go to their respective Interstate & Foreign Commerce committees and FCC, ask for details. On House side, they're asking Sadow-ski subcommittee to put matter on agenda of scheduled hearing (Vol. 6:4) as soon as possible. Most seem afraid of complex technical problem.

More industry people will be going to Congress, but all-out campaign on political fronts isn't expected -- at least, not unless FCC, at close of current color hearing, decides to hold off freeze hearing while it waits for more color development and tests.

Dr. DuMont's speech in New York Monday pointed finger directly at Sen. Johnson and Comr. Jones: "There are two men in Washington whose refusal to face reality has mired TV in a rainbow-hued swamp that can soon have our industry crawling on its

knees." He reasserted that color isn't ready, but that industry "will reap tremendous benefits from a really good system of color."

"Freeze could be lifted almost immediately," he said, calling on everyone to write his Congressman.

Sen. Johnson replied to New York Timesman Jack Gould's implication that he dominates FCC and that he's had heavy hand in retaining freeze (Vol. 6:5) in long letter this week. He disclaimed starting freeze or insisting color be decided first. Monopoly is what he wants to avoid, he stated.

What Sen. Johnson wants to see, he declared, is uhf allocated as well as whf freeze lifted. He said he's motivated by concern lest "(a) color would come only when certain powerful patent-holding corporations were good and ready for it to come; (b) the chain of circumstances [would force FCC] to okay only one system of color, and (c) television would fall largely, if not wholly, into monopoly control."

But, with a big brotherly attitude, he added: "Perhaps you are right; perhaps the way is now open for the opening of the ultra highs, or at least, for a switch in the order of the current hearings so that testimony can be heard and agreement reached on the standards for [uhf]."

TV's IMPACT ON RADIO—PER HOOPER: TV isn't "eating" its mother Radio, pollster C. E. Hooper told this week's TV Institute. Here's how he reasoned it: Number of evening sponsored network radio programs is off 37% compared with 4 years ago. But total sets-in-use among radio homes in metropolitan areas remains constant. Thus, same number of sets-in-use are focused on fewer commercial shows. Therefore, radio sponsors are still getting their money's worth.

"The narrowed selection available to the listener has all but offset TV's strides," said Hooper. He also noted that TV's rates are and can continue to be 4 to 6 times radio's, proportionately -- because TV offers twice the percentage of sets-in-use, and twice as many viewers per set.

Hooper disclosed another significant facet of TV -- results of year's study of New York City audience. It showed that in January-February 1949 radio had 80%, TV less than 20% of total radio-TV evening audience. But by November-December 1949 radio had declined to less than 60%, TV had climbed to more than 40%. Study covered Sun. thru Sat., 6-11 p.m., is start of new Hooperatings comparing share of broadcast audiences as between radio and TV, station by station, which he hopes by June to report for 15 TV cities, by October for 40 cities.

ECONOMICS OF TV PER FAUGHT REPORT: Theory that TV needs "boxoffice" to pay its way, obviously priming for Phonevision, has lively exponent in consultant Millard C. (Tex) Faught, whose recent report on the economics of TV (Vol. 5:51) was basis for talk before Televiser Magazine's TV Institute in New York Monday. His thesis is that TV needs "paid attendance" to get back some of \$1,740,352,500 he calculates it will cost to operate and program 1000 stations plus 200 satellites, divided into 4 networks, 70 hours per week for year. This, besides \$735,000,000 capital investment.

Witty, forceful, highly articulate, Faught was FMA's public relations counsel, says he no longer represents FM's Maj. Armstrong, denies he's spokesman for or employed by Zenith's Comdr. E. F. McDonald, prime mover for Phonevision.

Whatever his objective, Faught is provoking lots of argument, not only over his statistics but over his basic thesis. Any way you look at it, report spells out case for pay-as-you-look TV, whether Phonevision or coin-in-the-slot. Oft challenged from the floor, it was evident Faught had few supporters at meeting. Most noteworthy were doubts expressed that TV need be as expensive and grandiose as Suggested.

We recommend you read Faught report, draw your own conclusions. It's 100 pages long, purchasable from his office (242 Madison Ave., New York) at \$5 per copy.

Our own misgivings about Phonevision, we might note, stem from (a) fact most TV stations are gradually but surely moving into the black (Vol. 5:50); (b) unconfirmed and unconfirmable (in fact, oft denied) statements about "eagerness" of film people and willingness of phone company to go into it; (c) doubt whether people will pay even for top-hole pictures via one station if something half-way good is offered

### NETWORK TV SPONSORSHIPS

As of February 10, 1950

All times are p.m. EST. Figure in parentheses is number of stations taking show live (kinescope recordings also indicated).

#### **NBC-TV** Sponsorships

Admiral Corp., Lights Out, Mon. 9-9:30, thru Kudner (22 plus 20 kine).
American Cigar & Cigarette Co., Big Story, Fri. (alternate weeks) 9:30-10, thru Sullivan, Stauffer, Colwell & Bayles (17 plus 16 American Clgar & Clgarette Co., 18 18019, 11. Machine 19:30-10, thru Sullivan, Stauffer, Colwell & Bayles (17 plus 16 kine).

American Tobacco, Robert Montgomery Presents Your Lucky Strike Theater, Mon. (alternate weeks) 9:30-10:30, thru BBDO (17).

P. Ballantine & Sons, Believe-It-Or-Not, Wed. 8-8:30, thru J. Walter Thompson (11).

Bonafide Mills, Bonnie Maid Versatile Varieties, Frl. 9-9:30, thru Gibraltar (20 plus 12 kine).

Bristol-Myers, Break-The-Bank, Wed. 10-10:30, thru Doherty, Clifford & Shenfield (18).

Camel Cigarettes, Newsreel, Mon.-Frl. 7:45-8, thru Wm. Esty (24).

Chesebrough Mfg. Co. (Vaseline), Greatest Fights of the Century, Frl., following boxing, thru Cayton (25).

Chesterfield Cigarettes, Chesterfield Supper Club, Sun. 8-8:30, thru Cunningham & Walsh (19 plus 20 kine).

Cherrolet, Chevrolet Tele-Theater, Mon. 8-8:30, thru Campbell-Ewald (25 plus 14 kine).

Colgate, Golgate Theater, Sun 8:30-9, thru Wm. Esty (21).

Congoleum-Nairn, Garraway-At-Large, Sun. 10-10:30, thru Mc-Cann-Erickson (26 plus 5 kine).

Doubleday & Co., Warren Hull Show, Tue. 11-11:15, thru Huber Hoge & Sons (13 plus 1 kine).

Firestone, Voice of Firestone, Mon. 8:30-9, thru Sweeney & James (20). (20).
Ford Dealers, Kay Kyser, Thu. 9-10, thru J. Walter Thompson (23 plus 10 kine).
Ford Dealers, Kukla, Fran & Ollie, Wed. 7-7:30, thru J. Walter Thompson (24 plus 32 kine).
General Foods (Jello), The Aldrich Family, Sun. 7:30-8, thru Young & Rubicam (18).
Gillette, Boxing, Fri. 10-11, thru Maxon (26).
Gulf Oll Co., We The People, Fri. 8:30-9, thru Young & Rubicam (22 plus 10 kine).
International Shoe Co., Howdy Doody, Wed. 5:45-6, thru Henri, Hurst & McDonald (24).
Kraft Foods, Television Theater, Wed. 9-10, thru J. Walter Thompson (23). Lever Bros., The Clock, Wed. 8:30-9, thru J. Walter Thompson (26 plus 17 kine).

Mars Candy, Howdy Doody, Mon. 5:45-6, thru Grant Advertising Mars Candy, Howdy Doody, Mon. 5:45-6, thru Grant Advertising (24).

Miles Laboratories, Quiz Kids, Fri. 8-8:30, thru Wade (19).

Mohawk Carpet Mills Inc., Mohawk Showroom, Mon.-Wed.-Fri. 7:30-7:45, thru George Nelson (19 plus 19 kine).

Natlonal Dairy (Sealtest), Kukla, Fran & Ollie, Tue. & Thu. 7-7:30, thru N. W. Ayer (25 plus 14 kine).

Old Gold Clgarettes, Original Amateur Hour, Tue. 10-11, thru Lennen & Mitchell (25 plus 4 kine).

Pabst Beer, Life of Riley, Tue. 9:30-10, thru Warwick & Legler (23 plus 16 kine).

Philoo Corp., Television Playhouse, Sun. 9-10, thru Hutchins (26 plus 29 kine).

Procter & Gamble, Fireside Theater, Tue. 9-9:30, thru Compton (20).

(20).
RCA Victor Co., Kukla, Fran & Ollie, Mon. & Fri. 7-7:30, thru J.
Walter Thompson (24 plus 32 klne).
Texas Co., Texaco Star Theater, Tue. 8-9, thru Kudner (25 plus 10 klne).

U. S. Tobacco Co., Martin Kane, Private Eye, Thu. 10-10:30, thru Kudner (23 plus 5 kine).
Wander Co., Howdy Doody, Tue. 5:30-5:45, Fri. 5:45-6, thru Grant Advertising (23)

#### DuMont Sponsorships

Drug Store Television Productions, Cavalcade of Bands, Tue. 9-10, thru Stanton B. Fisher (10 plus 8 kine).

Drug Store Television Productions, Cavalcade of Stars, Sat. 9-10, thru Stanton B. Fisher (14 plus 5 kine).

Alien B. DuMont Laboratories Inc., Morey Amsterdam Show, Thu. 9-9:30, thru Buchanan (14 plus 17 kine).

Walter H. Johnson Candy Co., Captain Video, Mon. 7-7:30, thru Franklin Bruck (5).

Mail Pouch Tobacco Co., Sports for All, Fri. 9-9:30, thru Charles W. Hoyt (4 plus 3 kine).

Phillips Packing Co., Easy Aces, Wed. 7:45-8, thru Aitkin-Kynett (3 plus 12 kine).

Sterling Drug Inc., Okay Mother, Mon.-Fri. 1-1:30, thru Dancer-Fitzgeraid-Sample (4).

Unicorn Press Inc., Broadway to Hollywood Edition of Headline Clues, Fri. 8:30-9, thru Victor A. Bennett (3).

There are 35 unions in TV, or trying to get in, Ernest de la Ossa, NBC personnel director told TBA. Among some of the lesser known are International Brotherhood of Teamsters (AFL); District 50, United Mine Workers (Ind.); Make-up Artists & Hair Stylists (Ind.); International Union of Hod Carrier, Building & Common Laborers (AFL); International Union of Bricklayers, Masons & Plasterers (AFL); International Brotherhood of Carpenters & Joiners of America (AFL); International Union of Operating Engineers (AFL); Building Service Employes International Union (AFL). [For list of others, see p. 95, TV Directory No. 10.]

#### CBS-TV Sponsorships \*

Harriet Hubbard Ayer, Glamour Go-Round, Thu. 9:30-9:45, thru Federal (20). (Starts Feb. 16). Ballantine Beer, Boxing, Wed. 10-11, thru J. Walter Thompson (11). (To be sponsored by Pabst beginning March 1.) Anheuser Busch, Ken Murray Show, Sat. (aiternate weeks) 8-9, thru D'Arcy (51). Bristol Myers (Ipana), Lucky Pup, Thu. 6:30-6:45, thru Doherty, Clifford & Shenfield (12). Camel Cigarettes. Man Anainst Crime. Eric 9:30-0. thru William Camel Cigarettes, Ed Wynn Show (on kine), Sat. 9-9:30, thru William Esty (14).

Camel Cigarettes, Ed Wynn Show (on kine), Sat. 9-9:30, thru William Esty (28).

Chesterfield Cigarettes, Arthur Godfrey, Wed. 8-9, thru Newell-Emmett (47).
Chevrolet, Inside U. S. A., Thu. 8:30-9, thru Campbell-Ewald (30).
Crosley, This Is Broadway, Sun. 7:30-8, thru Benton & Bowles (53).
Electric Auto-Lite, Suspense, Tue. 9:30-10, thru Newell-Emmett Esso Standard Oil Co., Alan Young Show (on kine), time undecided, thru Marschalk & Pratt (23).
Ford Motors, Ford Theater, Frl. (alternate weeks) 9-10, thru Kenyon & Eckhardt (12). General Electric, Fred Waring, Sun. 9-10, thru Young & Rubicam (38).

General Foods (Sanka), The Goldbergs, Mon. 9:30-10, thru Young & Rubicam (16).

General Foods (Maxwell House), Mama, Fri. 8-8:30, thru Benton & Bowles (21).

B. F. Goodrich Co. moves from ABC-TV April 2, Sun. 10-10:30, thru BBDO. Household Finance Co., Peoples' Platform, Fri. 10-10:30, thru Le-Vally (11). Vally (11).

International Silver, Silver Theater, Mon. 8-8:30, thru Young & Rubleam (15).

Lincoln-Mercury, Toast of the Town, Sun. 8-9, thru Kenyon & Eckhardt (22).

Lipton Tea, Arthur Godfrey's Talent Scouts. Mon. 8:30-9, thru Young & Rubleam (9).

Maiden Form Co., Vanity Fair, Mon.-Wed.-Fri. 4:30-5, thru William H. Weintraub (3).

Masland Rugs, At Home Show, Wed. 7:45-8, thru Anderson, Davis & Platte (20).

Nash-Kelvinator Corp. (Kelvinator), Homemaker's Exchange, Mon.-Fri. 4-4:30, thru Geyer, Newell & Ganger (17).

Oldsmobile, CBS-TV News, Mon.-Wed.-Fri. 7:30-7:45, thru D. P. Brothers (10).

Pabst, Boxing, Wed. 9:30-11, thru Warwick & Legler (11). (Starts March 1.) March 1.)

Philip Morris, Candid Camera, Mon. 9-9:30, thru Blow (16).

Seeman Bros. (Airwick), Vanity Fair, Mon.-Wed.-Fri. 4:30-5, thru William H. Weintraub (3). S. O. S. Co. (scouring pads), Homemaker's Exchange, Thu. 4-4:30, thru McCann-Erickson (17). Sun Dial Shoe Co., Lucky Pup, Fri. 6:30-6:45, thru Hoag & Provandie (9). Westinghouse, Studio One, Mon. 10-11, thru McCann-Erickson (41). \* Breakdown of stations as between live and kine not available. ABC-TV Sponsorships Admiral Corp., Stop the Music, Thu. 8-8:30, thru Kudner (24).

American Bakeries Co., Lone Ranger, Thu. 7:30-8, thru Tucker Wayne (6 kine).

Biatz Brewing Co., Roller Derby, Thu. 10:30-conclusion, thru Kastor, Farrell, Chesley & Clifford (11 plus 2 kine).

Canada Dry Ginger Ale Inc., Super Circus, Sun. 5-5:30, thru J. M. Mathes (14).

Chesebrough Mfg. Co., Roller Derby, Thu. 10-10:30, thru McCann-

Chesebrough Mfg. Co., Roller Derby, Thu. 10-10:30, thru McCann-Erickson (10).

General Mills Inc., Lone Ranger, Thu. 7:30-8, thru Dancer-Fitzgerald-Sample (11 plus 21 klne).

B. F. Goodrich Co., B. F. Goodrich Celebrity Time, Sun. 10-10:30, thru BBDO (20 plus 3 kine). (Sponsor moves to CBS-TV, same time, April 2.)

Goodyear Tire & Rubber Co. Inc., Paul Whiteman Goodyear Revue, Sun. 7-7:30, thru Young & Rubicam (21 plus 19 kine).

Griffin Mfg. Co. Inc. (shoe polish), Paul Whiteman TV Teen Club, Sat. 3:30-9, thru Bermingham, Castleman & Plerce (11) (starts March 4).

Sat. 3:30-9, thru Bermingham, Castleman & Plerce (11) (starts March 4).

Kellogg Co., Ireene Wicker—The Singing Lady, Sun. 6-6:30, thru Kenyon & Eckhardt (13).

Knomark Mfg. Co. Inc., Blind Date, Thu. 9-9:30, thru Emil Mogul Co. (starts March 16).

Libby, McNelll & Libby, Auction-Aire, Fri. 9-9:30, thru J. Walter Thompson (3).

P. Lorillard Co., Stop the Music, Thu. 8:30-9 thru Lennen & Mitchell (23 plus 1 kine).

Packard Motor Car Co., To Be Announced, Thu. 9:30-10, thru Young & Rublcam (starts March 23).

Young Peoples Church of the Air, Youth On the March, Sun. 10:30-11, thru J. M. Camp (12 plus 6 kine).

Second annual TV conference of Chicago's Television Council comes off March 6-8, with agenda designed to cover whole TV front: advertising, programming, research, management, freeze, color, theatre TV, Phonevision, set servicing, TV vs. AM, etc. So far, 42 speakers have been scheduled.

TV topics at U of Oklahoma annual radio conference March 12-14 will be covered by Roy Bacus, WBAP-TV, Fort Worth; Dave Pasternak, KSD-TV, St. Louis; Hoyt Andres, WKY-TV, Oklahoma City; F. M. Randolph, KOTV, Tulsa. FCC chairman Coy is banquet speaker.

AN OPEN LETTER TO THE FCC: For some 2 years, now, you have been functioning without a chief engineer. Since George Sterling was elevated to a commissionership Jan. 2, 1948, your Bureau of Engineering has limped along, and you have had to preoccupy yourselves all too frequently with nagging technical details that dribble away valuable time. There are some of us who even think the TV freeze, color and uhf issues might be less confused and nearer solution if you had a chief engineer of stature.

The job now pays \$10,500, and there seems to be no good reason for further delay. Surely, this country, world leader in the electronic arts, isn't so deficient in talent that no competent man can be found. Surely, not money alone but the same rewards that keep you in govt. Service can get you an honest-to-goodness chief engineer. If politics scares some away, you could readily promise to do everything in your power to insulate your technical chief from the politicians and give him authority commensurate with his responsibility.

For your own sake, and for the sake of all the services you regulate, we urge you to pick someone soon -- someone who can provide the technical competence and advice so badly needed.

Telecasting Notes: DuMont network affiliates organized liaison committee at New York meetings Feb. 6-7, named WCPO-TV's Mortimer Watters chairman, WFIL-TV's Kenneth Stowman vice chairman . . . WOR-TV, New York, this week moved TV master control from New Amsterdam Roof Theatre to its new TV Center, 20 W. 67th St., housing two 43x68-ft. studios . . . GE has order from Zenith for transmitter for Channel 2 tests of Phonevision . . . ABC-TV launched big promotion campaign this week, using full-page newspaper ads, will have page in March 28 Look Magazine headed "Tops in Television", playing up shift of antenna from Hotel Pierre to Empire State Bldg. . . . Chicago's Studebaker Theatre, 418 S. Michigan Ave., leased by NBC-TV as TV studio; seating 1300, it's Midwest's biggest TV theatre.

Suggestion that TV charge admission to its shows as revenue source was theme of editorial in Jan. 16 Advertising Age, pointing to success of WLS's Chicago Barn Dance theatre programs. In Jan. 30 issue, NBC's "integration" v.p. William S. Hedges replies that small amount of money collected wouldn't be worth collection cost and that audiences build good will for network, sponsors, entertainers. Hedges adds: "Financial outlook for stations and networks is not as bleak as your editorial indicates... Given enough markets, enough intercity connections and enough viewers, [networks] will not be long in putting TV on a sound financial basis."

Radio-TV law course, scheduled for 6 Tuesday evenings beginning Feb. 28 by non-profit Practising Law Institute, 57 William St., New York, has legal galaxy lined up to cover subjects tailored for lawyers concerned with stations, advertising, talent, copyright, etc. Chairman is David Solinger; participants include NBC's Gustav Margraf and Robert Myers, ABC's Joseph McDonald, CBS's Howard Hausman, NAB's Don Petty, ASCAP's Herman Finkelstein, movie negotiator Edward Colton, William Morris Agency's Nathan Lefkowitz, J. Walter Thompson's Edward Wilson, FCC's Harry Plotkin. Others on tap: Bruce Bromley, Walter Barry, Louis Nizer, A. Walter Socolow, Milton Kramer, David Miller, Howard Reinheimer, Richard Salant, T. Newman Lawler.

One-town freeze-lifting will be urged in petition to FCC shortly by applicant who will assert that city is unique in that number of applicants equals number of available channels and no one has proposed to add or take any way. Applicant is likely to get unsympathetic reception if FCC still thinks way it did in denying TBA's request for partial thaw (Vol. 5:25, 27).

"Advances" to film producers by TV operators and advertisers, permitting them to embark on TV film production, was suggested by Ralph Cohn, TV manager. Screen Gems Inc., Columbia Pictures subsidiary, in talk before TBA conference. He recalled early movie days when producers got prepayments from exhibitors. He foresaw little likelihood of TV getting feature films from major Hollywood producers, observing: "Large corporations, operating moderately well in their own established field, rarely pioneer a new industry." He thought competition from smaller and new film producers could mark beginning of new industry—films for TV.

Smaller, independent theatre owners, as exemplified by Allied States Assn of Motion Picture Exhibitors, are taking slightly different attitude toward TV than last year when they more or less shrugged it off (Vol. 5:24). Allied board saw Zenith film explaining Phonevision at Washington meeting Friday, really got excited about "threat of TV." Board voted to participate in theatre-TV hearings, reaffirmed objections to use of film features on TV, elected TV chairman Trueman Rembusch president. He's owner of WCSI(FM), Columbus, Ind., as well as theatres.

First casualty in Petrillo's ban on TV films with music is Edward Paul, musical director of Jerry Fairbanks Productions. He was charged with taking orchestra to Mexico City for filming 26 Fairbanks Paradise Island TV films, was suspended from AFM membership for 6 months, fined \$1000. Union also took franchise away from booking agency (name undetermined) which arranged date. Musicians were also fined, but union said it was not collecting levy until Paul case was finished. Paul has until March 1 to pay fine.

Sign of the times: Front-page box in Jan. 29 Washington Star, headed "Do You Need Television Repairs?" goes on to state, "For the more than 90,000 television set owners in the Washington area, The Star is now publishing every day a new classified listing entitled 'Television Repairs'".

Pan-American picked up TV during recent New York-Bermuda flight, received 11 stations altogether, got 3 New York signals 236 miles out. Ship flew at 17,000 ft.; receiver was standard 1949 Admiral 10-in. table set (Model 20X11), tied into plane's regular radio antenna.

Paid program listings in its TV-radio schedules are now accepted by *Philadelphia Inquirer*, quoting rates of \$2 per agate line daily, \$3 Sunday, minimum of 3 lines up to 14 lines. Newspaper owns WFIL & WFIL-TV.

at same time via another; (d) questions of governmental policy, still unresolved, respecting use of limited broadcasting facilities for "paid subscription" services.

Note: Zenith this week got FCC go-ahead to test Phonevision among 300 paying subscribers (\$1 per picture) in Chicago -- and it's now up to that company to tell what feature films it has signed up. Though FCC's reversal of previous decision ordering hearing (Vol. 5:50,53; Vol. 6:4,5) opened flood of publicity about pay-as-you-look, nothing has yet been divulged about actual films available, except for rumors of British features (Hamlet is one). What also is pertinent, in Zenith's quest for promised "A" features, is that even if a major Hollywood producer wanted to release his new films to Phonevision, contracts with Petrillo forbid!

It's noteworthy that Zenith stock, probably due to Phonevision grant, gained considerably; closed Friday at 45%, new high; it was 32% at end of 1949.

Commission order covers 90 days from Feb. 8, was voted by Comrs. Coy, Sterling, Jones, Hennock (latter 2 reversing previous vote), with Webster dissenting, Hyde not voting. Noteworthy particularly is injunction upon experimenter that he avoid any action that might create public impression that "Phonevision has been or will be authorized on a regular basis...or that said authorization constitutes approval by the Commission of the principle [of] subscription TV."

What FCC must eventually decide, if tests prove out, is lucidly spelled out in Comr. Webster's vigorous dissenting opinion, which should be read closely by those concerned with implications of "subscription TV." In fact, we urge you to read whole document: order, dissent, separate concurring opinions of Jones and Hennock are all contained in <u>Public Notice 50-191</u> (Docket 9517) obtainable from FCC.

**COLOR QUARREL BUILDING TO SHOWDOWN:** "Double standards" or "multiple standards" are words you're likely to hear more and more as arguments over color TV warm to fever heat in ensuing weeks. It's doubtful whether anything will come of idea of letting all color claimants market their systems to the public -- and let the buyer beware. Nor is that likely to speed up anyone's color offerings, not even CBS's. But that seems to be idea now of Senator Johnson and Comr. Jones, at least.

Jones took occasion to echo Johnson's "broad general standards" theory (Vol. 5:46, 6:2) -- i.e., to allow all color systems to compete for public's dollar -- in concurring with majority in Phonevision decision this week (see p. 2). He also revealed another facet of what's motivating him (Vol. 6:4), an apparent abhorrence of pooled patent controls. He all but indicted RCA in asserting:

"The Commission should be very liberal to allow experimental commercialization of new techniques and improvements...in order to give the new inventor an opportunity to market his product and to introduce it to the public...

"To the extent that there is a tendency toward, if not actual monopoly in the licensing of patents for TV transmission and receiving equipment, it is very important from the Commission's standpoint that new developments in the art be encouraged. While patent holders are entitled to a monopoly in the development and manufacture of the equipment covered by their patents, it does not follow that the Commission has to join in that monopoly."

Little support for Johnson-Jones philosophy on color standards has been evidenced by rest of FCC, let alone industry. Decision allowing unlimited sale of receivers for various color systems, incompatible with one another, would break regulatory precedent, is almost certain to mean nobody will venture forth.

Reporters asked RCA's Dr. Elmer Engstrom, during press demonstration in Washington Wednesday, what he thought about idea of "double standards." "Only as a last resort," he said. "We're certainly not afraid of it, if that's what you mean."

The really key men in whole color controversy, the telecasters, are yet to be heard from. Soon, we'll begin reporting their responses to our questionaire asking their frank opinions. They're interesting.

\* \* \* \*

RCA's demonstration was obvious counter-move against current CBS campaign, which includes public showings in Washington resuming Feb. 13-21. It got quite favorable press reaction. Pictures were as good as, or better than, those we saw

few weeks back (Vol. 6:3). There was no color fringing, seen before. But bottom of pictures still have purplish tinge; RCA engineers, happy over accomplishing locked phasing, say they'll have tinge eliminated soon.

Prospects of tri-color tube still excite most interest, as they should. Dr. Engstrom reported "very satisfactory progress," said he's seen pictures on it (but didn't say how good), promised it will be demonstrated within 45 days. Such tube, at a stroke, would drastically reduce bulk, number of components and complexity of receivers -- plus bringing image out of that very unsatisfactory "dichroic tunnel." It's a "must" for RCA; at same time could be a huge assist to CBS and CTI.

Alluding to CBS system, Dr. Engstrom asserted: "Color is no substitute for definition, not when you can have both."

CTI's gear is en route from San Francisco, will be demonstrated Feb. 20 at Statler Hotel rather than at FCC labs as first scheduled. Comparative demonstration is still set for FCC Laurel (Md.) labs Feb. 23. It's unlikely that FCC lab chief Ed Chapin will be on hand for several weeks; he has rather serious throat ailment.

FCC issued order of appearances for resumption of hearing Feb. 27. It's same as for beginning of hearing (Vol. 5:38), with addition of AT&T and Western Union. List is merely pro forma, however; all who appeared in first phase are entitled to appear, but several (like Dr. Geer) aren't expected.

\* \* \* \*

Radio columnist John Crosby, who like New York Times' Jack Gould (Vol. 6:5) can't be labeled as spokesman for anybody, got hepped up about <u>freeze</u> and color's part in keeping it on. In 2 syndicated columns this week, he asserted that <u>compatible color "makes sense</u>," that freeze is retarding TV's growth on almost all fronts, that "CBS mechanical system is susceptible to only so much improvement and no more, whereas electronic color's potentialities are infinite."

Crosby was a little rougher on both systems than most, making them appear worse than they really are -- but there's no gainsaying he set many folks' minds at rest with respect to obsolescence.

Biggest lever to start freeze hearing rolling, regardless of color decision or stalemate, is satisfactory color interference data. "Satisfactory" means <u>same as black-and-white</u>, and everything points to "no difference." RCA is only outfit submitting findings so far. But we hear CBS's studies point same direction. FCC engineers are going to Princeton Feb. 13 to look over RCA setup.

NO. 99 & 100 TAKE TO AIR NEXT WEEK: Syracuse's new WSYR-TV (Vol. 6:5) was experiencing trouble from ice on towers and high winds at week's end, but it looked like test juice would be turned on by Saturday and scheduled operation would get under way Wednesday, Feb. 15, as planned. Newhouse newspapers which own station, both Herald-Journal and Standard-Times, will put out special editions March 5; meanwhile, director Col. Harry C. Wilder is strenuously seeking to persuade brand manufacturers to channel more TV sets into Syracuse area, which he and local dealers assert will absorb many more than have been allocated.

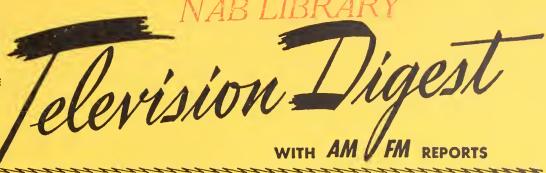
Put down San Antonio's KEYL (Vol. 6:3,5) as No. 99 station to go on air, for it definitely starts regular programming at 10 a.m. Feb. 15, running through to 10:15 p.m. That makes Syracuse's WSYR-TV, starting evening of same day, No. 100. And upcoming WOI-TV, Ames, Iowa (Vol. 5:49) opens up Des Moines area Feb. 20. [For details, and for listing of remaining CPs, see TV Addenda 10-E herewith.]

First new application in many months was filed this week by Charles A. Lenz, Auto Phone Service, <u>St. Petersburg</u>, <u>Fla</u>. But it did not designate channel or other requisite data, so was <u>returned by FCC</u>. City already has one applicant (WTSP), and CP holder last year pulled out (Vol. 5:42); Tampa has 3 applicants.

Phoenix's KPHO-TV is changing ownership once again -- Texas oilmen Pickens, Coffield & Wheelock, who originally got grant, deciding not to buy 75% of stock in new corporation (Vol. 5:26). They still control new KEYL, San Antonio, however, still have applications in for New Orleans, Corpus Christi. New stockholders would include John Mills, Westward Ho Hotel, 21%; Tucson Daily Citizen, 19%; John Mullins, Tulsa, 13%; Rex Schepp, manager, 11%; and other local businessmen.

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JANUARY TV OUTPUT 420,000 SETS: First month of 1950 accounted for estimated 420,000 TV sets, which compares with December's 350,500 (Vol. 6:3) and 5-week November's record 497,000 (Vol. 5:52). So it looks like industry is off to good start toward predicted 4-5,000,000 output this year. It also brings cumulative postwar production to 4,415,000 which, nearly a month having passed, probably means just about that many sets-in-use.

RMA January output total is 335,588, but we're now adding 25% and rounding total to nearest even figure to account for non-RMA members, kits, etc. Meck is no longer in RMA; it's now a sizeable producer, unit-wise, and with non-members Admiral, Tele-tone and smaller producers may well account for that proportion. Best industry advices are that 25% is probably more accurate than 20% previously used.

Accelerating rate of production is shown in RMA weekly figures for January: first week 59,242, second 85,991, third 92,369, fourth 97,986. Last week is record, highest since fifth November week. Of total 335,588, RMA says 12,285 were for private label (seems low). RMA's January breakdown: table models, 170,571 (6665 with AM and/or FM); TV-only consoles, 136,035; combination consoles, 28,982 (18,405 with phonos). TV sets with FM totaled 34,087. FM sets totaled 89,136.

January radios of all kinds totaled 995,783, including TVs (now running in 1-to-3 ratio). This compares with 998,993 in December, 1,324,359 in November.

SNAFU OVER NBC'S 2½-HOUR REVUE: NBC is going ahead with its 2½-hour 'Saturday Night Revue' (Vol. 6:1, 4, 5) -- but may have to make further adjustments with affiliates. That's intent expressed by president Joseph McConnell following FCC letter Feb. 16 (Public Notice 46462) giving NBC until Feb. 24 to answer Commission's finding that project still violates option and time-brokerage provisions of chain rules. DuMont raised original objections. Program is scheduled to start Feb. 25, United Fruit already signed as sponsor (Vol. 6:6), 8 or 10 others said to be on verge. First hour is out of Chicago, Jack Carter m.c.; remaining ½ hours from New York, featuring such stars as Sid Caesar, Imogene Coca. FCC has placed WPTZ and WTMJ-TV on temporary license (after having granted renewals) because they accepted NBC offer; they were asked to reply Feb. 24 too. As of Friday, NBC had 10 stations signed for whole 2½ hours -- its own 4 interconnected plus WSYR-TV, WBZ-TV, WPTZ, WDEL-TV, WBAL-TV, WTAR-TV -- some starting later than Feb. 25. Fourteen others have agreed to take part of each show: WNHC-TV, WKTV, WJAR-TV, WGAL-TV, WTVR, WICU, WSPD-TV, WWJ-TV, WLWT, WLWD, WLWC, WMCT, WTMJ-TV, WLAV-TV.

AM OWNERS DOMINANT IN TELECASTING: Of the 100 telecasting stations now on air, 78 are owned in common with local AM stations and 7 more are owned by non-local AM interests. Thus, 85 out of 100 stations under AM domination would seem to bear out conviction that the broadcasters are inheriting telecasting. Only 15 TV stations have no AM identification whatsoever.

Newspaper interests own 34 TV stations, all but 4 of these with AM adjuncts. AM networks own 11½, electronics manufacturers 17 (including RCA-NBC's 5, DuMont's 3, Crosley's 3), movies-theatres 4, dept. stores 3. As for multiple ownership, only

ABC and NBC have allowable maximum of 5; DuMont, Crosley, Storer 3 each; Scripps-Howard, Cox, Edward Lamb, Mason-Dixon, Bamberger, N.Y. News-Chicago Tribune 2 each.

Among the 9 remaining CPs for new stations, all have AM affiliations, 4 are also held by newspapers, one each by a municipality and an insurance company.

So it would appear TV ownership is well diffused, monopoly neither existent nor in prospect -- except as freeze has created temporary monopolies for those AM or newspaper or other enterprisers who ventured where others feared to tread.

Note: For detailed data (including rates) on all TV stations, and for complete list of all CPs and applications, see TV Directory No. 10.

MID-10WA OUTLET STARTS NEXT WEEK: You can add Iowa State University's WOI-TV, Ames, to your log of operating stations, effective next Tuesday, Feb. 21. Though it will operate as non-commercial educational station, in that it will carry no local commercials, state's second outlet (first was Davenport's WOC-TV) will carry network commercials via kine-recordings and is being bracketed on network rate cards at \$200 base rate. Located in middle of state, operating on Channel 4, it gives primary coverage to Des Moines, only 29 mi. away, as well as many other sizeable communities (Vol. 5:49). Two weeks of tests have also brought responses from 165 Iowa communities, indicating coverage up to 70-75 miles. It will program 6:30-9:30 Mondays thru Fridays, with test patterns 3:30-5:30 and 6-6:30. It becomes 101st station in regular operation, leaving only 8 CPs outstanding (see TV Addenda 10-F). Next definite starter seems to be Norfolk's WTAR-TV, due to begin Channel 4 tests about March 1 and regular programs (interconnected) on April 2. As buildup for their station, Norfolk Virginian-Pilot and Ledger-Dispatch are sponsoring big local TV Show March 13-16, will carry special editions March 12 & 13.

Note: FCC has denied Raytheon petition for reconsideration of decision denying CP extension for WRTB, Waltham (Vol. 5:52; 6:2). This means one less pre-freeze CP on books, one more vhf channel released for Boston area applicants, post-freeze.

SNIPING TIME ON THE COLOR AGENDA: Now, the first Color Television Inc. demonstration (Monday, Feb. 23, via WMAL-TV). Then, on Thursday, Feb. 23, the 3-way comparative showings by CBS, CTI & RCA. Thereafter, as though these were mere warmups, resumption of direct testimony on color claims before full FCC, starting Feb. 27. With inevitable sniping, particularly during cross examination, color phase of TV freeze is likely to occupy Commission all through March or longer.

That's situation at this writing, with CBS and RCA expected particularly to poke holes in one another's systems during comparative demonstrations and hearings. There's also possibility of <u>flareup within FCC</u>, some members making no secret of their disagreement with Comr. Jones.

CTI's president Arthur Matthews, inventor George Sleeper and retinue of assistants came to town early this week, held press conference Tuesday at which they stated they will demonstrate with projection receivers (converted RCA models), have 7 in city. Refuting critics who say CTI system can't show high definition and adequate brightness without "crawling" (jittering or flowing), Sleeper said flatly that system produces about 300 lines (has been as high as 400) in both color and monochrome, has about 20 foot lamberts of brightness (quite good for projection sets) -- and simply does not crawl. They sent color to New York and back on coaxial Friday, reported: "Good results; we expected no trouble."

CBS and RCA have both insisted on test patterns and charts designed to show up deficiencies in each other's color fidelity and balance, definition, registration, color breakup, flicker and like. Each system will be transmitted from own studios, using exact copies of test materials.

\* \* \* \*

CBS meanwhile was continuing downtown public color showings through next Tuesday, Feb. 21, but turnouts were smaller and objections from local trade have all but stopped. On Thursday, more than 30 members of top-hole Advertising Council, in Washington for White House conference, were CBS president Stanton's guests at demon-

WHAT THE TELECASTERS THINK OF COLOR: Missing voice in color TV hubbub is that of the station operator, ironically unrepresented by any collective spokesman in current FCC proceedings.

To find out what he thinks -- for he's fully as important a factor as the manufacturer -- we sought opinions of all telecasters in a 5-question survey undertaken 2 weeks ago. We addressed questionaires to top executives representing the 98 then operating stations, some representing multiple ownerships. The replies thus far (37) indicate a keen awareness of the problem and a remarkable unanimity.

### Herewith the questions and consensus of replies:

- (1) How important do you consider color? Many shades of opinion, but 21 leaned to "quite important," 16 "not particularly important." Generally, they expect color to enhance advertising appeal. Those who aren't greatly enthused, though, point to small percentage of movies in color, presumably because extra costs are usually greater than extra boxoffice appeal.
- (2) Do you believe any color system is ready now? They're almost of one accord: 33 said "no," 3 said "yes," l "don't know." The 3 saying yes were Richard Redmond, speaking for CBS; the manager of another major CBS-TV & AM affiliate, who requested anonymity; and Thad Holt of Birmingham's WAFM-TV (CBS-affiliated WAPI), who said CBS is ready but added "perhaps RCA's by time [color] could get started."
- (3) What do you think the majority of telecasters would do if FCC should authorize, within a few months, a compatible system, such as RCA's or CTI's? Majority said they'd proceed with caution, wait for bugs to be shaken out, wait to see how receivers sold, wait for those with special interests (like manufacturers) to prove it out, wait until competition forced their hands. "Wait" was the word oft used. But some said they'd begin planning for it; indeed, Herbert Mayer of Cleveland's WXEL reported he had placed an order with RCA last September to be filled when and if standards for its color system are set.
- (4) What do you think telecasters would do if any incompatible system, such as CBS's, were adopted? This one brought them to their feet. Sample quotes:

"Only dire results accruing to the TV industry and to the millions of TV set owners." -- Edward Lamb, WICU, Erie.

"Doubt seriously if we would undertake it. Very much afraid we would have another FM on our hands." -- Edgar B. Stern Jr., WSDU-TV, New Orleans.

"I cannot believe that any station, excluding CBS owned and operated, would adopt an incompatible color system." -- Charles Thieriot, KRON-TV, San Francisco.

"We cannot conceive of telecasters being in any way able to afford the capital investment required for an incompatible system, knowing full well that the future color TV system must be compatible in order to make all of the present black-and-white sets useable. Furthermore, the terrific expense of operating 2 systems entirely incompatible just isn't in the cards." -- Walter Damm, WTMJ-TV, Milwaukee.

"Secret of color's success will be assurance that present sets (many not paid for) will not be obsolete... FCC owes a debt to the telecasters themselves in that this has been a losing business thus far; color TV should work on present transmitters with the use of converters that would not be costly to the telecasters." -- Don Fedderson, KLAC-TV, Los Angeles.

"I take very dim view of any incompatible system... The immediate realization of color isn't that important. I doubt very much if we, or the majority of all tele-

casters, would purchase and install a color system which is not compatible." -- Mitchell Wolfson, WTVJ, Miami.

More vehement answers came from those requesting their names be withheld:

"Public indignation among current set owners would be terrific...a service-man's nightmare."

"Telecasters would go crazy...it could help wreck the entire industry."

"I think an incompatible system will eliminate TV, either color or black-and-white."

"Too many of us would have to throw in the towel -- since we are not financially able to start over again from scratch."

"Irreparable harm to the TV industry."

Some apparently would just swallow hard and hope for best. Only a few don't seem to have wondered very much about it. For example: "I don't know what would happen...I presume that this would be a rather difficult situation."

One offers this thoughtful answer: "The only people who could use it would be applicants for new stations with new frequencies. This would probably apply only to the uhf band where there would be no sets anyway to receive in black-and-white."

From the 3 who feel CBS's system is ready now:

"We believe many...would broadcast network color feeds, would promptly modify some of their camera equipment in such a way that it could be used for either color or standard black-and-white programming, and would commence broadcasting local color programs." -- Richard Redmond, CBS.

"We'd go ahead just as soon as we would on any other type of color system." -- Thad Holt, WAFM-TV, Birmingham. To Question 3, he had answered: "Believe telecasters would take color in their stride, just as they have done with other developments. As in black-and-white, we would go ahead on color in about 3 to 5 years."

The anonymous third didn't answer the question. But to Question 3, he had replied: "Telecasters would convert to a compatible color system."

Most replies made clear present telecasters want to be able to transmit color when it does come, on same channels as black-and-white -- be they vhf, uhf or what have you. And they don't want to operate 2 transmitters. Only one insists color needs more than 6 mc, said it should be put in uhf where wider bands can be created.

Nicely summing up feelings threading through many replies was this reaction: "For goodness sake, let's settle it...We are coming along in TV but, from the telecaster standpoint, many stations have yet to come up with a clear dollar, and color at this time seems to be principally beneficial to the aspirin people."

You're welcome to come up and read the full responses of those who stated they don't mind being quoted, and texts of responses of those who asked that their names not be used. Here's list of respondents to date: KGO-TV, KLAC-TV, KMTV, KOTV, KRON-TV, KSD-TV, WAFM-TV, WAGA-TV, WAVE-TV, WBAL-TV, WBAP-TV, WBEN-TV, WBTV, WCAU-TV, WDSU-TV, WFIL-TV, WGN-TV, WHAM-TV, WICU, WJAC-TV, WKTV, WMAL-TV, WOAI-TV, WOC-TV, WOIC, WOR-TV, WOW-TV, WRGB, WSAZ-TV, WSPD-TV, WTMJ-TV, WTTG, WTTV, WTVJ, WXEL --plus representatives of ABC, CBS, DuMont, NBC.

Telecasters' and applicants' attitudes on freeze were indicated in survey released by TBA last week. Interesting, sometimes revealing, responses came from 33 operators and CP holders, 57 applicants. They were asked:

Has freeze hurt you? Of operators, 12 said yes, 18 no; applicants, 18 yes, 31 no. Do you favor whf-uhf in same city? Operators, 6 yes, 26 no; applicants, 10 yes, 43 no. Do you favor using all uhf for 6-mc TV now? Operators, 7 yes, 19 no; applicants, 15 yes, 35 no. Do you favor separating color issue from allocations now by stipulating 6 mc color? Operators, 30 yes, 2 no; applicants, 41 yes, 12 no.

stration. These men, who control huge ad budgets, were <u>obviously greatly impressed</u> -- but technical details were omitted in brief session.

Overheard were remarks about excellence of CBS color, enormous potential for advertising. Not overlooked, though, was fact that viewing angle is restricted (by magnifiers). Tom Hargraves, Eastman Kodak president, said color fidelity was excellent. Sam Gale, General Foods, observed "this would be wonderful for us in the food line." NBC's Niles Trammell, Council member, obviously was bursting to speak out about "incompatibility" and such, but of course didn't. ABC's Mark Woods, asked about attitude of advertisers toward color TV, remarked: "They're not particularly excited about it, but they'll take anything at the right price."

CBS showed converter to ad tycoons; as they emerged we heard this colloquy:

"What are we going to do with the 15,000,000 sets that will be out in a few
years, when color comes in?" Reply: "Guess we'll have to give them to the children."

\* \* \* \*

Senator Johnson kicked industry in slats again in long speech on Senate floor Thursday, started out by climbing all over New York Timesman Jack Gould for reprinting only excerpts of his 1500-word reply to Gould's Jan. 26 column on freezecolor (Vol. 6:5-6). "Mr. Gould," he said, "I presume does not like anyone to infer that his column is being prostituted by private interests."

Then he launched into all-out attack on industry (naming particularly RCA's Jolliffe, Philco's Smith, Dr. DuMont) for asking freeze be lifted. He reiterated charge industry wants merely to open up a few more vhf markets, doesn't care about nation-wide allocation including uhf. He singled out Dr. DuMont for special treatment, he having openly requested Congressional aid in lifting freeze (Vol. 6:6).

Ironically, DuMont is probably industry's most enthusiastic uhf booster, and RCA-NBC Bridgeport experiments are most definitive and promising yet on uhf (Vol. 6:5).

"Relying on threats and intimidation" the Senator concluded, "the industry will continue to pressure the Commission. One plan is to have a Congressional investigation, as if a Congressional committee could deal with technical problems... If there is to be an investigation of TV by Congress, let's have one which goes into monopoly controls and patent holding devices and restrictions...Our committee may decide that the time has come to thoroughly explore what is going on, but when it does, it will be an investigation to determine who is calling the shots, and why."

Senator Johnson received interesting letter from Gene O'Fallon (KFEL, Denver) this week, constituent reputed to carry considerable weight with him. Excerpt: "I'm convinced that your position on this matter is sound, and will prevent the manufacturing interests from doing to TV what they have done to FM. It appears to me that the only sound policy on TV is to see the color issue through to a complete understanding and then standardize on a compatible system."

RMA's pitch will be much more emphatic when FCC hearing resumes, its board decided in Chicago this week. It will lay greater stress on compatibility, need for more color development, lifting of vhf freeze, allocation of uhf.

ANYTHING GOES IN MAGIC NAME OF TV: Hark to these gems from what purports to be a TV "industry study" distributed by a New York market tip service. We call attention to these typical excerpts simply because they show what dross can be peddled as expert advice in the intriguing realm of TV -- to say nothing of influence on investors:

"Since December 1946, TV stations have increased by 1100%, TV advertisers over 6000% and teleset production has been stepped up over 30,000%." Recalls that horrendous "300% increase" in arrests for drunkenness in hometown one year -- up from 1 to 3 drunks!

"The FCC will not release color TV until it is absolutely perfected and the process is still 3 years away." FCC, et al, will be glad to know!

"Despite its slowness in getting into the TV field, Zenith now stands third in sales volume." RCA, Admiral, Philco, Motorola, Emerson and GE take notice.

And then this honey: "Talk" of govt. subsidy of TV programs to extend net-works to less populated regions. Whose talk?

In promoting Phonevision, Zenith faces fact no Hollywood major wants to release current "A" features even for FCC-authorized tests (Vol. 6:6), so far as we can learn. But movie tycoons don't relish, either, possible anti-trust charges again, fear Zenith's McDonald will demand Dept. of Justice monopoly action-and they've had enough of anti-trust. Yet they also have exhibitors and Petrillo to think of. Only immediate out seems to be if British producers or non-theatre-owning majors like Columbia, Universal, Republic come through with films. McDonald has invited movie executives to Phonevision demonstration March 18-20, indicating he doesn't expect to get actual tests going (under FCC's 90-day experimental grant) before then. Zenith has asked FCC for CP to move Chicago test station KS2XBS to 1 N. LaSalle St., radiate 18 kw. Flood of publicity about grant jammed Zenith switchboard last week, many asking to be among 300 chosen for tests planned via Illinois Bell leased-lines. Latter, incidentally, has stated it will not collect \$1 payas-you-look fees on phone bills.

Telecasting Notes: DuMont has given up idea of trying to persuade other TV interests in huge TV Center proposed tract it owns across Hudson in Jersey (only 12 minutes from Times Square); now is considering moving station-network operations from present quarters at 515 Madison Ave. to new Manhattan location . . . Hollywood's KTTV (Times-CBS) has leased 800-seat El Patio Theatre, 7080 Hollywood Blvd. . . . Baltimore's WBAL-TV holding TV-education conference with local educators, all day March 8, highlighted by telecasts to city's TV-equipped schools, sets loaned by station . . . New KEYL-TV, San Antonio (Vol. 6:6), has Adam Young TV Inc. as national rep . . . WPIX is third to contract for antenna atop Empire State Bldg. (Vol. 6:6), but won't move until new 199-ft. steel tower is installed atop structure.

National Television System Committee, now fully organized, holds first meeting March 3 at New York IRE headquarters. Members: W. R. G. Baker, GE, chairman; D. G. Fink, *Electronics*, and D. B. Smith, Philco, vice chairmen; R. M. Jones, Admiral; Samuel Smith, CTI; L. M. Clement, Crosley; Dr. Allen DuMont; Emile Labin, Federal; I. J. Kaar, GE; A. N. Goldsmith; A. V. Loughren, Hazeltine; John V. L. Hogan; E. B. Passow, Motorola; E. K. Jett, NAB; Elmer Engstrom, RCA; R. F. Guy, TBA; Ralph Harmon, Westinghouse; J. E. Brown, Zenith; A. G. Jensen and Pierre Mertz, observers for Bell Labs. CBS is notably absent, though it was invited. RMAsponsored NTSC's purpose is to "assemble technical data" on uhf allocations, vhf freeze, color.

Theatre-TV adherents were stewing this week when it became known Allied States Assn (independent exhibitors) was going to ask for vhf channels 2,3,4,5 for theatre-TV. Recommendations are contained in Allied TV committee report, presented at last week's board meeting (Vol. 6:6)—premised on fact vhf carries longer distances, whereas uhf is restricted in coverage and could not be used for small theatres outside big cities. Allied report is chockful of errors (such as that FCC ordered freeze to move operating stations from vhf to uhf, that co-channel interference is what happens when Channel 4 station interferes with Channels 3 and 5).

CBS net income was \$4,184,100 (\$2.44 per share) for 52 weeks ended Dec. 31, 1949, says preliminary report Feb. 10, promising full report on or before April 1. Better record business is expected to offset good share of TV losses. Earnings in previous years: \$5,041,700 (\$2.94), 1948; \$5,920,100 (\$3.45), 1947 (53 weeks); \$5,795,900 (\$3.37), 1946; \$5,346,200 (\$2.53), 1945; \$4,678,361 (\$2.72), 1944.

Communications Policy Board, presidential advisory group in the works for some time (Vol. 6:4,5), was announced Friday: Dr. Irvin Stewart (chairman), president of West Virginia U and former FCC commissioner; Dr. William Everitt, dean of U of Illinois electrical engineering dept.; Dr. Lee A. DuBridge, president of California Institute of Technology; James R. Killian, president of MIT; David H. O'Brien, who retired from job as merchandising v.p. of Graybar in 1944, served as asst. administrator of Surplus Property 1944-46. Group is to recommend, by Oct. 31, policy on: (1) most effective use of radio; (2) international radio & wire services; (3) relationship of govt. and private users of radio.

Personal Notes: Wendell B. Campbell, WCCO gen. mgr., named western sales mgr. of CBS in Chicago, succeeded at WCCO by Gene Wilkey . . . Donald D. Hoover, New York v.p.-mgr. of Bozell & Jacobs, Omaha, elected president of agency, succeeding Morris E. Jacobs, now chairman; Roy H. Wensberg transferred from Seattle to New York to be executive v.p., succeeded by Vincent R. Fowler, ex-New York . . . Gail Smith new mgr., William F. Craig associate mgr. of TV and night-time radio production of Procter & Gamble Productions Inc.; William L. Ramsey, radio director handling broad policy, Gilbert A. Ralston continuing as executive TV producer in Hollywood . . . William H. Eynon, ex-H. B. Humphrey Co., new v.p.-radio director of Van Diver & Crowe Inc. . . David M. Crandall elected president, Philip G. Lasky v.p. of newly formed San Francisco chapter of Academy of TV Arts & Sciences, which will name own "Emmy" awards . . . Willis K. Freiert has been promoted to sales mgr., Victor F. Campbell to program mgr. of WBAL-TV, Baltimore . . . Stanton B. Fisher has resigned from agency bearing his name, now named Product Advertising Corp.

DuMont sending its Telecruiser, completely equipped mobile studio, on 22-city tour for (closed circuit) public demonstrations and to showcase equipment to prospective post-freeze telecasters. February itinerary: Baltimore, 16-20; Washington, 21-25; Richmond, 27; Norfolk, 28. March itinerary: Norfolk, 1; Portsmouth, 2; Raleigh, 3; Greensboro, 4; Winston-Salem, 6; Charlotte, 7-8; Atlanta, 9-13; Birmingham, 14; Montgomery, 15; Mobile, 16; New Orleans, 17-20; Baton Rouge, 21; Jackson, 22; Memphis, 23; Nashville, 24; Huntington, 27; Charleston, W. Va., 28; Youngstown, 29; Pittsburgh, 30.

H-R Representatives Inc., 1015 Chrysler Bldg., New York City (Murray Hill 9-7463), is new rep firm formed by resigned executives of Headley-Reed: Frank M. Headley, president; Dwight S. Reed, v.p.; Paul R. Weeks, account executive. First station signed is KMPC, Hollywood. Breakaway was due to policy dissension. Headley-Reed, adjunct of Kelly-Smith newspaper rep firm, continues with Frank W. Miller Sr., president; Sterling B. Beeson and William B. Faber, v.p.'s; Frank W. Miller Jr., secy-treas. Headley-Reed represents 38 AM, 5 TV stations—latter being WICU, Erie; WTVN, Columbus; WJAC-TV, Johnstown; WSYR-TV Syracuse; WCON-TV, Atlanta (CP).

Construction of AT&T's Omaha-Denver microwave link is scheduled to begin late this year, with TV service scheduled for May 1951. Sites for 17-hop interconnection have been optioned. Omaha is due to be interconnected next October. In Texas, construction of coaxial cable between Houston and Dallas begins this fall. Next interconnection definitely set is Memphis (WMCT) on March 1, hooking up with St. Louis via coaxial.

House communications hearing by Sadowski subcommittee (Vol. 6:3,4), originally set to start Feb. 20, postponed to March 13-17 due to Rep. Sadowski's illness. MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
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AM FM PEDODES

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February 25, 1950

For Color Report, See Insert Page

PHONEVISION STATUS & ROYALTY RATES: No word yet about where Zenith is going to get films for FCC-authorized Phonevision tests in Chicago (Vol. 6:6-7) -- but president E. F. McDonald Jr. was reported due again in Los Angeles next week to renew pitch to producers. Meanwhile, these noteworthy developments:

- (1) Comdr. McDonald has written other TV set manufacturers to urge them to incorporate Phonevision "jacks" in their sets to make them "compatible", and has offered special royalty deal (details below).
- (2) <u>He has engaged George E. Hussey</u> agency to handle Phonevision public relations in Hollywood.
- (3) Report was current that Republic Pictures (mainly westerns) might be dickering with him. Movie circles say Republic president Herbert Yates has asked TOA and Allied States for their stand on releasing theatre pictures to TV. They were utterly opposed.
- (4) Report that Cecil B. DeMille might release some of his films was discounted on grounds his association with Paramount was too binding for him to do so without its permission -- unlikely in view of its dependence on exhibitors.
- (5) Adverse reactions of key trade journals, Variety and Broadcasting. Former headlined Feb. 22 article: "Phonevision Dials Wrong No. Majors Nix Call for 1st Run Pix." Broadcasting Magazine editorial Feb. 20 seconds Comr. Webster's dissent (Vol. 6:6), sees subscription TV as "reversal of the accepted concept of free broadcasting service."

Variety threw cold water on scheme, cited Petrillo ban, related also: "Major execs agreed...that they had not refused because no specific request for Phonevision had been laid before them...made it clear, however, that if and when request does come it will be nixed."

New York Times Hollywood dispatch Feb. 19 told of stir created there, reported McDonald indicating Sept. 15 as starting date of tests—about time permitted under CP for moving transmitter, installing higher power Zenith applied for last week. Actually, 90-day test authority is now running, but renewals are usually granted at least once. Noteworthy, too, is fact that Channel 2, if freeze is lifted by then, will be subject of competitive Chicago quest in which CBS, Wrigley and Marshall Field as well as Zenith are currently applicants.

\* \* \* \*

McDonald's private letter to manufacturers, dated Feb. 10 and obviously a form letter (5 verified receiving it), is <u>carefully worded</u> in apparent attempt to keep from being construed as contravening FCC's injunction that <u>experimental grant</u> should not be considered final determination in favor or Phonevision or any subscription system. But letter states:

"It is conceivable in our opinion, that the day is not far off when it will be as difficult to sell a TV receiver without built-in Phonevision as it would be today to sell an automobile without a self-starter." Retail differential is only \$10, letter states, noting that adaptation is factory service job in most cases and

outlet for later attachment of Phonevision decoder can be built into sets "for a cost of from 7¢ to 25¢ per set."

Such outlet is already in every Zenith receiver, letter states, and 3 other manufacturers (unnamed) "already have indicated their interest in immediately equipping their sets with Phonevision decoder outlet... Every manufacturer who so equips his sets will gain in sales advantage, and protect himself from competitive disadvantage."

"Zenith has no desire to secure an unfair advantage," letter continues -- and then it offers this royalty plan:

"When we issue licenses, our royalties for Phonevision decoder units or for building Phonevision decoders into television sets will be only 50¢ per unit regardless of the price for which you sell the equipment. However, for every television set with a decoder outlet that you build and sell in 1950, 1951, and 1952, we will set up a contingent credit in your favor of 25¢ to be applied against such 50¢ royalty at the rate of 25¢ per Phonevision unit. The only qualifications for establishing this contingent credit are that you must notify us in advance of your intention to install such outlets; that their design and connections must conform to necessary standards; and that these outlets be installed in all of your sets during the period you are establishing the contingent credit. The installation of Phonevision outlets in your sets will not obligate you to take a Phonevision license. However, unless you do take a Phonevision license prior to December 31, 1952, you will not be entitled to take advantage of the contingent credits outlined herein."

PUT UP STRONG CASE AGAINST EXCISE: From 40-60 chance, we'd guess odds are now better than even that House Ways & Means Committee won't report and Congress won't enact proposed 10% excise tax on TV (Vol. 6:6-7).

Not after superb job done by industry group, abetted by labor spokesmen, before committee Tuesday.

Consensus of Capitol Hill observers was that most committeemen were persuaded -- but there's still the chance that President Truman may insist on whole tax program, as set out by Treasury Secretary Snyder, and force Democratic majority to go along despite their tacit and expressed convictions.

Committee seemed intrigued by TV's story, and general reaction was expressed by Rep. Kean (R-N.J.), who after questioning industry witnesses remarked: "Well, you've persuaded me." He's the Congressman who's reported to have said, when tax was first suggested, that it seemed only fair in view of 10% tax on radios.

Congressman from Hollywood Cecil R. King, Democrat, remarked on TV's "devastating" effect on movies, sports, etc., yet said he was friend of labor and "sympathetic" to industry's arguments. In essence, it was pointed out:

That, as CIO's James B. Carey (IUE) put it, excise taxes strike at buying power of workers, and no stumbling block should be placed on an infant industry that's "one of the most promising of this decade."

That, as IBEW's Lawson Wimberly (AFL) said, additional employment and sales, hence additional income tax from more workers, would far exceed amount of proposed levy. Same idea was stressed by Admiral's Dick Graver: "It would seem to me that the \$40,000,000 in revenue...would be relatively unimportant as compared with the reduction in income tax which would result from curtailed sales, production, jobs."

That a healthy electronics industry is important adjunct to national defense -- Philo v.p. David B. Smith and ex-WPB radio-radar executive Elmer R. Crane, now Cleveland distributor.

That small manufacturers would be hardest hit -- Hallicrafters' R. W. Durst.

That sales would be slowed, causing loss to retailers already working on very small profit margins, possibly even forcing some out of business -- Mort Farr, Upper Darby, Pa. dealer.

That TV is stimulating sales of carpet makers, upholsterers, furniture industry generally -- Furniture-maker David E. Kahn, Thomasville, N.C.

That telecasters operating at loss today need "circulation" to make business pay -- Fort Industry's and TBA's Lee Wailes, Greensboro News WFMY-TV's P. T. Hines.

Color Report February 25, 1950

COLORS COMPARED—NOTHING FINAL YET: Status of color hearing hasn't changed great deal this week -- despite CTI's initial demonstration for FCC Monday, then CBS-CTI-RCA comparative tests Thursday. Also, despite flat claims by CBS and RCA that each was winner. During week:

- (1) FCC saw RCA's greatly improved color stability for first time.
- (2) CBS continued to show good color pictures.
- (3) CTI, if it does have something, showed it still has long way to go.

Tri-color direct-view tube is still what everyone's waiting for. RCA has promised to show it in few weeks. Then all 3 color proponents will claim that tube eliminates many, if not all, drawbacks of their systems. Chances are tube will put systems on fairly equal basis on most secondary issues.

Compatibility and definition will then stand out clearly as the decisive issues. CBS's hopes would seem to lie in quick decision in its favor, before weight of monochrome set production gets much heavier. RCA will undoubtedly stress its compatibility and definition more than ever, point to improvements, assert it will make more. CTI can be expected to welcome tube with even greater ardor than others.

Question: Will FCC ask CBS and CTI to try out tube before final decision?

Comparative demonstration at FCC's Laurel Labs was a rat-race -- crowded, noisy, confusing. Mob packed around <u>21 receivers</u>, drifted from set to set comparing pictures. It was poor opportunity for calm, deliberate, detailed comparison. But these are impressions:

Battle was between CBS and RCA in this test, CTI falling far behind because of poor showing. There's little question RCA is coming up fast, with stability attained (Vol. 6:3), colors continuing to improve (purplish tinge no longer at bottom of images). But CBS probably still has edge in color fidelity. Color breakup test (rotating white paddle on black background) was hard on CBS, of course; CBS is likely to maintain that most programs can avoid bad breakup.

Rugged interference tests disrupted RCA's system more than CBS's. RCA also came off second-best in tests using weak signal (100 uv/m); RCA can be expected to assert those conditions are rare, probably say improvements are on way. RCA has higher definition and, of course, complete compatibility.

CTI was the disappointment. After Monday's demonstration for FCC at Statler, some observers thought it had features worth pursuing, despite fact its projection pictures had very poor registration and definition (100 lines or less, many estimated). Pictures were also very dim, 3-5 ft-lamberts on color and less than 1 ft-lambert on black-and-white, according to CBS-RCA measurements. But colors weren't bad. Better showing was made at press demonstration Monday than at both FCC tests.

After Thursday's CTI showing, some authorities insisted system is still good, though many pictures were so dim as to be scarcely visible. Several of its sets were inoperative, 2 burning out transformers during the test. Nevertheless, CTI president Arthur Matthews said: "We're not at all discouraged. We'll ask FCC to give us another showing."

CBS showed sets with automatic color synchronization and phasing to demonstrate increased flexibility in camera and network switching, as well as adaptability of black-and-white sets.

RCA pointed out that its sets were smaller, less complex (one-third fewer tubes), than its first receivers. It also showed 15x20-in. projection set; colors were as good as those on direct-view, but it lacked adequate brightness -- the usual fault with projections.

There was big turnout of VIPs. Senators Johnson and McFarland were on hand, former congratulating RCA's David Sarnoff on "great improvement." Sen. Tobey saw

CTI show Monday. We asked him his opinion of color situation. He smiled: "I'd like to see all 3 companies thrown together, stock divided equally, and best parts of all systems used."

Executives of Admiral, Emerson and GE were on hand, in addition to those of hearing participants Philco, DuMont, RCA, CBS. <u>JTAC</u> and <u>Condon Committee</u> were well represented. The manufacturers — all but DuMont being RCA licensees — freely expressed themselves as <u>greatly impressed</u> by improvements in RCA system since poor showings of October (Vol. 5:42). Unanimously, they still plump for compatibility.

Show goes back into hearing room in Commerce Bldg. Monday (Feb. 27) with resumption of direct testimony. Through March, these are days of hearing: Feb. 27, 28; March 1, 15, 16, 17, 22, 23, 24, 29, 30, 31. Hiatus during March 6 week is for IRE convention. It's understood RMA doesn't plan to put president Ray Cosgrove back on stand until cross-examination; feeling is that all he'd be able to do is to reaffirm previous statements.

FCC got out order about patent applications Friday. Commission hasn't received all information it wants, some people apparently misunderstanding Sept. 1 order (Vol. 5:36). This week's order is designed to get it all, clear way for introduction of pertinent details into record if Commission desires.

This week, Commission got rash of last-minute petitioners wanting in on color hearing. It brushed some aside, is expected to treat rest same way. Emerson, the largest, was told that since it didn't have "substantial scientific data" regarding color FCC wasn't interested.

Emerson had explained that it has built some 250,000 TV sets; that it wanted to present testimony of executive v.p. Dorman Israel with regard to "lessons taught by monochrome experience", that it thought FCC shouldn't grant "even limited-time experimental licenses simultaneously for all color proponents."

Theodore Wetzel (Vol. 6:2,7) was turned down because his mechanical system hadn't "progressed beyond the theoretical stage." Still to be acted on are petitions of Wells-Gardner, Communications Measurements Laboratory and Celomat Corp. (magnifier maker). First stated it's familiar with public demand, is prepared to estimate probable public reaction to each color system, would like to tell about effect of freeze on small business. Second has ideas about 8-mc color system (apparently related to RCA's) for uhf only, recommends authorization of best available compatible system in vhf. Celomat said it could make CBS color converter for \$9.95.

CBS released results of 9423 color questionnaires filled out during Washington demonstrations. Percentages still hold close to first findings (Vol. 6:2): (1) 84% rated color "much more" enjoyable than monochrome, 13% "somewhat more," 1% "about the same." (2) 41% considered overall quality "excellent," 42% "very good," 14% "good," 2% "only fair." (3) 4% thought pictures "much too bright," 41% "a little too bright," 53% "just about right," 1% "a little too dim." (4) 44% called detail "excellent," 40% "very good," 13% "good," 2% "only fair." (5) 29% termed trueness-to-life of colors "cxcellent," 42% "very good," 21% "good," 6% "only fair." (6) 34% saw defects, 62% didn't.

Color's impact on set sales in Washington is still negligible, despite continued demonstrations, intense publicity. A barely perceptible increase, during month, in "we're waiting for color" attitude was noted in February survey for NBC by American Research Bureau, which repeated study made in January (Vol. 6:3). Asked for reasons for not buying, 4.8% of people mentioned color, compared with 3% in January. Other reasons: financial 45%, not interested 19%, want better reception 7%, want better programs 7.5%, "personal reasons" 5.7%, have no time 3.3%, eyestrain 3%, watch at neighbors 1.9%. Buying soon, said 2.8%. Survey covered 846 families. Poll of dealers brought consensus that interest in color has tapered off. Many noted that if anything made people

wary, it was advent of new sets, lower prices, black and rectangular tubes. At height of color activity, November-December-January, 31,500 sets were sold, compared with 33.500 during entire 9 months previous.

CBS has measured co-channel and adjacent-channel interference ratios for its own system and monochrome only, using 293 observers, will introduce findings in hearing. CBS hasn't revealed results, but rumor persists it's found figures about same as for black-and-white—as did RCA (Vol. 6:1,3). These figures are a major key to opening freeze hearing. Commission is dead set against going ahead with proposed vhf-uhf allocation unless it's fairly sure color stations needn't be spaced differently from black-and-white. In short, it fears future color freeze.

Reproduction of CBS and RCA color pictures in Feb. 27 Life Magazine isn't very accurate representation of either. Brief story accompanying pictures and diagrams is necessarily superficial. Of CBS, it says: "No CBS color telecasts can be received on the public's existing sets, but with relatively minor additions the sets will receive either color or black-and-white." Of RCA, it says: "RCA color telecasts can be received in black-and-white on existing sets. Bulky converters would be required for color reception." Of FCC's role: "Whatever decision is made, most observers feel FCC should end its freeze so existing TV facilities can be expanded."

That radio wasn't taxed until it was 12 years old and a going business -- NAB's G. Emerson Markham.

There you have idea, albeit sketchy, of tenor of testimony -- guided by ex-Rep. Joseph Casey, onetime member of same committee. Not all witnesses had their say, so merely put brief statements into record, but those who did got attentive ears. Committee hopes to finish hearings in early March, have whole tax bill by mid-April. Anything can happen in view of Administration's desperate need for funds to replace proposed excise cuts. Meanwhile, industry is contacting Congressmen, and in Washington and Philadelphia combined local retailers even placed newspaper ads prepared by RMA to urge against tax. Philco v.p. J. M. Skinner circularized dealers to get them to "express your ideas forcibly to your Senators and Congressmen as quickly as possible."

YOU CAN'T KEEP THE HAMS DOWN: Amateurs have been pretty much out in cold in transmitting TV up to now, largely because of great equipment costs. But they always find a way. Take 33-year-old J. R. Popkin-Clurman, 46 Lee St., Roosevelt, Long Island, N.Y. True, he's no run-of-mill amateur, since he has degrees from MIT and Harvard, works as a senior engineer for Hazeltine. But for \$75, plus TV receiver, he puts a picture on air. Here's how:

He picks up ordinary signal from any TV station, strips picture information from it, inserts pictures himself, sends them out over 12-watt 435-mc transmitter with 20-gain corner reflector antenna. He says he reaches about 5 miles, gets quality equivalent to standard TV. Secret lies in "swiping" sync pulses from station, which uses \$10-15,000 worth of equipment to get them. Using fairly simple camera tube, he has transmitted only stills so far. To put out live shows, he'd probably have to lay out up to \$1500 for sensitive tube.

You hear occasionally of other such experimenters. FCC amateur division has heard informally of efforts of about half dozen. But Clurman's work is first on which we've received direct information.

## Count of TV Sets-in-Use by Cities

As of February 1, 1950

Sets-in-use totaled 4,374,090 as of Feb. 1, according to NBC Research's monthly "census" report estimating TV receivers within 40-mi. service areas (.5Mv). NBC no longer publishes family figures, but those here listed are best available estimates of 1948 families within 40-mi. radius of city; note, however, that there are some overlaps, so that family figures are sometimes higher than actually served. February report includes Norfolk and Kalamazoo, due to have own stations by April. Total represents 424,000 increase over Jan. 1 count (Vol. 6:3).

	Interconnected	Cities	
	No.	No.	No.
Area	Stations	Families	Sets
Baltimore	3	732,000*	133,000
Boston		1.175.000*	277,000
Buffalo	2 1	323,000	68,200
Chicago	4	1,438,000	388,000
Cincinnati	3	384.000	80,700
Cleveland	3	695,000	154,000
Columbus	3	225,000	41,400
Dayton	3 3 2 3	291,000	35,800
Detroit	3	839,000	170,000
Erie		112,000	15,500
Grand Rapids	1	182,000	16,700
Kalamazoo	(a)	143,000	5,200
Lancaster	1	85,000	30,400
Milwaukee	1 1	327,000	80,800
New Haven	1	557,000	68.300
New York	7	3,597,000	1,060,000
Norfolk	— (b)	196,000	1,900
Philadelphia	3	1,184,000	370,000
Pittsburgh	1	742,000*	71,000
Providence	1 1 1 1	1,011,000*	32.000
Richmond	1	130,000	22,300
Rochester	1	208,000	25,600
Schenectady	1	258,000	57,500
St. Louis	1	474,000	87,600
Syracuse	2(c)	199,000	28,500
Toledo	1	241,000	35,000
Utica	1 4	127,000	7,200
Washington	4	691.000 *	101,000
Wilmington	1	183,000	26,600
Total			
Interconnected	54		3,491,200

Non-Interconnected Cities						
Albuquerque	1	22,000	2,200			
Atlanta	$\tilde{\mathbf{z}}$	233,000	25,800			
Ames (Des Moines)	ī(d)	126,000	1,200			
Binghamton	ī	131,000	9,000			
Birmingham	$ ilde{f 2}$	196,000	10,800			
Bloomington	2	104,000	4.000			
Charlotte	ī	107,000	11.100			
Davenport	1	133,000	7,600			
Fort Worth-	1	269,000*	17,100			
Dallas	2	277,000*	21,400			
Greensboro	1	165,000	8,800			
Houston	1	217,000	15,000			
Huntington	1	132,000	5,000			
Indianapolis	1	281,000	22,000			
Jacksonville	ī	94,000	7,800			
Johnstown	1	250,000*	13,600			
Kansas City	1	275,000	26,900			
Los Angeles	7	1,372,000	376,000			
Louisville	1	188,000	23,100			
Memphis	1	177,000	15,900			
Miami	1	117,000	16,900			
Minneapolis-		222 222	00.000			
St. Paul	2 1	333,000	68,800			
New Orleans	1	225,000	16,300			
Oklahoma City	Ţ	138,000	18,400			
Omaha Phoenix	2 1	132,000 49,000	14,000 4,300			
Salt Lake City	± 2	93,000	10,500			
San Antonio	2 2 (e)	130.000	8,200			
San Diego	1	113,000	23,000			
San Francisco	3	825,000	38,500			
Seattle	3 1	307,000	21,800			
Tulsa	î	125,000	15,800			
Others		120,000	2,000			
Total Non-			=,000			
Interconnected	47		882,800			
			2010,000			
Total Intercon-						
nected and Non-	101		4.054.004			
Interconnected	101		4,374,000			

<sup>\*</sup> Family figures are based on estimates of 1948 population. Note that Boston-Providence, Dallas-Fort Worth, Baltimore-Washington, Pittsburgh-Johnstown coverages (hence total families) overlap. (a) WKZO-TV due to start tests latter March or early April. (b) WTAR-TV due to start scheduled operation April 2. (c) WSYR-TV began scheduled operation Feb. 15. (d) WOI-TV began scheduled operation Feb. 21. (e) KEYL began scheduled operation Feb. 15.

When census takers start rounds in April, they will ask every fifth home whether dwelling has a TV set. Other questions involve refrigeration equipment, heating and cooking fuel, electric lighting, etc.

Colored map sent with this issue to our full-service subscribers was drawn up to show present and applied-for (frozen) TV service areas in U. S. It tells story better than mere words, is being used as illustration in booklet reprinting Philco v.p. David Smith's Feb. 1 address before Franklin Institute and Philadelphia IRE on "What's Troubling the TV Industry." It's his contention that freeze is main trouble; map graphically shows how many metropolitan areas remain unserved by TV, to say nothing of even greater "white areas" from which there are no applications. You can get copy of brochure from Mr. Smith at Philco Corp., Philadelphia.

Asked CBS attitude on Phonevision, CBS president Frank Stanton stated Feb. 21 he felt FCC did right thing in authorizing Zenith experiment; thought field test with 300 receivers would be revelatory; had no information that Zenith had yet obtained needed pictures. As for principle of subscription broadcasting, he said: "I'd rather not comment on that yet; of course, it's contrary to our present system of free broadcasting, but TV is new and how can we say now that it must be held to same rules that govern radio?" But he was also confident, he said, commercial TV can provide good programming, though he said it's possible that a "mixed" schedule of sponsored and subscription programs should be acceptable.

Telecasters need "circulation," hence oppose tax on TV sets that might slow down its rate of growth. This gist of Lee B. Wailes' testimony before House Ways & Means Committee Feb. 21, on behalf of TBA and Fort Industry's 3 stations, was implemented by cost statistics he cited: \$500,000 to put one station on air, \$121,000 to operate it 14 months to end of 1949—or total \$621,000 invested. Wailes didn't identify station, but he obviously referred to Fort's WJBK-TV, Detroit, which began operation in October, 1948. B. T. Hines, for WFMY-TV, Greensboro, in testimony along same line said Greensboro News station represents investment of \$500,000, including \$100,000 for operating capital. WFMY-TV is still operating at loss, said Hines, and "continuation . . . depends upon the full and rapid distribution of TV receivers."

Personal Notes: FCC Comrs. Sterling and Webster awarded Marconi Medal of Service by Veteran Wireless Operators Assn at Feb. 25 dinner in New York . . . E. Patrick Toal, ex-GE, recently with North American Philips, new sales mgr. of Capehart-Farnsworth, Fort Wayne . . . S. S. Spencer Jr. new director of West Coast radio-TV for Foote, Cone & Belding, succeeding late Arnold Maguire . . . Ray Ovington, ex-Bermingham, Castleman & Pierce, new radio-TV director of Hirshon-Garfield ... Walter Duncan, ex-WNEW, new sales mgr. of WPIX, New York . . . Tom Carradine new film director of KTTV, Los Angeles . . . In separating AM-TV, New Orleans' WDSU-TV now has Ray Rich as program mgr., Carl Junker as TV operations mgr. . . . Meg Zahrt, ex-Polsky's Dept. Store, Akron, new BAB retail specialist, succeeding Lee Hart . . . Assigned to NBC-TV's new TV Sales Planning & Research Dept. under mgr. Robert W. McFadyen: Lance Ballou Jr., sales planning div.; Dr. Thomas E. Coffin, program research div.; Richard S. Paige, ratings div. . . . George R. Sommers promoted to asst. gen. sales mgr. of Sylvania radio tube div. under C. W. Shaw . . . Clay Morgan, ex-NBC, now public relations director, French Institute . . . Pinckney B. Reed named mgr. of Industrial equipment section of RCA engineering products div., replacing George L. McKenna, promoted to asst. to v.p. W. W. Watts . . . J. D. Mendelson, Tele-tone New York sales mgr., resigns to form own company . . . Norman Skier new administrative asst. to Ernest Marx, DuMont receiver div. general manager.

NBC bowed to FCC's doubts about legality of its 21/2-hour Saturday Night Revue, (Vol. 6:1,4,5,7), cancelled all commercial commitments, then offered program sustaining to all affiliates in whole or part. "It is our plan to make it so good that it will be quickly sold to sponsors," NBC president Joseph H. McConnell said, emphasizing idea of selling 15 announcements (3 per half hour) hasn't been abandoned. When each half hour is sold, it will be offered to affiliates as commercial program, following conventional practice, McConnell said. Position of announcements will be rotated within each half-hour segment, when 2 half hours are sold; commercials will be rotated within each hour, etc. Feb. 25 premiere was to be completely sustaining, although NBC has sold United Fruit, RCA Victor and Swift (meats) for 9:30-10 p.m. segment, beginning with next week's program, expects to have 3 or more signed next week. National Assn of Radio Station Representatives, in letter to all non-network owned TV stations, called NBC plan encroachment on spot business, "a practice which knows no end," asked for clear understanding and definition of what is network and what is national spot. Milwaukee Journal's WTMJ-TV got license renewed after Walter Damm attested he had not signed up for program; it's presumed Philco's WPTZ, Philadelphia, will also be renewed. Both had been placed on temporary license for having accepted NBC offer (Vol. 6:7).

Radio and TV directors got \$15 hike to \$145 a week, asst. directors got \$5 boost to \$100, in final terms worked out with ABC, CBS, MBS, NBC, retroactive to Jan. 1. Terms must be ratified by RTDG members March 6, will run until June 1, 1952. Networks agreed to pay directors 80% of freelance scale for commercial shows, but inserted proviso they can deduct 25% of all commercial fees paid to staff directors from basic minimum wage. Union had prepared to strike, postponed strike when New York State mediators took over, gave up idea when NBC offered to settle on above terms (Vol. 6:5).

Network Accounts: Ronson starts Twenty Questions on 12 ABC-TV stations March 31 (but WOR-TV remains New York outlet, WOR simulcasting), Fri. 8-8:30 . . . Esso sponsoring Allan Young Show on CBS-TV starting April 6, Thu. 9-9:30 . . . Quaker City Chocolate & Confectionery Co. (Good & Plenty candy) from March 8 buys Wed. 6:30-6:45 Lucky Pup on CBS-TV, sponsored also Thu. by Ipana, Fri. by Sundial Shoes . . . Packard's new show on ABC-TV, Thu. 9:30-10 starting March 23, will be titled Holiday House, stars Edward Everett Horton.

Station Accounts: Pictures of homes offered for sale, screened between piano-pantomines and vocal records, feature Burton Realty Co.'s Tue. night sponsorships of George Scotti Show on WWJ-TV, Detroit; Thu. sponsorship is by plumbing-heating firm . . . Union Trust Co. of Maryland placing film spots on all 3 Baltimore stations. each different . . . Cory Corp. (knife sharpener) likes Minneapolis-St. Paul tests on KSTP-TV & WTCN-TV so well, it's planning national TV campaign, thru Dancer-Fitzgerald-Sample . . . Pan-X Co., Los Angeles (cooking agent) reported planning TV-radio spots in 20 markets. thru Cowan-Whitmore. Among accounts currently reported using or planning to use spot TV: Rhodes Pharmacal Co. (Imdrin), Sarra-produced film spots, thru O'Neil. Larson & McMahon; Sunnyvale Packing Co., thru Long Adv. Service; Knox Co. (Medaco), thru Allen C. Smith Adv., Kansas City; Belmont Radio Corp. (Raytheon TVs), thru Beaumont & Hohman; Kitchen Sales Co. (Koolerrollers), thru Levy Adv.; Owens-Corning (fibre glass curtains), thru Fuller & Smith & Ross; Sanson Hosiery, thru Dorland Inc.; O'Brien Corp. (paints), thru Jones. Taylor and Associates.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
VISUAL BROADCASTING
ARTS AND INDUSTRY



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March 4, 1950

For Color Hearing Report, See Insert Page

1950 COULD BE \$2 BILLION YEAR: Consider what 5,000,000 TV sets -- and it's altogether possible that that many will be made and sold this year (Vol. 6:8) -- would mean to the national economy:

At average retail price of \$250, they would represent total expenditure of \$1,250,000,000 by the American public. Add 10% to account for servicing, antennas, parts, etc., and figure rises to \$1,375,000,000.

Assume, also, that radio-phonos (non-TV) -- they're made by same companies -- will continue to be made and sold at about same rate as 1949 when some 10,000,000 of them were retailed at average price of about \$37.50, or \$375,000,000. That adds up to about \$400,000,000 if we reckon 5% more for servicing and repairs.

TV-radio industry thus would account for \$1,775,000,000 in retail trade, or very nearly 1% of the nation's disposable income of \$192 billion (1949). Figure is probably conservative, for it's conceivable 1950 TV output and sales will go as high as 6,000,000 units, and the percentage factors for servicing, etc. may be too low.

So it's scarcely an exaggeration to speak of the manufacturing-distributing side of TV as a "billion dollar industry." Actually, it looks more like \$2 billion.

Remember, too, that foregoing figures leave telecasting out of account entirely -- cost of building stations, cost of operation, talent, etc. We won't even venture a guess on that, except to note that very few of the 101 now-operating TV stations, to say nothing of those to come, could be built for less than \$250,000 each. As for the nearly 2800 AM-FM broadcasting stations, they represent an investment running into hundreds of millions; and station-network time sales alone ran some \$430,000,000 last year.

Note: March edition of authoritative trade journal Electronics, in article titled "Our Business in 1950", estimates this year's total electronics business at \$1,100,000,000 at factory level -- forecasts 3,700,000 TV and 8,000,000 radio sets plus \$300,000,000 in govt. business.

A LONG, HARD LOOK AT THE FREEZE: Nothing in TV is more obvious than the freeze -- yet we constantly get inquiries showing strange ignorance of 2 simple facts:

- (1) Freeze absolutely cannot end in a few months.
- (2) Freeze's end simply does not mean new stations mushrooming overnight.

First, defining freeze: It meant suspension of grants for new stations.

"End-of-freeze" means final decisions on color and vhf-uhf allocations, then resumption of FCC's normal scrutiny and granting of applications. But effects of freeze won't really be over until new stations are on the air.

Now here are the apparently unavoidable steps before there can actually be new transmitters, in addition to the remaining 8 pre-freeze CPs due to go on air this year (see TV Addenda 10-H). This time-table is based on best guesses we can get from inside and outside FCC, plus our own:

- (1) End of color and vhf-uhf allocations hearings -- end of summer, 1950.
- (2) Tentative decision -- fall, 1950.
- (3) Final decision -- winter, 1950.

- (4) Amendment of all applications to conform with new standards -- by January, 1951. Note: There are 346 applications now pending (TV Directory No. 10), and inevitably many more will be filed.
- (5) <u>Beginnings of grants</u> to applicants in cities with plenty of channels -- February or March, 1951.
- (6) <u>Beginnings of hearings</u> in cities where applicants outnumber channels, 60-90 days after they're actually designated for hearing -- about April, 1951.
- (7) Final decisions in competitive hearings -- first ones in fall and winter, 1951. This is a particularly serious bottleneck. FCC has only 9 examiners; they've been busy with non-TV cases which have, and will have, precedence over TV in point of time. As it is, they feed their proposed decisions to FCC faster than it can handle them.
- (8) First stations get on air (the non-competitive ones authorized in Step 5 above) -- during fall, 1951. These won't be too numerous, at first, because channels are generally plentiful only where they're not badly wanted. Also, uhf grants -- which mean pioneering new channels, new reception conditions -- are likely to repeat 1946-47 history of vhf grants. There will be avoidable and unavoidable stalling: "can't get on air yet; equipment unavailable."
- (9) First hearing winners get on air (the competitive ones authorized in Step 7) -- during summer and fall, 1952, or 9 months to one year after grants.

  They'll be the vhf grantees, eager to get going, because they'll generally be in cities with good set circulations already or in big new TV markets. Most will have won their CPs only after bitter, dragged-out struggles -- occasionally protracted by deliberate "delay applications."

That's the picture. If it seems unduly pessimistic, we can only point to the fact that <u>freeze struck on Sept. 30, 1948</u>, or 17 months ago, and FCC willy-nilly hasn't got to climax of it yet. If there ever was a time for "expediting," to use a familiar Washington term, this is it.

PHONEVISION KICKING UP PUBLICITY SEAS: It could be trial balloon -- but best evidence seems to be that <u>dealer ad plugging Phonevision</u>, which appeared in <u>Hempstead (N.Y.)</u>
Newsday, big suburban daily newspaper published by Alicia Patterson of New York News family, was purely local affair and not prompted by Zenith home office.

Ad captioned "Phone-Vision will soon be here" was first brought to trade's attention by Retailing Daily, which reproduced it March 3 and told about stir created in New York TV circles by Plesser's, Long Island dealer. Retailing said Zenith of New York also is "fuming over the incident."

Ad related how FCC has "agreed to sample operation..." and noted that "your Zenith set already has this feature built-in." Retailing observed:

"Not only does the ad create a false impression by indicating that Phonevision is just around the corner, but it...fails to take into account that the addition of Phonevision requires installation plus an approximate \$10 fee."

Some saw possible makings of another "uhf obsolescence" deal, such as stirred up so much controversy last spring (Vol. 5:11-21). But it's hardly likely Zenith itself authorized it, or even encouraged it, in view of (a) FCC order (Vol. 6:6) forbidding it from seeking to create public impression that Chicago Phonevision tests constitute final authorization; (b) fact that no New York area tests are contemplated as yet; (c) Plesser's assertion he isn't going to run it any more. Best dope is that an enterprising adman sold him idea for angling copy to current news.

Moreover, Zenith isn't likely in today's keenly competitive market to want to create impression its sets cost more because of Phonevision.

\* \* \* \*

If Zenith's intention is to stir up the cats, on other fronts, it's certainly succeeding. Phonevision is getting enormous publicity, has movie folk even more concerned apparently than telecasters, manufacturers or distributors.

Theatre Owners of America executive committee meeting in New York this week called for all-industry confab of producers and exhibitors to consider not only

Phonevision but theatre TV, releasing feature films to TV, advertising via TV trailers. But it's said there's <u>little likelihood</u> of such joint meeting -- for fear of anti-trust and restraint-of-trade charges, if nothing else.

Movie industry attitude seems to be epitomized in these words of a highly qualified spokesman: "No producing company is going to jeopardize its relations with present customers [exhibitors] for future customers who may never materialize."

This week, Zenith's E. F. McDonald reported first outright turndown -- by RKO. To its brief letter stating it would "not be possible for us to make any of our motion pictures available" for experiment, Comdr. McDonald replied in long letter that in effect tells Hollywood to wake and arise. Quoth he, metaphorically:

"The movie industry's distribution system has been traveling in the same old sailing ship for more than 40 years. Even though that old ship served a pretty good purpose, its structure was never completely sound. The sails (exhibitors) have always been too heavy for the hull...Now television has come along and begun shooting the sails full of holes. Moreover, the old hull is beginning to show some leaks, and the sails are too far gone for repair. Your industry had better try out new life boat, Phonevision, before your ship sinks any further and leaves you floundering."

Meanwhile, still no word where pictures are coming from for Chicago 300-family test, though there's still whispering that Republic may make break (Vol. 6:8). Nor is there any dope yet on what Petrillo will rule; his all-powerful union has contract with studios forbidding release to TV of new films with music. That means all musicals and nearly all others (since they usually have musical backgrounds).

Republic is reported offering 50 Gene Autry films to TV for \$1,000,000, with alleged \$750,000 offer from MCA. Autry is said to get \$500 weekly from his radio sponsor, Wrigley, to stay off TV.

MORE INTERCONNECTIONS, NEW STATIONS: Memphis' WMCT joined all 4 TV networks via coaxial from St. Louis March 1, heralded by TV-radio plugging of jingle "The Cable Is Coming" to tune of familiar Scotch ditty. Downtown parade, dealer promotions, special newspaper editions culminated in claim that city's TVs leaped to 24,172 total as of that date. "We can sell 3 times as many as they'll send us," is cry.

Next AT&T network extension is into Norfolk, where new WTAR-TV joins all networks as of April 2 via 3-hop microwave relay from Richmond, 87 mi. away, present southern terminus of coaxial. WTAR-TV began tests Feb. 24, but started 10 a.m. to 5 p.m. daily test patterns March 1, will go on 5-11 program schedule every day after April 2. Base rate will be \$200, network rate \$175. It opens up populous Norfolk-Newport News-Portsmouth market to TV.

Lansing's WJIM-TV (Vol. 6:3) is installing own microwave relay at Milford, 35 mi. from Detroit, 45 mi. from Lansing, has ordered audio lines from Detroit as of March 10 when tests may begin.

Kalamazoo's WKZO-TV, aiming for tests latter March or early April, plans own 2-hop microwave located to give choice of network pickups from either Detroit or Toledo. It has asked FCC for channels in 2000-mc band at Manchester, Mich., 51 mi. from Detroit, 45 mi. from Toledo; at Albion, Mich., 40 mi. from Manchester, 45 mi. from Kalamazoo.

WTTV, Bloomington, Ind., is testing conditions for own microwave relay from Cincinnati, hasn't indicated intermediate relay point or points yet.

About 30 towers of AT&T's New York-Chicago microwave hookup, scheduled for summer 1950, are up, equipment in some installed and tested. This will provide 2 more circuits, one each way; coaxial now has 4. Links touch Johnstown (WJAC-TV); Pittsburgh and Toledo (still one-station towns) and Cleveland (3 stations).

Louisville's WHAS-TV, poising for test patterns any day now, possible commercial start March 19 or 20, has signed up with CBS-TV as of that date when WAVE-TV (basic NBC) relinquishes...Denver application of Gifford Phillips will soon be amended to include also Mayor Quigg Newton, theatreman John M. Wolfberg, Harris P. Wolfberg, Richard M. Davis, Morris Shafroth, William Grant. They're hell bent to get TV into that 26th ranking market soon as possible after freeze lifts.

DuMont jumps into industrial color TV field with big splash Monday when it shows closed-circuit field-sequential system at New York IRE convention, offers it for sale to military, industry, schools, dept. stores, etc. Cost is "under \$20,000" for complete chain; one has already been sold. System uses 18-mc video bandwidth, produces 500 lines of actual horizontal resolution (compared with 170-180 for CBS, 320-330 for RCA), currently employs mechanical disc. Tube is 12½-in., no lens; plans include up to 20-in. tube, achieved by putting tube into rotating "barrel" with color filters in sides. Cameras are similar in size to black-and-white field pickup gear, include turret lenses, etc. DuMont emphasizes that system isn't intended for broadcast use (takes too much bandwidth) and that color disc isn't inherent.

Network gross billings for 1949, according to Publishers Information Bureau figures analyzed by Broadcasting, were: ABC, \$42,342,854; CBS, \$63,403,583; MBS \$18,040,596; NBC, \$64,013,296. (RCA annual report for 1949 shows NBC accounted for \$70,949,218 gross sales, Vol. 6:8). PIB also reported gross TV billings of networks as follows for 1949: ABC, \$1,391,991; CBS, \$3,446,893; DuMont, \$955,526; NBC, \$6,500,104—total \$12,294,514. For January, PIB\_reports ABC billings at \$3,537,795 (\$239,069 TV); CBS \$6,133,624 (\$625,072 TV); MBS \$1,678,888 (no TV); NBC \$5,733,893 (\$1,042,153 TV); DuMont \$51,330 (all TV).

Designated as "TV members" of NAB board, reelected in recent mail balloting, are Eugene S. Thomas, WOIC, Washington, and Robert D. Swezey, WDSU-TV, New Orleans. Among 25 directors, 6 operate TV stations, other 4 being: William Fay, WHAM-TV, Rochester (newly elected); Clyde Rembert, KRLD-TV, Dallas; James D. Shouse, Crosley; William B. Ryan, KFI-TV, Los Angeles. New board takes over at April convention.

C. E. Hooper Inc. has sold its national network TV and national radio and Pacific network radio "Program Hooperatings" to competitor A. C. Nielsen Co. for reported \$600,000. Nielsen will replace coincidental method used by Hooper in 36 cities with audimeter method. Hooper will continue to offer TV and radio ratings in individual cities, along with other services such as area coverage index, sales impact ratings, etc.

Excerpt from article on "Harry Truman—The Man" by Edward Lamb, owner of WTVN, Columbus, and WICU, Erie, as published in his *Erie Dispatch* Feb. 26, following his recent interview with the President: "A large DuMont television set is placed next to the President's desk. He is a real TV fan, and I suspect that he occasionally gets in a bit of afternoon watching or relaxation when appointments ease up. He told me that in the remodeled White House they would have a video set 'in practically every room.'"

Manufacturers are the villains holding back color, concludes 18-page report by Television Research Institute, 207 E. 43rd St., New York (John Eckstein, director). Surprisingly, CBS is distributing report, which is valiant attempt to get familiar with unfamiliar subject, contains most obvious errors, shows lots of researching but little reporting.

Matter of diathermy interference to TV came up during color hearing. In corridor banter, during recess, Bell Labs' veteran TV engineer Axel Jensen ventured solution to be called "Jensen's Law": "Every doctor using diathermy must have a wife using a television set." This law, he guessed, would be more fundamental than mere science.

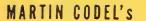
Our newest Directory of Attorneys Practicing Before the Federal Communications Commission is sent to all full-service subscribers herewith as Supplement No. 11-C, replacing No. 11-B. List is compiled from FCC bar register, membership of FCC Bar Assn, etc. It is necessarily limited to those handling broadcasting and related cases frequently and regularly. Names, addresses, phone numbers have been checked with the principals. Extra copies are available to subscribers at \$2 each; in quantities of 10 or more, \$1 each.

Telecasting Notes: Baltimore's WMAR-TV claims it has surpassed all Baltimore AMs in evening Hooperatings (first such claim yet), citing 20.2% of total radio-TV audience 6-10:30 daily thru Dec.-Jan.; city's 3 TV stations shown to rate 46.1% of evening radio-TV audience ... NBC flagship WBNT, New York, adds 2 daytime hours as of May 15, probably 10:30 a.m.-12:30 p.m., including Kathi Norris show . . . Pittsburgh still only big league baseball city not permitting TV next season again, though will radio . . . KPHO-TV, Phoenix, appoints Petry as national rep . . . Motorola returning to TV advertising soon, upping newspaper-magazine as well as radio budget 25%.

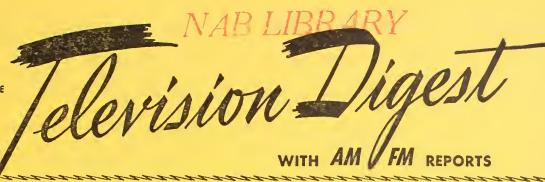
Network Accounts: Second 2½-hour Saturday Night Revue (Vol. 6:7-8) on NBC-TV 8-10:30, March 4, has United Fruit, Swift and RCA Victor as participants; NBC pushing hard to get more sponsors signed... Canada Dry expands ABC-TV lineup for Super-Circus to 21 stations, Sun. 5-5:30; International Shoe Co. and M&M Candy Co. taking alternate weeks of second half, 5:30-6... Toni takes Wed. 9-9:30 alternate weeks on CBS-TV as of April 5, so Abe Burrows Almanac, sustainer, will occupy other alternate periods... Crosley drops This Is Show Business on CBS-TV as of March 26; it continues sustaining.

Station Accounts: Philadelphia's WCAU-TV premiered The Robin Chandler Show March 1, with John Wanamaker Store sponsoring New York fashion editor discussing decorating, sewing, cooking, infant care, marital problems, health, budgets, etc.; Wed. 12:30-1 p.m. show is also piped to WOIC, Washington, sponsored there by Woodward & Lothrop dept. store. Participating spots have been sold to Literary Guild, GE and Morgan-Jones Inc. (rugs, towels, spreads, etc.), and plan is to put it on CBS-TV later . . . Larus & Bros. (Edgeworth tobacco) reported readying April TV spot campaign, thru Warwick & Legler . . . Bunte Bros. (candy) sponsoring Cactus Jim on WNBQ, Chicago, 5-5:30, with westerns . . . Packard-Bell Co. (TVs & radios) sponsoring 12 U. S.-Mexico polo matches on KNBH, Los Angeles . . . Among TV spot accounts currently reported on or contemplating use of TV are Cat's Paw Rubber Co., thru S. A. Levyne Co.; Velvet Peanut Products Inc. (peanut butter), thru Simon-Michelson; O-Cel-O Inc. (cellulose cleaning aids), thru Comstock, Duffes & Co., Buffalo; Celanese Corp. of America, thru Ellington & Co.; Skippy Peanut Butter, thru Bascom & Bonfigli, San Francisco; Wander Co. (Ovaltine), thru Grant Adv.; S. J. Wegman Co. (Slendaline girdles), thru Gordon & Rudwick; Carrier Corp., thru N. W. Ayer; Buckeye Potato Chip Co., thru Byer & Bowman, Columbus; Dulane Inc. (Fryryte appliances), thru Ruthrauff & Ryan; General Panel Corp. of California (home builder), thru R. T. O'Connell Co., New York, and Lockwood-Shackelford Co., Los Angeles.

"Get Started in Television Now," urges leading TV rep firm, The Katz Agency, in brochure *Here's Television* just issued—giving capsule data on markets, sets in use, impact, case histories. Copies available on request from New York office, 500 Fifth Ave.



AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING ARTS AND INDUSTRY



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March 11, 1950

TIZZY OVER UNFOUNDED COLOR 'DOPE': Tenseness of industry over color issue was well illustrated by way rumor ricocheted from company to company, all across the country, after Friday's Radio Daily carried gossip that FCC would authorize "multiple standards" in few weeks, lift freeze immediately.

Actually, situation remains exactly as we reported last week (Vol. 6:9): Individual commissioners are exploring all possible color decisions, looking for best one, and freeze can't possibly be lifted before fall or winter.

We checked again with all 5 commissioners in town, found they still haven't even met to discuss matter. Chairman Coy finally got fed up with inquiries, asserted: "We aren't replying to mere rumors."

Quotes from other commissioners: "Pipe dream." "Not an iota of truth."
"They must know more than we do." But Jones said "no comment"; he's believed sold on idea. Hennock and Hyde were out of town.

Status of FCC's topside thinking may be indicated by Coy in his speech March 14 at Oklahoma U radio conference.

Our guess about whole affair, started by questions from Comrs. Coy, Hennock and Jones during last week's hearing, is that they're trying to encourage widest possible industry thinking about solutions -- certainly haven't settled on any particular system or "multiple standards."

But some industry people suspected story was "plant," linked it with CBS president Stanton's call on President Truman Thursday, came up with dark suspicions.

PLUMMER NEW FCC CHIEF ENGINEER: Young (37) and younger-looking, FCC's TV and high frequency expert Curtis B. (Curt) Plummer was named chief engineer Friday -- filling vacancy left when George Sterling became commissioner in January 1948. At same time FCC picked assistant general counsel Harold Cohen as chief of Common Carrier Bureau, first move toward new functional organization (Vol. 5:52) which becomes effective April 3. Promoted to chief hearing examiner was J. Fred Johnson. Acting chief engineer John A. Willoughby reverts to assistant chief engineer.

Choice is welcome one, not only because post needed filling (see Open Letter to FCC, Vol. 6:6) but because <u>Plummer is capable</u>, popular, deserving. <u>He's noted for photographic mind</u>, is native of Maine (as is Sterling), married, has year-old son, is 1935 graduate of U of Maine. After working with New England stations and Radio Receptor Co., he joined FCC in 1940, has been its <u>TV chief since 1945</u>, has participated in international high frequency conferences in Atlantic City in 1947, Geneva 1948, Mexico City 1949.

New Broadcasting, Safety & Special Services, Field Engineering & Monitoring bureaus will be set up soon. Planned vertical organization means separate legal, engineering and accounting personnel will be assigned to each of the 4 bureaus, doing away with separate law, engineering, accounting bureaus. Affirmed in new posts (with same titles) were Benedict P. Cottone, general counsel; William J. Norfleet, chief accountant; William K. Holl, executive officer -- all of whom with Plummer report direct to Commission as staff consultants. They no longer will have operating responsibilities -- although they'll continue with present functions until other 3 bureaus are established.

TESTS START IN LOUISVILLE & LANSING: Louisville Courier-Journal's WHAS-TV, 9.6-kw visual on Channel 9, began testing Friday afternoon (March 10) -- and is now definitely set to begin scheduled operations Monday, March 20. It thus becomes No. 102 on the TV roster, giving city its second outlet. It joins CBS-TV as primary though non-interconnected affiliate, WAVE-TV remaining NBC-TV. Coaxial interconnection is promised next October.

WHAS-TV base rate will be \$250; it will run test patterns and Multiscopes daily 1-5:30 p.m., plans daily program schedule, 5:30-11 p.m. with frequent live shows from 42x64-ft and 30x50-ft studios in big new newspaper-radio building. With GE installation, including 12-bay antenna, it wants to hike its power after freeze to 55.5-kw visual, has applied to FCC for increases.

WJIM-TV, Lansing, Mich., began Channel 6 equipment tests Thursday (March 9) with full 19-kw visual power -- but as yet unannounced are starting and interconnection dates (Vol. 6:3,9).

No. 103 station definitely will be now-testing WTAR-TV, Norfolk, Channel 4, opening April 2. Its AT&T microwave relays from Richmond (Vol. 6:9) will be ready by then, with Philco 6000-mc equipment, and towers at Mt. Pleasant, 18 mi. from Richmond; Newton School, 27.7 mi. from Mt. Pleasant; Longview, 22.2 mi. Good reception of tests is reported from Petersburg, 70 mi.; Lawrenceville, Va., 86 mi.; Wilson, N.C., 100 mi.; Ocean City, Md., 125 mi.

FCC this week extended CP of WSM-TV, Nashville, until Sept. 1; station has indicated it expects to be ready by then.

THE COMMERCIAL FOLK TALK TV OVER: Commercial impact of nation's 5,000,000 or more TV sets in use (currently being increased nearly 500,000 monthly) couldn't be missed during March 6-8 second annual conference of Chicago Television Conference -- attended mainly by management, advertising and production executives. And with concentration of sets in relatively few markets ("isolation of the battlefield," one speaker termed it), talk was more about "results," less about "experimentation" and "preempting of time."

TV station operators in the black, such as Toledo's WSPD-TV (E. Y. Flanigan) and Grand Rapids' WLAV-TV (Leonard Versluis) were rather matter-of-fact about it -- as if to say: "Who ever doubted we'd make it?"

"You get circulation in big, sizeable chunks that require no justification," asserted Harry Bannister, WWJ-TV, Detroit, who put characteristic zing into flock of statistics: 58% of population lives in the 58 TV areas, where 2/3 of nation's retail business goes on. TV families own homes, cars, phones, etc. in much larger percentages than do non-TV families. TV families are larger than non-TV, average 2 hours viewing daily.

TV impact on AM will be more and more in news, if Chicago talk is criterion.

Robert Swezey, mgr. of New Orleans' WDSU-TV, admitted: "We're going to be hurt in radio before long," cited example of dept. store cutting out radio after notable TV successes. Said heavy AM user L. E. Waddington, Miles Laboratories (Alka-Seltzer, etc.), not yet impressed with TV's coverage: "With our rigidly-allocated budget, giving us extensive radio coverage now, we'd be able to spend more in TV if AM rates were cut to degree that TV has taken away audience." AM salesmen groaned at that.

Neither condescending nor paternal towards TV, panel of admen discussed TV in cold sales terms. Some have been impressed, some disappointed, others still await conclusions. A. L. Johnson, of big, conservative International Shoe Co., reported that premium offers on TV ('Howdy Doody', et al) had pulled 2,000,000 kids into firm's outlets, but that he won't know for some time whether TV expenditures paid off. Budd Gore, Marshall Field, was quite pleased with local 'Uncle Mistletoe' kid show, pointed out profits in "side rights" such as picture books, toys, etc.

Spot commercials seemed to trouble both advertisers and station men. <u>Kraft</u> Foods' J. B. McLaughlin complained:

"We've spent literally millions of dollars to make our one-hour 'Kraft Theatre' good entertainment. But how do you think we feel when we see somebody come along and take advantage of the audience we built? Often, because of his greatly

Heavily-documented TV success stories will soon be tossed at hesitant advertisers, NBC's Hugh Beville and Northwestern U's Dr. Charles Allen revealed during research panel discussion at Chicago Television Conference. In a few weeks, NBC expects to release survey, done in collaboration with Hofstra College, showing how produucts sold among 800 New York TV families compared with sales among 800 non-TV. Dr. Allen, consultant to Chicago TV Council, plans to publish vital statistics on 40 successful Chicago programs in about 6 weeks. Curiously enough, he said, he's learning that high ratings aren't always first criterion for success, that some advertisers swear by programs with "zero-point-zero" Hoopers. Discussion also revolved around these suggestions for improved research: (1) Ratings to be made every 3 weeks, perhaps, instead of monthly, thus giving quicker report on bi-weekly shows. (2) Researchers "should research their research" to detect shortcomings in techniques. (3) Close check of viewing among non-TV owners.

AT&T has spent \$38,000,000 on TV network facilities, now serving 26 cities via 9000 channel-miles. By end of 1950, total will be \$60-70,000,000 outlay to serve 40 cities via 15,000 channel-miles. This information came out at FCC hearing this week on whether AT&T must connect with Western Union, as part of TV interconnection case resulting recently in FCC decision that phone company had to take signals from privately-owned relays (Vol. 5:37). Western Union told of plans for extension of present New York-Philadelphia-Washington relay to Pittsburgh, Boston, Chicago, St. Louis. Hearing resumes April 10. AT&T also asked FCC to reconsider decision on interconnection as applied to "inward service"; it doesn't think decision should apply where one TV station picks up another's signal off air, then wants to feed it to network through AT&T facilities.

Some new statistical conclusions about TV, as adduced by GE's electronics marketing chief Ernest Vogel: 28,000,000 sets in use in 24,600,000 homes by 1955 (3,600,000 with 2 sets); 404 telecasting stations added during 1951-54, making 513 in all; 146 new TV areas opened up by these 404 stations so that 71% of all U. S. families are served by 2 or more stations; sponsors spending \$1 billion annually on this "medium unequalled in the annals of advertising"—that sum coming mainly from increased national income, enlarged ad budgets, but "perhaps cutting into other media to a minor degree."

Phonevision was called "undemocratic," tending to establish a "caste" system in TV by permitting viewers to pay for exclusive viewing of quality telecasts, in letter to FCC from TV manufacturer John Meck asking it reject proposal that would "restrict the ownership and enjoyment of [TV] by all the people." In Chicago, Zenith's Bonfig told TV conference company would start 300-family tests "in some months."

Use of booster to increase uhf coverage is envisaged by Steinman stations in experimental TV application filed this week to modify KG2XAZ, Easton, Pa. Plan is to move station to Allentown, using 542-548 mc, 4 kw visual radiated power, with directional boester near Easton to pick up and retransmit same signals on same frequencies. Tests have shown Easton cannot be covered properly from uhf transmitter at Allentown.

DuMont has new film projector with fast pull-down mechanism, enabling it to be used with IO camera chain. It also can be used for rear-screen projection to permit outdoor shots to be simulated in studio. Universal model sells for \$2985; heavy duty model, \$4860.

Telecasting Notes: Los Angeles' KFI-TV, after year of daytime-only operation (Vol. 5:14, 17), resumes nighttime operation as of April 1, with Class A rates of \$300 hour, \$52.50 minute spot, \$60 participations; daytime rates remain \$210, \$35 & \$40 . . . April 1 rate raise to \$2000 for Class A hour by WABD puts all 4 New York network keys on same level; WNBT went to \$2000 Jan. 16, WJZ-TV Feb. 1, WCBS-TV Feb. 15 . . . Dick Richards' stations hearing, on alleged mis-use of facilities, starts Mon., March 13, in Los Angeles Postoffice Bldg., before FCC Examiner J. Fred Johnson; Hugh Fulton is Richards new trial counsel . . . CBS president Stanton's and business v.p. James Seward's visits to Hollywood last week aroused speculation there that it's looking over available movie lots for new TV production studios of own . . . Los Angeles KTTV, owned 49% by CBS, controlled by Los Angeles Times, moving entire operations to Nassour studios at 5746 Sunset Blvd., which press statement says "presages an amalgamation between the television and the motion picture industries [with] KTTV planning to produce [own movies] for TV release" . . . NBC-TV has leased 3 floors (76,000 sq. ft.) at 517 W. 56th St., New York, for carpentry and paint shops, wardrobe, furniture, scenery storage, etc. . . . WJIM & WJIM-TV, Lansing, Mich., now testing, have appointed H-R Representatives Inc., new Frank Headley firm (Vol. 6:7), as national rep.

Comic book reading gives way to TV if survey of 7 to 11-year-old group of high IQ youngsters attending New York Hunter College Elementary School is any criterion. Of 375 questioned, 168 chose TV as favorite pasttime, 135 chose books—with movies, radio and comics following. Switch to video was thus summed up by one: "TV gives you stories like a book, pictures like movies, voices like radio and adventure like a comic." Approved methods of reducing viewing time, if parents feel TV is cutting into other activities, are (1) rationing, (2) improving child's choice, (3) subtle suggestions on the joys of "good reading."

Teen-agers view TV almost as many hours as they attend school, according to survey of 447 pupils (11-15 years) at Burdick Jr. High School, Stamford, Conn. Viewing among 223 who said they had TV at home totaled 27 hours a week (3.85 hours a day) compared with 27 hours 55 minutes of school schedules. Other answers: (1) 186 said they listened to radio much less or hardly ever after TV. (2) 150 said they go to movies less. (3) 186 said TV had increased their interest in outside events. (4) 197 said TV didn't interferred with completion of homework—although 126 said parents thought so. School intends to compare scholastic records of students with amount of time they spend viewing TV.

Editor Norman Cousins, of Saturday Review of Literature, who has been carrying on one-man (not much heeded) crusade against TV in his own paper, calls it "nation's No. 1 time-trap for children" in Feb. 17 Public & Education, published by National Education Assn. He blames TV for juvenile misconduct and delinquency, even more so than terror comics. He calls for "prodigious raising of [program] sights that takes into account the phenomenal rise in the national level of education and, in general, the increasing maturity of people."

Final morning session of NAB convention in Chicago's Stevens Hotel, April 12-19, is set aside for TV—and that's all. Engineering conference runs Wed.-Sat., April 12-15, and Management Conference, Mon.-Wed., April 17-19.

Station Accounts: Domestic Sewmachines sponsoring Adventures in Sewing on New York's WJZ-TV, 1:30-2, starting March 10; Sulzman Distributing Corp., New York, and Apollo Distributing Corp., Newark, placing thru Fuller & Smith & Ross, Cleveland . . . Case-Swayne Co., Santa Ana, Cal. (fruit packers) sponsoring The Jonathan Story, film serial by Will Lankergood Productions, Hollywood, on KFI-TV, Mon. thru Fri. 7:15-7:30; same station also to carry Angels baseball sponsored alternate days by Emerson distributor and Eastside Beer . . . Burry Biscuit Co. sponsoring Friendship Ranch on WNBT, New York, Thu. 6-6:15, thru Clements Co., Philadelphia . . . Kaiser-Frazer used New York TV stations this week, including hour show on WOR-TV, to introduce new models. Among sponsors reported using or preparing to use spot TV; Owens Karass Inc., Rochester (Sark card game), thru Hutchins Adv.; Larson Laboratories, Erie, Pa. (Mintglo adhesive balm), thru Yount Co., Erie; Stokely-Van Camp Co., thru Gardner Adv., St. Louis; Helene Curtis Industries Inc. (Suave hair dressing), thru Gordon Best Agency, Chicago; Durkee Famous Foods (margarine), thru Meldrum & Fewsmith; United Airlines, thru N. W. Ayer; Chrysler Dealers of Chicago, thru Olian Adv.

Network Accounts: Easter Sunday one-shot on NBC-TV, April 9, 5:30-7 p.m., sponsored by Frigidaire, will feature Bob Hope as m.c. of big-name variety show; he's reported getting paid \$40,000 . . . General Mills sponsoring Chicago Golden Gloves finals on 25 ABC-TV interconnected stations, Wed. March 29, 9:30-conclusion; via kine Sat., April 1, same time, on 6 non-connected stations ... Gillette to sponsor 3 basketball championships on 26 ABC-TV stations-NIT finals March 18; NCAA Eastern regional finals, March 25; East-West All-Star game, March 25-all starting 10 p.m. from Madison Square Garden . . . Blatz Beer renews Roller Derby on ABC-TV for 26 weeks from March 30 . . . New cooperative Jamboree, square dance program, keyed from WGN-TV, Chicago, due to go on DuMont Network, Sun. 8-9; Jay's Potato Chips Co. to sponsor in Chicago.

March 1 sets-in-use, reported by stations since NBC Research "census" of Feb. 1 (Vol. 6:8): Cleveland 176,-474, up 22,474 in month; Washington 109,360, up 8360; St. Louis 100,100, up 12,500; Kansas City 28,901, up 2000; Memphis 24,172, up 8272; Miami 20,000, up 3100; Omaha 17,720 as of March 3, up 3720; Greensboro 9557, up 757; Utica 9300, up 2100; Davenport 8325, up 725; Ames (Des Moines) 5611 as of March 8, up 4411; Norfolk 4192, up 2292. Note: Number of families for Charlotte should be 171,000, not 107,000 as listed in our Vol. 6:8.

"What will be the result of televising opera? Will it cut down opera performance?" Dr. Franklin Dunham, chief of radio, U. S. Office of Education, asks the questions, answers them himself: "No, it will only multiply its audience a hundred thousand fold. Will it kill efforts to give opera in other citics? No, it will only make the public more avid to see opera in the flesh, just as pictures have made travel more desirable and the great historic places of the world more interesting to millions."

England started TV some 10 years before we did, yet latest Postoffice count of TV receiver licenses shows 285, 500 (end of January)—fewer than we have in either New York, Chicago, Philadelphia or Los Angeles. United Kingdom has some 12,000,000 licensed radios.

President's Communications Policy Board (Vol. 6:7) held first meeting at FCC Friday, devoted most of its time to problems of organization and staff, heard representatives of govt. agencies. Next meeting April 20.

Personal Notes: In its "Look Applauds" section Feb. 28, Look Magazine pays tribute to Crosley's James D. Shouse as "rising new figure in U. S. industry" and "at 46 a man to watch" . . . Roger S. Underhill, ex-WICU, Erie, joins WJIM & WJIM-TV, Lansing, Mich. (now testing) as sales mgr. . . . William R. McAndrew, NBC's mgr. of WRC and WNBW, Washington, elected president of Radio Correspondents Assn. . . . Thomas D. Connolly new mgr. of CBS-TV program sales . . . Scott Donahue Jr., ex-WPIX, joins New York TV staff of The Katz Agency . . . Daniel F. Greenhouse, film man, named director of TV sales of KTTV, Los Angeles, under Frank G. King, sales mgr. . . . Clyde Rembert, KRLD & KRLD-TV, Dallas, is second TV operator (out of 9) elected to CBS Affiliate Advisory Board-other being Richard Borel. WBNS & WBNS-TV, Columbus. . . S. L. Spraggin, wartime plant supt., elected v.p. of Hoffman Radio in charge of plant operations; John A. Rankin, ex-Belmont and RCA License Labs, elected Hoffman engineering v.p. . . . Donald G. Gaines, ex-Hytron, RCA & Zenith, appointed Sentinel chief electrical engineer under W. J. Schnell, engineering director.

Draw your own conclusions from this carbon sent us of letter to Senator Johnson, dated Feb. 28, over signature of Gene O'Fallon, KFEL, Denver: "Last month, in Chicago, Frank F. Moch, president of TV Installation & Service Assn, at a TV meeting stated 90% of today's TV sets are of poorer quality than last year. Thought you might be interested." Carbon was also sent to Dr. Allen DuMont. In statement sent to Chicago TV Council, Dr. DuMont left little doubt he feels many AM broadcasters are trying to delay TV by confusion, intimated they've influenced Sen. Johnson ("It almost seems that his opposition is to television itself."). Regarding color, said DuMont: "By virtue of its incompatibility, the Columbia system would cause absolute turmoil from a broadcasting, manufacturing, sales and reception standpoint. The RCA and CTI systems, by virtue of their compatibility, have promise for future development. They are not ready now in my opinion."

Motion picture theatre attendance problem got closer attention this week as result of (1) Audience Research (Gallup) report showing January attendance down to 64,600,000, or 4% off 67,100,000 for January 1949 (see also Vol. 6:5); (2) report 20th Century National houses played to 10,000,000 less patrons in 1949 than 1948; (c) Wometco Florida chain's report its downtown theatres' business dropped 27% in 1949 under 1948.

Canadian RMA reports 9000 TV sets turned out by 12 manufacturers during 1949, having retail value of \$3,418,500. Target for first quarter of 1950 is 6000. Canada has relaxed ban on radio imports to permit 50% quota, but Canadian manufacturers believe most imports will be parts, not sets.

TV sets owned by families on relief have to be rereturned, Long Island Comr. of Public Welfare Wallace ordered this week. He told 4 families to return their sets, cut relief payments of woman who refused.

Four New York FM grants were made this week—to WINS, WHOM, WEVD and Brooklyn Dodgers—after long stymie due to revision of FM standards. Betting is that most won't build.

Spring schedule of CBS color medical demonstrations: March 26-29, St. Louis; April 17-21, Boston; May 1-3, Ft. Worth; June 26-30, San Francisco.

Largest feasible-size tube would be one giving picture 4x5-ft., Dr. Allen B. DuMont told reporters at IRE press conference this week.

lowered time costs, the spot buyer is able to spend more money on dramatic commercials than we can. He really gets greater impact on our audiences than we do. But if we go into spots, who's going to pay for the entertainment?"

Unexcited about advent of coaxial, due in October, F. Van Konynenberg, WTCN-TV, Minneapolis, pointed out consequent necessary reduction in number of spots. His answer will be increases in spot rates. Incidentally, he warned stations against too heavy dependence on sports, advising them to build programs completely under own control. But little WTTV, Bloomington, Ind., would really be up the creek, currently, without basketball, implied station's sales mgr. Robert Lemon.

\* \* \* \*

Chicagoans' fierce pride in their TV activities, their network originations, their tricks with modest budgets, was evident throughout sessions. Chairman George Harvey, WGN-TV sales chief, was pleased by intense interest in affair, said it offered sort of foregathering of sponsor-agency-station-network people that neither NAB nor TBA provides yet. Registration was about 275, attendance at sessions erratic -- ranging from 25 to 250.

THE CASE FOR FILM vs. LIVE TV: Clearest pitch for films in TV programming we've ever heard came from Russ Johnston, v.p. Jerry Fairbanks Films, ex-NBC film chief, during this week's Chicago Television Conference. It's story of radio's "electrical transcriptions," now firmly entrenched, all over again -- but a game played with bluer chips. Johnston cited these advantages:

- (1) Elimination of cable costs. He estimated AM line charges now about \$4,000,000 yearly for 150-station network. For same-size TV hookup, 8 hours daily, he figured cost \$25-30,000,000.
- (2) Mass production advantages, allowing re-use of film. He pointed out that Fairbanks had bought 52 Grant-Realm (Lucky Strike) films used on network when only some 1,000,000 sets were in use; now there are more than 5,000,000 TV families.
  - (3) Flexibility. Choice of markets without network limitations.
- (4) <u>Talent availability</u>. Shooting can be scheduled when desired. Name stars, getting older, fear "merciless" TV camera but trust films that permit retakes.
- (5) Film costs coming down. "Multicam" technique (featured in March 6 Time Magazine) "permits us to shoot half-hour show in half hour, if necessary." Method is that of using several cameras simultaneously, getting angles, long shots, etc. all at once. So impressed were International Silver Co.'s Silver Theatre producers, they've switched from live to film. And Johnston said many big agencies are seriously interested. Biggest problem is Petrillo, who allows music on kines but not on film shot direct -- on principle that kines are one-shot, films available for re-use.

Listing improvements needed in film telecasts, Johnston was particularly griped about poor techniques at transmission end. Iconoscope tube is inadequate, he said, recommending research comparable to that done on image orthicon for live pickups. Projectors are generally poor, he added, are apparently afterthoughts. Sound is bad -- but he didn't blame stations, ventured film makers would probably have to go to magnetic sound-tracks to take advantage of TV's FM sound.

Flying-spot scanner shows promise, in Johnson's opinion, and he's ready to shoot film at TV's 30-frame rate (instead of movies' 24) when warranted.

**COLOR SIMMERS DURING HEARING HIATUS:** Recess of color hearing until March 15, when Dr. Peter Goldmark is due to resume for CBS, doesn't mean color is out of the news (see p. 1) -- though it's true nothing hot has developed. Here's summary of current activity on all fronts:

(1) CTI regained much of its confidence after demonstrating again for FCC Friday. After showing to Comrs. Jones, Sterling, Walker and some 30 staffers, president Arthur Matthews said:

"We're now approximating what we can really do. Brightness, registration, resolution, fidelity -- all are good." One commissioner said he was "very pleased" with improvement, noted "color fidelity is surprisingly good" and that there was no fringing. But, he said: "They still have a problem on scanning methods." CTI still

uses vertical shift, doesn't plan to try horizontal, claimed to be much better, because of scant facilities here. Press and public will see system again next week, at showings ll a.m. daily.

(2) Evaluation of all systems, by Bell Labs' Axel Jensen during IRE symposium, showed CBS system capable of 55% of monochrome's resolution, CTI's 66 2/3%, RCA's somewhere between 66 2/3% and 100% -- latter impossible to pin down mathematically because of difficulty in weighing contribution of "mixed-highs." But, as moderator Donald Fink later pointed out, FCC's decision isn't likely to be based solely on resolution or even purely engineering factors; it will also weigh social, economic impact, etc.

Coaxial's present limitations shouldn't influence FCC's decision, asserted Jensen. He said that <u>if wider bandpass is needed</u>, AT&T will have it by time color is ready for it.

Controversy really excited engineers, who turned out 2000-strong to hear panel members Goldmark of CBS, Lippincott of CTI, Engstrom of RCA, Goldsmith of Du-Mont, Smith of Philco, Judd of Bureau of Standards. (Suggestion from floor that TV be started anew in uhf with room for broad-band color and monochrome got huge hand from audience, startled panel and visiting Comrs. Hennock, Sterling, Webster.)

(3) <u>Senator Johnson doesn't want to wait</u>, apparently, long enough even to hear from his own Condon Committee, let alone conclusion of FCC hearings. Here are excerpts from his <u>statement sent to Chicago Television Council</u> which had panel discussion Tuesday on "Color Now or Later":

"I hope the manufacturers, the producers of programs, and most important of all, the advertisers who use this great medium, will not allow themselves to be too greatly persuaded by the more pessimistic views of the timid...

"Color television is a commercial reality today...

"Programwise, it isn't going to cost a nickel more to produce color..."

[Foregoing quotes are salient excerpts -- but not separated from context, as Sen. Johnson so frequently charges newsmen with doing when they don't print his statements in full. We'll send you full text, if you wish it.]

Will advertisers buy color? Panel member Hugh Davis, executive v.p. of Foote, Cone & Belding, said: "The answer now is 'No.' I've got enough trouble getting them to pay for black-and-white. When color is here, some advertisers will want color, but I don't think they'll pay a great deal more for it."

[Our own address to group is reprinted herewith as Special Report.]

- (4) FCC told Celomat Corp. (magnifier maker) to come on into color hearing, said it rated appearance because it offered cost figures on CBS color converter. Company had said it could build it to sell for \$9.95 (Vol. 6:8). At same time, FCC turned down Wells-Gardner and Communications Measurements Labs (Vol. 6:8), saying they had nothing to offer on specific issues Commission raised. Packard-Bell also asked to get in, stating that big companies could weather drop in set sales due to hasty color decision whereas smaller outfits couldn't. It also asked for compatible system, freeze lifting. Chances are it will also get cold FCC shoulder.
- (5) RCA has delivered 2 color receivers (10-in.) to FCC, which turned them over to Jones and Sterling, is sending more (though some commissioners feel they're getting crowded out of their homes by so many sets). Nothing new out of RCA on tri-color tube, though it bought option to sub-license Geer tube (Vol. 5:42,45) when Technicolor bought patents from Dr. Geer this week. Money involved wasn't released, though Technicolor said it will spend \$500,000 on developmental program, including research at Stanford Research Institute and USC. It's understood Dr. Geer came out of arrangement nicely, is also retained as consultant. Said one in the know: "I used to feel sorry for him; I don't any more."

Though RCA says it isn't using Geer's principles in its tri-color tubes, to be shown later this month, it apparently saw features it wants to be protected on, will join Stanford research.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
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COLOR & OFF-COLOR—COY SPEAKS MIND: FCC chairman Coy's comments on color, during his U of Oklahoma speech Tuesday, do so much to show status of his thinking (and that of FCC majority, we believe) that we're reprinting excerpts as Special Report herewith. But don't try to read too much between lines, because this seems obvious:

Coy still hasn't made his decision, nor have his colleagues who haven't even met yet to discuss decision -- this despite rumors and false reports (Vol. 6:10). He's weighing every possible solution, wants everyone to know what he believes basic problems to be, wants reactions to them.

Particularly interesting are his descriptions of CBS and RCA systems, his comment on tri-color tube, his repetition of "built-in" adapter question, i.e., whether manufacturers would build it into sets henceforth and thus start making CBS system compatible (Vol. 6:9) in order to give more time ("perhaps a year or more") for further experimentation and a later decision.

\* \* \* \*

There was much more than "color" in Coy's address (full text available from FCC information dept.), and what got biggest play in press was his warning to broadcasters-telecasters that they'd better clean up "livery stable humor" or Congress might do it for them. He quoted excerpts from letters FCC and Congressmen have received, decrying "risque, ribald, raffish sort of thing we have been getting" as well as crime and horror programs aimed at juvenile audiences. He said:

"When a comedian gets so big that his network can no longer handle him, then we have a case of the tail wagging the dog. The boy who used to express himself with chalk on a wall is now provided with a TV screen. The world has moved from the horse and buggy days to the electronic age, but this type of comedian is still peddling livery stable humor. The radio and TV carry him straight into the home without having taken the precaution to see that he is house-broken. Propriety is sacrificed for profits. The result is off-color TV -- tainted TV."

Everyone seems to think he has a particular comic in mind, but Coy won't name names. Good guess is "composite" of Godfrey and Berle.

FILM FOLK GETTING PLENTY WORRIED: You can be sure the movie moguls are plenty worried about TV when Spyros Skouras tells 20th Century-Fox Showmanship Conference in Chicago last week: "We are in a fight for survival." Main theme of his key address was TV's impact on movies. He called on exhibitors "to act together and work feverishly and fanatically for large-screen TV for theatres." Theatre owners were fed this bad news, too, by National Theatre chain's Charles Skouras: In TV areas, movie attendance is down 40%; in non-TV areas, it's down only 12%.

Obverse of pessimism was "use-TV-to-fight-TV" attitude expressed by TOA president Sam Pinanski and Paramount's Leonard Goldenson. Former said he was going to buy all TV time he could "to tell them [viewers] to forget the junk they're seeing and come over to a real show." Latter called TV "greatest medium of selling the world has yet devised...Let's not be ostriches, let's go use it." On another front, Screen Actors Guild called TV both threat and promise to actors; board report to membership states it's one of principal reasons for Hollywood unemployment but sees it eventually providing lucrative employment for actors.

REPORTS ON STATUS OF NEW STATIONS: <u>Louisville's WHAS-TV</u> found after sporadic tests that it <u>needs more time</u> for technical shakedowns, accordingly postponed scheduled March 20 <u>opening to March 27</u>. Meanwhile, test patterns and Multiscope, with occasional programs, will continue 9 a.m.-9 p.m. daily except Sunday. Manager Victor Sholis says March 27 opening is definite.

Courier-Journal's WHAS-TV will be 102nd station on air, will be followed April 2 by Norfolk Virginian-Pilot and Ledger Dispatch's WTAR-TV (Vol. 6:3,9,10) -- and that will leave only 6 CPs outstanding (see TV Addenda 10-J herewith). It also means 37 newspaper-owned TV stations, for Dallas News this week completed purchase of KBTV (Vol. 6:4) with FCC approval, soon will change call to WFAA-TV. And it means 81 TV outlets owned in common with local AM outlets.

From Lansing comes word that now-testing WJIM-TV (Vol. 6:3,9) is being seen and heard in Saginaw, Flint, Bay City, Jackson, Kalamazoo, Battle Creek, Grand Rapids -- and its enthusiastic owner Harold Gross wires it will "cover one of the largest areas in the country." Formal debut date hasn't been set yet. Norfolk similarly reports excellent test results, huge local interest in area's first station, stimulated by big TV exhibit, 56-page special newspaper section.

Report from Iowa State College's new WOI-TV, Ames (Vol. 6:7) claims 5600 TVs in area 3 weeks after it started Feb. 21, college survey of listeners Feb. 28 showing reception "good" among 80% of interviewees within 88-mi. radius. Des Moines Electric League secretary George Hoover claims central Iowa sales greater than those in Iowa's other TV areas -- Davenport and Omaha -- as of comparable date. Public demand is so great that distributors are clamoring for sets from Eastern suppliers. These brands are most in evidence: Admiral, Arvin, DuMont, Emerson, GE, Motorola, Philco, Raytheon, RCA, Stromberg-Carlson, Westinghouse, Zenith.

LAST-LAP SPURTS IN COLOR CONTEST: Hopes for early end of color hearing grew this week as weary participants waded through 3 more days of testimony. Direct testimony should end next week. Participants have asked for aggregate of only 30 hours of cross-examination. Rebuttal testimony shouldn't take too long. Imponderables are time needed for questions by Commission and expected additional demonstrations.

Good guess now is mid-April for windup. Thereafter, there's no estimating when FCC will render color decision -- but it's obviously not inclined to delay freeze hearings a minute longer than necessary. Biggest developments of this week:

- (1) CTI's decided improvement, despite its well-justified plaint that it's still "working out of a suitcase."
- (2) CBS's announcement it has achieved doubled horizontal resolution by use of sampling and horizontal interlace techniques.

CTI was elated over its pictures, asserted it can do even better, wants to prove it to FCC with demonstrations in own San Francisco bailiwick. Pictures were much brighter, fairly well registered, had excellent color fidelity -- impressed expert and lay observers alike. On debit side, line structure appeared quite coarse, resolution rather low, "boiling" or "jittering" distracting.

Admitting some shortcomings, CTI president Arthur Matthews said confidently that horizontal shift or double shift scanning technique would clean them up. His attitude on "multiple standards" (Vol. 6:10): "I really don't know what to think."

Senator Johnson attended press showing Monday, then stated to reporters: "No one can discount CTI after this demonstration." Asked his current thinking on subject of multiple standards, he said: "As a last resort, it may be all right. I'd like to see a composite of all systems worked out. I know it's not as simple as that. But I'd like to see standards allowing progress and improvement. I know that when I talk about broad general standards I'm indulging in a little doubletalk.

"CBS is farther advanced than the others. It's the older system. It could give good service. With respect to its potential, I wouldn't want to commit myself."

He met with full Condon Committee last week; presumably, it's gearing for report.

CBS's Dr. Goldmark popped his development Wednesday, said he just got it to

work satisfactorily, in laboratory, Monday night. Still insisting CBS system's resolution is good enough now, better than RCA's or CTI's in fact, he offered new technique as answer to criticisms about low CBS resolution. Dr. Goldmark testified development requires about 6 more tubes in receiver.

There's little question technique will work for CBS, apparently; in fact, many have wondered why CBS hasn't tried it before. Up to now, CBS has been reluctant to imply that its system could stand improvement.

RCA seized upon announcement, and Dr. Jolliffe issued statement: "At last CBS has admitted weakness...CBS now states it will adopt the principles of 'sampling' and 'horizontal interlace' developed by RCA for its all-electronic system. Despite this latest move, however, the CBS system will still lack compatibility... The flaws of color breakup and flicker still remain in the altered CBS system."

CBS burned up at that, shot back: "The RCA statement is sheer effrontery, a gross distortion," added that CBS system has proved to be highly satisfactory, that RCA's is "unadoptable."

Compatibility remains principal issue, assuming CBS can use new "resolution-doubling" technique and tri-color tube.

How about CTI? Can it use sampling and horizontal interlace? Engineers shrug shoulders, say "maybe." Will FCC hold off decision until it sees both CBS and CTI try it, field test it?

\* \* \* \*

Questions of networks to carry RCA system, which requires some 4 mc, compared with 2.7-mc limit of present coaxial, kept AT&T long lines chief engineer Frank Cowan on stand most of Friday. He testified that:

- (1) Following cities could get RCA color from New York, by radio relay, by fall: Boston, Providence, Philadelphia, Wilmington, Johnstown, Baltimore, Washington, Pittsburgh, Cleveland, Toledo, Detroit, Chicago, Milwaukee, Davenport, Des Moines, Ames, Omaha.
- (2) <u>Present coaxial will carry RCA color</u> when modified to handle 8 mc. New York-Philadelphia link will be tested with 8 mc next year. It would take about 2 years to adapt all coaxial "extensively" to 8 mc.
- (3) By Dec. 1, ten cities could be linked into two RCA-type color networks simultaneously.

He also estimated cost of expanding coaxial from 2.7 mc to 8 mc would add about 25% to AT&T's present \$25-30,000 per mile investment. Operating costs would be about 50% greater.

\* \* \* \*

Balance of testimony brought nothing exciting, though proponents made much over small points. Haggling over CBS's survey of public reaction to Washington demonstrations showed that research is as <u>fertile field for argument</u> as theology. FCC statistician H. H. Goldin testified that far more extensive survey would be needed to produce data on which to base engineering standards.

Philco's David Smith reiterated that no color system is ready yet, recommended CBS system be abandoned, revealed his company is also working on tri-color tube, saw no reason for delaying freeze hearing.

Good session is expected Wednesday, March 22, when hearing resumes in Commerce Dept. Auditorium. To tell how they would program and network color, CBS's Frank Stanton, NBC's Joseph McConnell and possibly CTI's Matthews are due on stand. It's expected FCC chairman Coy, absent all this week, will be back in chair. By next week, too, RCA may announce when it will demonstrate tri-color tube; it still says "before end of month."

FCC has asked Bell Labs' Axel Jensen to repeat his analysis of respective systems, given at IRE convention (Vol. 6:10), at hearing Thursday. His evaluation of CBS resolution should be interesting, in view of latest development.

Zenith's president E. F. McDonald won't tell who's going to supply pictures for his 3-month Chicago Phonevision trials (Vol. 6:6, 7, 8, 10). He did tell more than 150 movie executives who saw pay-as-you-sce demonstration in Hollywood March 13 that he had the 90 pictures on tap, that one major producer was cooperating but he wanted "a more representative selection." In discussion with moviemen, McDonald was supported by Cecil B. DeMille, who urged producers to help in tests. McDonald said pictures and producers would be disclosed week before Sept. 1 start of tests. Meanwhile, Phonevision got short shrift at 20th Century-Fox Showmanship Conference in Chicago this week. Century Circuit's Fred Schwartz didn't think there'd be big enough audience to make Phonevision pay, foresaw groups of 500 or more seeing films for single \$1 fee through use of big-screen receiver in clubhouse or recreation hall. He also expressed belief bootleg unscrambling devices would be made and sold cheaply. Century Circuit recently bought RCA theatre-TV installation for 2 of its 34 New York houses (Vol. 6:9).

Likely to spark off greater TV vs. AM controversy, latest New York City Hooperating reveals TV shows taking 9 out of first 15 places in combined TV-AM survey. They ranked in this order: Milton Berle (TV), Godfrey's Talent Scouts (TV), Toast of the Town (TV), Godfrey's Talent Scouts (AM), Radio Theatre (AM), Goldbergs (TV), My Friend Irma (AM), Bing Crosby (AM), Godfrey and Friends (TV), Studio Onc (TV), Jack Benny (AM), Philco Playhouse (TV), Walter Winchell (AM), Lights Out (TV), Suspense (TV).

Colorado's Senator Johnson takes on another industry—movics. He got big headlines this week with withering blasts on Senate floor against Bergman-Rossellini, even suggested licensing system for actors, producers, distributors (which has about as much chance as the proverbial snowball). Then, Thursday, he made public letter to FCC chairman Coy saying he had read Stromboli couple were planning to make TV movies (news to most of TV industry), asserting it would be "most unfortunate" if American TV industry "were to be unwise enough to deal with such immoral characters."

WCBS-TV will move antenna to Empire State Bldg., joining WNBT, WJZ-TV and WPIX (Vol. 6:6, 7). WABD is still seriously considering move. WOR-TV and WATV will have more pressure on them to move, too, since receiving antennas will generally be oriented to the building. WNBT and WJZ-TV are already installed; WPIX and WCBS-TV await construction of tower and antenna, latter still under design. Empire State's example has drawn attention of big building owners in other cities.

Contenders for \$25,000 general managership of NAB seem to be William B. Ryan, KFI & KFI-TV, Los Angeles; Robert Enoch, ex-KTOK, Oklahoma City; Frank Headley, ex-Headley-Reed, now H-R Representatives Inc.; Ted Cott, WNEW, New York; S. C. Vinsonhaler, KGHI, Little Rock, among others. Chairman Clair McCollough's committee charged with selection has met with President Miller several times, is expected to have name ready for board's approval at Chicago meeting next month.

Broadcast stations can't be sued for libel when uttered during a political speech. That's finding of Federal district Judge William H. Kirkpatrick March 15 in suit by Philadelphia attorney David H. Felix against Westinghouse station KYW, Philadelphia. Local GOP chairman had called Felix a Communist in speech attacking Democratic candidates last October (Felix was not a candidate). In effect, court upheld FCC's Port Huron decision last year—that stations can't censor political speeches, aren't liable to damage suits resulting from libel uttered in such speeches.

Personal Notes: Frank Mulien, ex-NBC executive v.p., nominated president of Radio Pioneers, succeeding NBC v.p. William S. Hedges; he takes over at annual banquet April 4 in Ritz Carlton, New York . . . Harrison M. Dunham, ex-asst. general counsel of Los Angeles Times, promoted from acting mgr. to mgr. of Times-CBS's KTTV . . . Joseph H. Copp appointed ABC audio facilities engineer, succeeding John D. Colvin, resigned to join Commercial Radio-Sound Corp. as chief engineer . . . Curtis C. Neilson promoted to asst. chief engineer of KSL & KSL-TV, Salt Lake City . . . Irwin Rosten, ex-Radio Daily, joins DuMont Network as administrative asst. . . . Harris S. White quits presidency of World Video Inc. to join CBS-TV March 27 as associate director of TV programs under Charles Underhill, director; Jerome Danzig continues under same title, Herbert Sanford is named asst. to director . . . Ben Strouse, WWDC-FM, Washington, elected to represent FM stations for 1-year term on NAB board; Frank Fletcher, WARL-FM, Arlington, Va., has 2-year term.

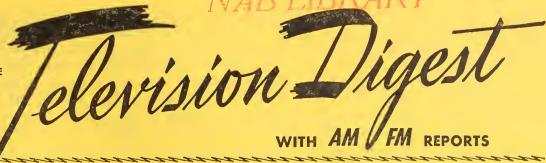
Network Accounts: Peter Paul Inc. (candy) sponsors Buck Rogers "live" on 19 ABC-TV stations starting April 15, Sat. 7-7:30 . . . Armstrong Cork Co. (flooring, building materials) on June 6 starts dramatic show on NBC-TV, Tue. 9:30-10, in addition to its AM network Armstrong Theatre of Today . . . Jules Montenier Inc. (Stopette deodorant) April 12 starts sponsoring What's My Line? on CBS-TV, John Daly m.c., alternate Wed. 9-9:30 . . . Mason Candy Bars on March 25 starts Kuda Bux, Hindu mystic, on CBS-TV, Sat. 7:15-7:30 . . . Lucky Strike picks up CBS-TV's This Is Show Business, now sponsored by Crosley, as of April 2, Sun. 7:30-8 . . . Camels switching CBS-TV Ed Wynn Show April 4 to Tue. 9-9:30-too much Sat. night competition from NBC-TV's Saturday Night Revue . . . Peters Shoe Co. and M&M Ltd. (candy) starting April 23 & 30 will alternately sponsor final half-hour of Super Circus on 14 ABC-TV stations, Sun. 5:30-6 . . . Campbell Soup reported planning TV entry in autumn, has asked agencies Ward Wheelock and Dancer-Fitzgerald-Sample to submit plans.

Station Accounts: Philadelphia's WPTZ begins 2-5 p.m. programming March 20 with 5 hours already sold-Gimbel dept. store, sponsoring Handy Man across-the-board 3:30-4 in addition to Fri. 15-min. show; Sylvan Seal Dairy, Hopalong Cassidy Fri. 4-5; plus Philadelphia Electric Co., Philco, RCA Victor, Supplee Dairy . . . Philadelphia Daily News, itself applicant for TV station, buys time on WPTZ to promote comic strips, features . . . Hotpoint Inc. sponsors Chicago Daily News Relays March 18 on WENR-TV, also on Milwaukee's WTMJ-TV . . . Boyle-Midway Inc. Div. of American Home Products Corp. buys 30 partic. weekly in WJZ-TV's daytime Market Melodies . . . Philip Morris sponsoring Dizzy Dean handling periods before and after 77 Yankee games on WABD, New York . . . Curtis Candy buys 25-min. on WOR-TV before Dodgers' games, Ehler's Coffee 15-min. after games. Among other sponsors reportcd using or preparing to use spot TV: Blumenthal Bros. (Goobers, Raisinets, confections), thru Lavenson Bureau of Adv., Philadelphia; Natural Foods Institute (Vitamix food mixer), thru Allied Adv., Cleveland; "42" Products Ltd. (shampoo), thru McNeill & McClcery, Los Angeles; Mother's Cakes & Cookies, thru Ralph Jewell Adv., Oakland, Cal.; Axel Bros., Columbia Diamond Rings Div., thru Bayard Adv. Service, N.Y.; Sinclair Refining Co. (new anti-rust gas), thru Morey, Humm & Johnstone; Nash Motors, thru Geyer, Newell & Ganger; Oldsmobile (films by Jerry Fairbanks), thru D. P. Brothers & Co., Detroit.

February spot TV users on 91 stations totaled 438 vs. 399 in January, according to *Rorabaugh Reports*. In February, 70 advertisers sponsored 90 network TV programs vs. 72 sponsors and 93 shows in January.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE OF THE VISUAL BROADCASTING ARTS AND INDUSTRY



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March 25, 1950

**5 ATOP EMPIRE STATE POINT TREND:** All TV stations in given city radiating from one tower -- thus making for <u>simpler receiving antennas</u> and better service to the public, let alone more <u>economical telecast operation</u> and reduced aero hazards. That's trend indicated by fact <u>5 keenly competitive</u> New York stations are now signed up to radiate from tower to rise some 200 ft. above 1255-ft. Empire State Bldg.

DuMont's WABD signed up this week, joining WNBT, WJZ-TV, WCBS-TV, WPIX. That leaves WOR-TV and Newark's WATV, who are exploring idea. WOR-TV likes present coverage from 750-ft. tower on Jersey Palisades, is naturally reluctant to abandon that \$250,000 investment. Yet it doesn't want to be left out in cold when servicemen install receiving antennas to simplest, most convenient orientation.

Empire State already has WNBT & WJZ-TV occupying pinnacle, and consultants Kear & Kennedy say there's little doubt 7 TVs, plus some uhf and FM, can be handled.

Joint transmission sites are expected to be commonplace when freeze ends. FCC rules stipulate no station can keep others from choice sites. In Los Angeles, all 7 stations are on Mt. Wilson though each has own tower. Rochester's WHAM-TV offered to share tower, pre-freeze, and Birmingham's WAFM-TV has plans to allow competitor to telecast jointly with it from its 6-bay batwing.

RADIO FACES UP TO TV IMPACT ON RATES: It begins to look like AM broadcasters, sooner than they wish, will have to face up to facts of TV's inroads -- via their rate cards. One significant change in broadcasting rate structure, avowedly forced by TV and possibly presaging trend toward revised rather than reduced radio rates, came this week when Philadelphia Inquirer's WFIL announced:

That its \$300 Class A rate will cover whole day from 9 a.m. to 10 p.m., and that \$200 Class B rate will apply to all other hours, effective April 1.

Thus, in effect, WFIL raises daytime rates, while holding night time rates. Based on BMB study, WFIL claimed increase over 1946 audience of 18.5% daytime and 16.1% night. Since it wasn't deemed propitious, in view of TV, to raise rates to account for this increased circulation, manager Roger Clipp (who also runs WFIL-TV) merely adjusted time classifications to give him greater returns from daytime hours.

Said Clipp: "We believe that within the next few years the drawing power of TV will affect the size of the nighttime radio audience to the point where a rate adjustment is indicated. We are doing today what we believe most of the industry will do tomorrow. [Radio's] position will remain unshaken in the morning and afternoon segments for years to come...[it] has undersold itself for years."

Alluding to reports that TV money is "new" money, and that there's enough business for both radio and TV, Clipp noted: "There is a grave possibility that the time will come, sooner or later, when something has to give." [Last winter, Clipp reported WFIL-TV operating at profit; Vol. 5:47. Earlier, he reported that TV was attracting some money away from own and competitors' radio accounts.]

WFIL's action was received with misgivings in New York's radio row, reported fearful he may have added fuel to sponsor demands for AM cuts in TV cities. What made faces even longer was indisputable fact that TV's ownership and expansion is largely being financed by AM profits.

Drum-beating for reduced radio rates in TV cities has gained in intensity in

recent weeks. At Chicago Television Conference, Miles Laboratories' L. E. Waddington asked that rates be cut (Vol. 6:10). Before last week's Chicago Radio Management Club, Kraft's John McLaughlin asked same thing -- said TV has captured 30% of night radio audience in TV cities, predicted it would have 50% by this year's end.

Adding to possible "chain reaction" are such surveys as Hooper's, showing 9 TV programs among top 15 (Vol. 6:11). Nor can the time buyers ignore such current promotion as Baltimore's WMAR-TV claim to having biggest night audience in city, AM or TV -- Hooper of 20.2 vs. next station's 19.7 (AM).

Quick to reject idea of cutting radio rates were spokesmen for broadcasters -- and you'll be hearing from more and more of them henceforth. CBS's William Gittinger told Cleveland Ad Club March 24 that radio is here to stay, that there's plenty of room for both radio and TV--and pointed to CBS's increased radio billings last year. Live-wire Advertising Age March 20 did roundup of sponsor, agency and network thinking on subject. Sponsor and agency men naturally would be for cuts, but significant was defense of status quo by some of them and by networks.

Lever's James A. Barnett said company's analysis hasn't convinced him that TV's impact on radio audiences was sufficient yet to warrant lower radio rates.

Kudner's J. H. S. Ellis said TV's cut into circulation was hard to evaluate, likened demand for cut radio rates to asking publisher to cut newspaper rates because he also publishes magazine. Radio and TV, said Ellis, are two different media sold through same people, used in some instances by same people.

CBS's Frank Stanton termed idea of lower radio rates "ridiculous," emphasized they haven't gone up since 1939 yet radio circulation has increased "by leaps and bounds." His thesis has always been that radio rates are extremely low in comparison with other media. "Advertisers are getting a real bonus," said he.

Radio men pointed out that radio homes have increased from 27,500,000 in 1939 to 40,800,000 in 1950.

Subject is bound to get more going over at convention of ANA in Hot Springs, March 29, when TV is subject of panel headed by <u>Procter & Gamble's A. N. Halverstadt</u> and including <u>CBS's Stanton</u>, <u>NBC's Trammell</u>, <u>pollster A. C. Nielson</u>. <u>AAAA meets</u> next day at White Sulphur Springs, with TV among subjects of discussion.

WORRIES OVER 'TELEVISION CHILDREN': TV's powerful pull on children is obvious to any parent within range of a signal. Recent surveys (Vol. 5:52; 6:9,10) give an idea of extent of impact. Here are more:

- (1) <u>In Stamford, Conn.</u> high school (Vol. 6:10), teachers correlated grades of students from TV and non-TV families, found that grades of former were some 15% lower, that younger children were much more affected than older.
- (2) <u>In Dayton, O.</u>, WHIO-TV covered 758 children in one grade school, found 271 had TV at home and averaged 4 hours daily in front of sets.
- (3) In Cleveland Heights, O., high school principal E. E. Morley surveyed 274 students, found 41% with TV; 86 youngsters said they thought TV interfered with school work. He's making second survey to compare grades of TV and non-TV students.
- (4) <u>In Ft. Worth, Tex.</u>, Star-Telegram's Ira Cain studied 144 junior and high school children, came up with surprising dissent from other surveys. Of students with TV at home, 60% had higher grades than last year, 40% had lower grades.

Such findings have stirred New York City's United Parents Assn, with some 100,000 members, into starting survey of its own; results are expected in 2-3 weeks.

Parents are concerned, naturally, but they've apparently forgotten anxiety experienced by their own parents, a generation back, when radio was the novelty. It must be conceded, however, that TV penetrates deeper and fascinates children at earlier, more impressionable age.

School surveys finally prompted editorial in New York Times, which said:
"Much of [surveys'] usefulness will be lost if their net effect is merely to promote
petty bickering over who is responsible for the lot of 'television children'...The
parent necessarily must exercise the final disciplinary authority...Television can
be enjoyed in healthy moderation in the same way as sports, movie-going or any other

Color Report March 25, 1950

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color conflict Pointing to CLIMAX: By fits and starts, color hearing lurched along this week, but hopes for end in April are still high. There's hiatus until April 3, however, while FCC attends to other business. Guesses as to actual decision date vary all over the calendar, but few expect it before late May or June. Some Commission people venture July.

Condon Committee report to Senator Johnson may well come before FCC decision. Dr. Condon says draft is now being prepared, and he hopes to see it completed in 4-6 weeks. Report will be made confidentially to Sen. Johnson, but the Senator has promised to make it public.

FCC got fairly close to heart of color matter this week when it:

- (1) Got first peek at RCA's tri-color tube.
- (2) Heard detailed arguments against "multiple standards."
- (3) Listened to specific color programming plans of CBS and NBC.

FCC reactions to tri-color tube were very favorable -- "extremely gratifying," as one commissioner put it. Thursday evening, Sen. Johnson and Comrs. Jones, Sterling, Webster, plus most top FCC staff, saw color program on a 1-gun and a 3-gun tube, housed in conventional 16-in. table cabinets.

Consensus was that somewhat better pictures are presented by tubes than by dichroic mirrors previously used. Registration was generally termed "very good," colors "fair to good," rendition of black-and-white subjects "quite good." Said Sen. Johnson: "I feel that I've been present at a very historic occasion."

Receivers are much simplified, having only 37 receiving tubes, compared with previous 64. Picture tube is somewhat longer than standard 16-in., gives equivalent of 14-in. picture at present state of development.

Technique wasn't described in detail, but it's said to be based on principles known for some years. Press showing is Wednesday, demonstration for hearing record Thursday.

Multiple standards concept was emphatically rejected by CBS president Frank Stanton. "At first glance," he said, "it seems to be a solution in the best American tradition of free competitive enterprise." But he foresaw this impact on public, telecasters, manufacturers:

- (1) <u>Consumer will be choosing programs</u> of particular stations when he buys set geared for particular system. That is, unless inexpensive set, good for everything, comes along -- an unlikely event. If multiple standards are permanent, consumer is likely to wait for reasonably-priced "universal" set. If they're temporary, leading to single standard, public will wait until that standard is chosen.
- (2) <u>Telecasters won't be eager</u>, under temporary multiple standards, to "gamble large sums in equipment and programs in the doubtful hope of creating an audience which may vanish in the event that another system wins out."
- (3) Manufacturers might sit back and do nothing, enjoy "heaven-sent opportunity" to ignore color, wait for single standard or universal receiver.

NBC president Joseph McConnell didn't speculate about what might happen under multiple standards, simply stated NBC didn't recommend them but didn't fear them. If they're adopted, he said, NBC would pursue exactly same course as if only RCA system were chosen.

Comr. Jones had rather startling news for Stanton, when latter spoke about unlikelihood of inexpensive universal receiver. Jones said he'd seen set that could get both RCA and CTI systems and that engineers had told him it could also be made

to get CBS system -- all in receiver no more complicated than RCA's. Stanton said he couldn't visualize such a set, popularly-priced.

Jones ventured no details about receiver, which Stanton called "this marvelous set." There's speculation that Bureau of Standards may have made it.

\* \* \* \*

CBS would transmit color at least 20 hours weekly, within 3 months after decision, if its system were adopted, Stanton testified. Within 2 years, virtually all CBS programs would be in color, he estimated, assuming everyone got behind system. He wouldn't commit himself to that schedule if another system were adopted, but said CBS would "cooperate wholeheartedly."

Initial 20 hours weekly were broken down to: 3 hours daily, 5 days weekly, before 6; ½ hour daily, 5 days weekly, between 6-8; ½ hour daily, 5 days weekly, after regular monochrome hours.

Stanton believed affiliates would jump at chance to "take the lead in color" and transmit large portion of above schedule; that sponsors would buy time at first for promotional value; that competition would encourage manufacturers to make color sets, color converters, 405-line black-and-white adapters, and to start building new black-and-white sets with built-in adapters.

FCC shouldn't try to force telecasters or manufacturers into color, he recommended, saying that action might "rub salt into such wounds as may exist." Comment was in response to query by Chairman Coy who asked how FCC could encourage color.

Stanton insisted color decision must come soon, or else great mass of monochrome sets will make switch to color impractical.

NBC's color schedule, said McConnell, based on assumption RCA system is approved, would be at least 12 hours weekly from Washington's WNBW, including "commercial as well as sustaining shows, in choice as well as at other hours." Color would be fed to New York via radio relay. In New York, WNBT would transmit at least 12 hours weekly as soon as equipment is installed, would expand to at least 18 hours within year.

"Why not 100% color within a year?" asked Coy. It depends on availability of studio equipment and sponsors' desires, McConnell answered.

He wouldn't commit himself about NBC plans in the event other systems were adopted, said no decision had been made for such eventuality.

\* \* \* \*

## Other facets of week's testimony:

CBS waived cross-examination, counsel Samuel Rosenman stating CBS is eager to expedite decision, is only proponent fulfilling FCC's requirements. CBS was trading advantages of cross-examination for impression it hoped to make on FCC.

RCA counsel Joseph Heffernan countered that since his witnesses had always preceded CBS's, RCA's case had been predicated on cross-examination. Chairman Coy finally stated that cross-examination "is natural," that no one had to justify waiving it or not waiving it.

Cost of producing color programs, as compared with black-and-white, should be little if any greater, both McConnell and Stanton testified.

Bell Labs engineer Axel Jensen, at request of FCC, compared resolution capabilities of all systems, as he did before IRE (Vol. 6:10), testified that dot-interlacing could put them all on about same plane resolution-wise.

CTI hasn't proposed adding technique, but many expect it will momentarily, since engineers say it should work for them, too. Incidentally, CTI has petitioned for another official demonstration, in San Francisco, any time after April 25.

CBS showed kine recordings of color, 405-line and 525-line black-and-white. They were projected through movie camera, came through well.

At week's end, RCA's Dr. George Brown was on stand, had just begun giving more data on interference ratios, noise, etc., all to effect color is about same as black-and-white for purpose of allocations. Hearings resume same place April 3.

non-school pursuit...The broadcaster has a direct obligation to provide a wholesome balance in programming."

Columnist John Crosby put it tartly: "My own opinion, an old-fashioned one, is that the parents have no one but themselves to blame. Any parent who lets his child sit in front of a TV set 30 hours a week is abdicating to the TV set."

WCON-TV IN DOUBT, WKZO-TV TESTS SOON: Curious situation has developed in Atlanta, where merger of Journal and Constitution into corporate entity (though they will continue to publish separately) would leave one company owning 2 AM and 2 TV stations -- contrary to duopoly rules. So Atlanta Constitution's now-building WCON-TV, due on air in June, will probably go on block along with WCON-AM, 5 kw on 550 kc, ABC outlet. Together, they represent \$850,000 investment to date, of which about \$250,000 is in complete RCA transmitter equipment for TV, already installed, and \$180,000 in 1056-ft tower called highest of kind in country and near completion.

Troubles loom for seller, however, inasmuch as (1) both present TV stations in Atlanta, one owned by Journal, are operating in red, and buyers may be reluctant to sustain inevitable initial loss operation; (2) Constitution's AM outlet has operated last 2 years only under STA, due to engineering troubles that may require investment in 2 more towers to add to present 4; (3) station's power radiation involves certain engineering kinks still requiring adjustments with FCC, let alone completion of plant; (4) question whether FCC will permit sale of CPs.

So there's possibility that one more among remaining pre-freeze CPs for TV will be forced to drop out. CPs now total 7, with Louisville's WHAS-TV making formal debut March 27 as 102nd station on air (Vol. 6:10-11). Following Sunday, April 2, Norfolk's WTAR-TV gets going. This week, there's word that Kalamazoo's WKZO-TV may begin tests April 1 (Lansing's WJIM-TV is already testing), and Rock Island's WHBF-TV is far enough along so tests may be expected by end of April or mid-May. This week, too, first new application since last Oct. 15 was filed -- by WBTM, Dan-ville, Va. for Channel No. 7; see TV Addenda 10-K herewith for details. Withdrawn was Topeka application of Midland Broadcasting Co., Kansas City (KMBC).

## Count of TV Sets-in-Use by Cities

As of March 1, 1950

Sets-in-use totaled 4,835,000 as of March 1, according to NBC Research's monthly "census" report estimating TV receivers within 40-mi. service areas (.5Mv). NBC no longer publishes family figures, but those here listed are best available estimates of 1948 families within 40-mi. radius of city; note, however, that there are some overlaps, so that family figures are sometimes higher than actually served. March report includes Norfolk and Kalamazoo, due to have own stations by April. Total represents 461,000 increase over Feb. 1 count (Vol. 6:8).

401,000 increase ove	er reb. 1 cou	nt (voi. 6:0).				
Interconnected Cities						
	No.	No.	No.			
Area	Stations	Families	Sets			
Baltimore	3	732,000*	146,000			
Boston	2	1,175,000*	306,000			
Buffalo	1	323,000	73,800			
Chicago	4	1,438,000	420,000			
Cincinnati	3	384,000	92,900			
Cleveland	3	695,000	176,000			
Columbus	3	225,000	49,600			
Dayton	3 3 3 2 3 1	291,000	42,900			
Detroit	3	839,000	191,000			
Erie	ì	112,000	17,000			
Grand Rapids	ī	182,000	18,200			
Kalamazoo	—(a)	143,000	6,500			
Lancaster	1 '	85,000	35,600			
Memphis	1	177,000	24,200			
Milwaukee	ī	327,000	89,400			
New Haven	1	557,000	70,400			
New York	7	3,597,000	1,145,000			
Norfolk	— (b)	196,000	3,600			
Philadelphia	3 ` '	1,184,000	395,000			
Pittsburgh	i	742,000*	80,000			
Providence	1	1,011,000*	38,000			
Richmond	1	130,000	23,600			
Rochester	ī	208,000	31,100			
Schenectady	1	258,000	62,500			
St. Louis	1	474,000	98,500			
Syracuse	2	199,000	33,800			
Toledo	1	241,000	37,000			
		,				

Utica	1	127,000	9,300			
Washington	4	691,000*	109,000			
Wilmington	1	183,000	28,300			
Total						
Interconnected	55		3,854,200			
			-,,			
Non-Interconnected Cities						
Albuquerque	1	22,000	2,500			
Ames (Des Moines)	1	126,000	4,500			
Atlanta	2 1 2 1	233,000	27,800			
Binghamton	1	131,000	9,800			
Birmingham	2	196,000	11,400			
Bloomington	1	104,000	5,000			
Charlotte	1	171,000	12,200			
Davenport	1	133,000	8,300			
Fort Worth-	1 1 2 1	269,000*	19,300			
Dallas	2	277,000*	24,500			
Greensboro	1	165,000	9,600			
Houston	i	217,000	16,500			
Huntington	1	132,000	6,600			
Indianapolis	ī	231,000	30,000			
Jacksonville	ī	94,000	8,200			
Johnstown	ī	250,000*	16,500			
Kansas City	1 1 1 1	275,000	28,900			
Los Angeles	7	1,372,000	424,000			
Louisville	2(c)	188,000	25,200			
Miami	1	117,000	19,200			
Minneapolis-		,				
St. Paul	2	333,000	74,900			
New Orleans	1	225,000	19,900			
Oklahoma City	ī	138,000	21,500			
Omaha	2	132,000	15,800			
Phoenix	1	49,000	5,000			
Salt Lake City	2	93,000	11,000			
San Antonio	1 2 2 1 3	130,000	10,300			
San Diego	1	113,000	25,500			
San Francisco	3	825,000	43,500			
Seattle	1	307,000	24,500			
Tulsa	ī	125,000	16,400			
Others			2,500			
Total Non-						
Interconnected	47		980,800			
Total Intercon-						
nected and Non-						
Interconnected	102		4,835,000			
			2,000,000			

<sup>\*</sup>Family figures are based on estimates of 1948 population. Note that Boston-Providence, Dallas-Fort Worth, Baltimore-Washington, Pittsburgh-Johnstown coverages (hence total families) overlap. (a) WKZO-TV due to start tests early April. (b) WTAR-TV due to start scheduled operation April 2. (c) WHAS-TV due to start scheduled operation March 27.

Rash of new and revised comments on FCC's proposed vhf-uhf allocation plan (see pages 66-76, TV Directory No. 10) were filed at deadline March 24-all 37 summarized in Supplement 67F herewith. They brought total comments filed thus far to 232 (for summaries of all, see Supps. 67, 67A, 67F). Deadline for oppositions to new proposals is April 7. Noteworthy among week's batch was Yankee Network's request to change its Boston WNAC-TV from present Channel No. 7 to No. 2 to overcome receiver oscillation interference stemming from Providence's No. 11 (Vol. 6:8). WBTM, Danville, Va., requests Channel 7, proposing changes affecting 25 Southern citics. And RCA plumps for full use of entire uhf band, geographical groupings of uhf channels to ease set manufacture problems, assignment of at least 4 channels to each metropolitan area, avoidance of vhf-uhf intermingling in same cities if possible.

First concession that Phonevision may not get firstrun pictures came this week from Zenith's E. F. Mc-Donald, who told Hollywood newsman pay-as-you-look system could use second-runs though he'd prefer pictures not more than year old. Heretofore, he has insisted that first-runs were part and parcel of Phonevision's appeal. Leaving Hollywood March 21, he said he will return in month to settle details on 90 pictures he says he has secured for Chicago tests starting in September. Thus far, no takers have been announced of royalty plan offered other set manufacturers (Vol. 6:8) to permit them to build in Phonevision plugs and units. Note: Upon return to Chicago, Comdr. McDonald was quoted in Chicago Journal of Commerce March 25 as stating he believes "Hollywood money" is largely behind recent activity and gains in Zenith stock.

Question churning FCC staff and some broadcast circles is who's going to head up Broadcast Bureau to be set up shortly under reorganization plan (Vol. 6:10). Believed to be Chairman Coy's choice in Harry Plotkin, asst. general counsel, but Comr. Jones and ccrtain broadcast interests are said to be plumping for John Willoughby, asst. chief engineer. (Comr. Jones had also backed Willoughby for chief engineer job, which went to Curtis Plummer; Vol. 6:10). TV would have division in Broadcast Bureau. Choice may hinge on whether lawyer or engineer should be selected, and that in turn may depend on profession of person picked to head Safety & Special Services and Field Engineering & Monitoring bureaus.

Kine recording complaint of viewer Charles W. Curran, Jackson Heights, L. I. (Vol. 6:4) was dismissed by FCC this week. He had asked that stations be required to announce each kine before showing on grounds that viewers spend needless time adjusting sets trying to get better reproduction from kines. Commission's reasons: (1) People usually know when they see kines, and if they don't, there's nothing to worry about. (2) AM-FM stations aren't required to tell what kind of mechanical reproduction is used—whether ET, record, tape, etc. (3) To follow Curran's logic, stations ought to tell whether program is film, whether new or old film, whether it comes through 2.7-mc network—or anything else than direct live material. FCC's implication was that such procedure is ridiculous. Complaint was first and only such received.

Personal Notes: CBS chairman William S. Paley elected life trustee of Columbia University... Verne W. Behnke, ex-Video Varieties Corp., joins CBS-TV as sales rep in Film Syndication Dept... John R. Sheehan, ex-Buchanan, joins Cunningham & Walsh (formerly Newell-Emmett) as associate director of radio-TV... Wallace A. Ross, publisher of Ross Reports on TV, new sales director of World Video Inc., succeeding Henry White (Vol. 6:11).

Telecasting Notes: Crosley TV stations offering advertisers time bonus up to 50% of their average weekly expenditures if they stay on during July, August, September; or else they can use established 40% summer dis-WKRC-TV, Cincinnati, adopts 40% discounts from April 1-September 30 for all times except 7-10 p.m. . . . New York News' WPIX has 30-day option on 118 Madison Square Garden events during 1950-51, covering all but Fri. boxing (NBC's) and Sat. nights; deal based on WPIX's ability to sell package figured at \$500,000, including air time . . . WJZ-TV new daytime schedule calls for 12:30-5:15 p.m. Wed. thru Sat. . . . Jerry Fairbanks Inc. sets up complete movie studio facilities at 157 E. 69th St., New York, headed by v.p. Russ Johnston and production director Robert Lawrence . . . Joan Crawford reported to be considering offer of \$1,000,000 to do series of halfhour fashion films to be sponsored on TV by women's clothing company . . . Eagle Lion feature films as late vintage as 1945-47 being made available for TV; WJBK-TV, Detroit, buys 49 of them at reported \$12,250.

Network Accounts: hi-V Corp. (frozen orange juice), of which Arthur Godfrey is large stockholder and director, will sponsor him on CBS-TV starting April 4 in show featuring him "teaching ukelele," Tue. & Thu. 7:45-8, thru Franklin Bruck Adv.; that makes it 8 hours, 45 min. on air weekly for Godfrey, 2 hours on TV . . . Anheuser Busch (Budweiser), whose Ken Murray Show is on CBS-TV alternate Sat. 8-9, in October will sponsor some show same period weekly.

Station Accounts: Noteworthy new types of local TV sponsorships are New York Telephone Co., using film spots on state TV stations, having as theme business listings in Classified Directory, placed by BBDO; and Retail Clerks Union Local 770, Los Angeles, which starts 770 on The Air-TV on KTTV, Mon. April 3, 11-11:15 p.m., with guests, films, commentaries, etc. Among 17 new sponsors signed by New York's WPIX this month are Guinness Stout, thru Hewitt, Ogilvy, Benson & Mather; Jamaica Race Track, thru Al Paul Lefton; Lamont Corliss (Nestles candy bar), thru Cecil & Presbrey; Shop by Mail (nylon hosiery), thru Scheck Adv.; Duke Industries (Hair-Vac), thru W. B. Doner; Schneider International Co. (plastic dishes), thru John Shrager Adv.; John Middleton Tobacco Co., thru Anderson, Davis & Platte. Among other sponsors reported using or preparing to use spot TV: Conmar Products Corp. (zippers), thru William Weintraub Agency; H. J. Heinz Co., thru Maxon; Clark Bros. Chewing Gum Co. (Teaberry gum). thru McCann-Erickson; Santa Fe Railroad, thru Leo Burnett Agency; Adler Co. (socks), thru Ruthrauff & Ryan, Chicago; British Ceramics & Crystal (Canada) Ltd. (English bone china), tests on WBEN-TV, Buffalo, thru F. H. Hayhurst Co., Toronto; Cory Corp. (Automatic Coffee Maker), thru Dancer-Fitzgerald-Sample; Atlantic Syrup Refining Corp. (Donald Duck Chocolate Syrup), thru J. Robert Mendte, Philadelphia; Drackett Co. (Drano & Windex), thru Young & Rubicam; Brock Candy Co. (Brock bar), thru Liller, Neal & Battle, Atlanta; Armour & Co. (Vertagreen lawn fertilizer); Chr. Hansen's Laboratory Inc. (Junket), thru McCann-Erickson.

Hollywood Screen Directors Guild (Ind.) claimed jurisdiction this week over TV directors—film and live—on ground live directors are engaged in productions viewed on home "screens." If serious, move presages jurisdictional battle with Radio & TV Directors Guild (AFL).

FCC budget of \$6,625,000 for 1950-51 was recommended this week by House Appropriations Committee, \$25,000 more than Commission got last year, \$287,000 less than President had asked for.